

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

This document gives notice of the Charter Court Financial Services Group plc 2018 Annual General Meeting and sets out resolutions to be voted on at the meeting. If you are in any doubt as to the action you should take, it is recommended that you seek your own advice immediately from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent professional adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the UK or, if not, from another appropriately authorised independent professional adviser.

If you sell or have sold or otherwise transferred all your ordinary shares in Charter Court Financial Services Group plc ('Ordinary Shares'), you should send this document together with the accompanying documents to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected as soon as possible, for onward transmission to the purchaser or transferee. If you sell or have sold only part of your holding of Ordinary Shares, you should retain this document and the accompanying documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

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## Charter Court Financial Services Group plc

(Incorporated in England and Wales with Registered Number 6712054)

### Notice of Annual General Meeting 2018

Wednesday 16 May 2018 at 12.00 noon

Notice of the Charter Court Financial Services Group plc 2018 Annual General Meeting to be held at Linklaters LLP, One Silk Street, London EC2Y 8HQ on Wednesday 16 May 2018 at 12:00 noon (UK time) is set out on pages 4 to 6 of this document.

A Form of Proxy for use at the Annual General Meeting is enclosed and, to be valid, should be completed, signed and returned so as to be received by Charter Court Financial Services Group plc's Registrars, Equiniti Limited, FREEPOST RTHJ-CLLL-KBKU, Aspect House, Spencer Road, Lancing, West Sussex BN99 8LU, UK as soon as possible but, in any event, so as to arrive no later than 12:00 noon (UK time) on Monday 14 May 2018. Completion and return of a Form of Proxy will not prevent members from attending and voting in person should they wish to do so.

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## Letter from the Chairman



Incorporated in England and Wales with Registered Number 6712054

**Registered Office:**  
Charter Court Financial Services Group plc  
2 Charter Court  
Broadlands  
Wolverhampton  
WV10 6TD

11 April 2018

*To the holders of Charter Court Financial Services Group plc shares*

**Dear Shareholder,**

### **Annual General Meeting to be held on Wednesday 16 May 2018**

On behalf of the directors of Charter Court Financial Services Group plc (together the 'Directors'), it gives me great pleasure to invite you to attend the Annual General Meeting ('AGM') of Charter Court Financial Services Group plc (the 'Company') which will be held at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ on Wednesday 16 May 2018 at 12:00 noon (UK time). A location map is included on page 15 and on the Form of Proxy.

This will be the Company's first AGM and I look forward to welcoming you to the meeting.

A copy of the 2017 Annual Report and Accounts for the year ended 31 December 2017 is enclosed with this document, together with a proxy form to enable you to exercise your voting rights.

The formal Notice of AGM is set out on pages 4 to 6 of this document, detailing the resolutions that the shareholders are being asked to vote on with explanatory notes of the business to be conducted at the AGM on pages 7 to 9. Details of the arrangements for the AGM are set out on pages 13 to 15. The AGM provides shareholders with an opportunity to communicate with the Directors and we welcome your participation.

Voting on the business of the meeting will be conducted on a poll. I would encourage shareholders to exercise their right to vote in the following ways:

- If you will be attending the AGM, please bring the attendance slip enclosed with your Form of Proxy to the AGM when voting.
- If you are not able to attend the AGM in person, you can cast your votes by proxy by completing the enclosed Form of Proxy and returning it to Equiniti Limited, FREEPOST RTHJ-CLLL-KBKU, Aspect House, Spencer Road, Lancing, West Sussex BN99 8LU, UK. Alternatively, you can vote using the internet at [www.sharevote.co.uk](http://www.sharevote.co.uk) using the relevant reference numbers printed on your Form of Proxy. Full details of how to vote using the Form of Proxy or via the internet can be found on page 13. Completion and return of the Form of Proxy will not prevent shareholders from attending in person and voting at the meeting should they subsequently decide to do so.
- CREST members may use the CREST electronic proxy appointment service to submit their proxy appointment in respect of the AGM as detailed in the Notes to the Notice of AGM on page 14.
- Please note that all Forms of Proxy and appointments, whether postal or electronic, must be received by 12.00 noon (UK time) on Monday 14 May 2018.

If I am appointed as your proxy I will, of course, vote in accordance with any instructions given to me. If I am given discretion as to how to vote, I will vote in favour of each of the resolutions to be proposed at the AGM.

The Directors believe that the resolutions set out in the Notice of AGM are in the best interests of the Company and its shareholders as a whole and unanimously recommend that shareholders vote in favour of all of the resolutions to be proposed at the AGM. The Directors who own Ordinary Shares intend to vote in favour of the resolutions to be proposed at the AGM.

The results of voting on the Resolutions will be posted on the Company's website and notified to the UK Listing Authority once the votes have been counted and verified.

I look forward to seeing you at the AGM.

**Yours faithfully**



**Sir Malcolm Williamson**  
Chairman

## Notice of the Annual General Meeting

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING of Charter Court Financial Services Group plc (the 'Company') will be held at 12.00 noon (UK time) on Wednesday 16 May 2018 at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ to consider and, if thought appropriate, pass the following resolutions of which Resolutions 1 to 16 will be proposed as ordinary resolutions and Resolutions 17 to 20 will be proposed as special resolutions.

Resolutions 9 to 12 relating to the election of the independent non-executive directors will be passed only if a majority of votes cast by the independent shareholders of the Company are in favour, in addition to a majority of the votes cast by all the shareholders being in favour. The independent shareholders of the Company are all the shareholders, other than Elliott Associates, L.P. and Elliott International, L.P.

## ORDINARY RESOLUTIONS

### Reports and Accounts

1. THAT, the audited accounts of the Company for the financial year ended 31 December 2017, together with the Directors' Report, Strategic Report and Auditor's Report thereon be received.

### Directors' Remuneration

2. THAT, the Directors' Remuneration Policy (set out on pages 68 to 77 of the Annual Report and Accounts for the financial year-ended 31 December 2017) be approved.
3. THAT, the Annual Report on Remuneration (set out on pages 78 to 84 of the Annual Report and Accounts for the financial year-ended 31 December 2017) be approved.

### Directors

4. THAT, Sir **Malcolm Williamson**, be elected as a Director of the Company.
5. THAT, Mr **Ian Lonergan**, be elected as a Director of the Company.
6. THAT, Mr **Sebastien Maloney**, be elected as a Director of the Company.
7. THAT, Mr **Peter Elcock**, be elected as a Director of the Company
8. THAT, Mr **Philip Jenks** be elected as a Director of the Company.
9. THAT, Ms **Nöel Harwerth**, be elected as a Director of the Company.
10. THAT, Mr **Ian Ward**, be elected as a Director of the Company.
11. THAT, Mr **Tim Brooke**, be elected as a Director of the Company.
12. THAT, Mr **Rajan Kapoor**, be elected as a Director of the Company.

### Auditors

13. THAT, Deloitte LLP be re-appointed as auditor of the Company (the 'Auditor') to hold office until the conclusion of the next general meeting of the Company at which the accounts are laid before the Company.
14. THAT, the Audit Committee of the Company be authorised to agree the remuneration of the Auditor.

### Political Donations

15. THAT, in accordance with Part 14 of the Companies Act 2006, the Company and all companies that are subsidiaries of the Company at any time during the period for which this resolution is effective be and are hereby authorised to:
  - (i) make political donations to political parties and/or independent election candidates;
  - (ii) make political donations to political organisations other than political parties; and
  - (iii) incur political expenditure,

provided that the aggregate amount of any such donations and expenditure incurred by the Company and its subsidiaries shall not exceed £50,000 during the period commencing on the passing of this resolution and ending at the conclusion of the Company's AGM to be held in 2019 or, if earlier, at the close of business on 30 June 2019. Words and expressions defined for the purpose of the Companies Act 2006 shall have the same meaning in this resolution.

### Directors' authority to allot shares

16. THAT, the Directors of the Company be and are hereby generally and unconditionally authorised pursuant to and in accordance with section 551 of the Companies Act 2006 (or the 'Act') to exercise all the 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 £789,000 (being approximately 33% of the issued ordinary share capital of the Company), such authority to apply in substitution for all previous authorities pursuant to section 551 of the Act and provided that this authority shall expire at the end of the Annual General Meeting of the Company held in 2019 or on 30 June 2019, whichever is the earlier, save that the Company may, before such expiry, make offers and enter into agreements 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 the authority given by this resolution has expired.

## SPECIAL RESOLUTIONS

### Disapplication of pre-emption rights

17. THAT, subject to the passing of Resolution 16 above, the Board be authorised to allot equity securities (as defined in Section 560(1) of the Companies Act 2006) wholly for cash pursuant to the authority given by Resolution 16, or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the Companies Act 2006, in each case:

- (A) in connection with a pre-emptive offer; and
- (B) otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount of £119,500 (being approximately 5% of the issued ordinary share capital of the Company),

as if Section 561(1) of the Companies Act 2006 did not apply to any such allotment;

such authority to expire at the end of the Annual General Meeting of the Company held in 2019 (or, if earlier, at the close of business on 30 June 2019) 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 given by this Resolution has expired and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

For the purposes of this Resolution:

- i. "pre-emptive offer" means an offer of equity securities open for acceptance for a period fixed by the Directors to (a) holders (other than the Company) on the register on a record date fixed by the Directors of Ordinary Shares in proportion (as near as may be practicable) to their respective holdings and (b) other persons so entitled by virtue of the rights attaching to any other equity securities held by them, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory;
  - ii. references to an allotment of equity securities shall include a sale of treasury shares; and
  - iii. the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.
18. THAT, subject to the passing of Resolution 16 above, the Board be authorised in addition to any authority granted under Resolution 17 to allot equity securities (as defined in section 560(1) of the Companies Act 2006) wholly for cash pursuant to the authority given by Resolution 16 or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the Companies Act 2006 as if Section 561(1) of the Companies Act 2006 did not apply to any such allotment, such authority to be:
- (A) limited to the allotment of equity securities or sale of treasury shares up to an aggregate nominal amount of £119,500 (being approximately 5% of the issued ordinary share capital of the Company); 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 Board determines 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 Annual General Meeting of the Company held in 2019 (or, if earlier, at the close of business on 30 June 2019) 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 given by this resolution has expired and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

**Authority to purchase own shares**

**19.** THAT, the Company be and is hereby generally and unconditionally authorised for the purpose of section 701 of the Act to make market purchases (as defined in section 693 of that Act) of Ordinary Shares in the capital of the Company, provided that:

- (A) the maximum number of Ordinary Shares that may be purchased is 23,900,000 (being approximately 10% of the issued ordinary share capital of the Company);
- (B) the minimum price that may be paid for an Ordinary Share shall be not less than the nominal value of such share;
- (C) the maximum price to be paid for each Ordinary Share shall be the higher of (i) an amount equal to 105% of the average of the closing price of the Company's Ordinary Shares as derived from the London Stock Exchange's Daily Official List for the five business days immediately preceding the day on which such 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 Commission-adopted Regulatory Technical Standards pursuant to article 5(6) of the Market Abuse Regulation;
- (D) this authority shall expire at the conclusion of the Annual General Meeting of the Company held in 2019 or, if earlier, 30 June 2019 (except in relation to the purchase of shares the contract for which was concluded before the expiry of such authority and which might be executed wholly or partly after such expiry), unless such authority is renewed prior to such time..

**Notice of general meetings**

**20.** THAT, a general meeting other than an Annual General Meeting, may be called on not less than 14 clear days' notice, provided that facilities are available to shareholders to vote by electronic means for meetings called at such notice.

By order of the Board



**Matthew Baker**  
Company Secretary

11 April 2018

Registered Office:  
Charter Court Financial Services Group plc  
2 Charter Court  
Broadlands  
Wolverhampton  
WV10 6TD

Company No: 6712054

## Explanatory Notes on Resolutions

The following pages give an explanation of the proposed resolutions.

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 20 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.

Under the Listing Rules, Elliott Associates, L.P. and Elliott International, L.P. are together classed as "controlling shareholders" of the Company. This means that the independent non-executive directors of the Company must be elected by a majority of the votes cast by the independent shareholders of the Company, as well as by a majority of the votes cast by all the shareholders. The independent shareholders of the Company, means all the shareholders of the Company other than Elliott Associates, L.P. and Elliott International, L.P. Therefore, the resolutions for the election of the independent non-executive directors (Resolutions 9 to 12) will be taken on a poll and the votes cast by the independent shareholders and by all the shareholders will be calculated separately. Such resolutions will be passed only if a majority of the votes cast by the independent shareholders are in favour, in addition to a majority of the votes cast by all the shareholders being in favour.

### Reports and Accounts (Resolution 1)

The first item of business is the receipt by shareholders of the audited accounts for the financial year ended 31 December 2017 together with the Directors' Report, the Strategic Report and the Auditor's Report (the 'Annual Report').

### Directors' Remuneration Policy (Resolution 2)

The Companies Act 2006 requires the Company to ask shareholders to approve the Directors' Remuneration Policy. This is set out on pages 68 to 77 of the Annual Report and Accounts for the year ended 31 December 2017. Resolution 2 is a binding vote. If approved by shareholders, the Directors' Remuneration Policy will take effect immediately after the end of the AGM and will apply for up to three years without a new shareholder approval unless replaced by a new or amended policy in which case the Company will need to put the revised policy to a vote again before it can implement the new policy.

### Directors' Remuneration Report (Resolution 3)

Resolution 3 seeks shareholder approval of the Annual Report on Remuneration for the year ended 31 December 2017, as set out on pages 78 to 84 of the Annual Report and Accounts. The vote on this resolution is advisory in nature and Directors' remuneration is not conditional on the passing of this resolution.

### Election of Directors (Resolutions 4 to 12)

In accordance with the Company's Articles of Association, all directors will retire and resolutions 4 to 12 propose their election by the Company's shareholders.

The Board has reviewed the role of each of the Directors and remains satisfied that each of the Directors continues to be fully competent to carry out their responsibilities as a member of the Board of Directors and that each such Director's performance continues to be effective and to demonstrate commitment to the role. In support of this assessment, the Nomination Committee has reviewed the time commitments made by each Director to the work of the Board and its committees, and their respective attendance records during the year, and is satisfied that all of the Directors are fully committed in undertaking their duties and responsibilities to the Board and the Company. Biographical details for these Directors, reflecting the roles and commitments of the Directors as at 9 April 2018, being the latest practicable date before publication of this notice, are provided on pages 10 to 12. The Letters of Appointment of the Non-Executive Directors reflect the requirements of this provision.

Ian Ward has disclosed as an interest his directorship of the Newcastle Building Society, the parent of Newcastle Strategic Solutions Limited (on the Board of which Mr Ward does not sit) which provided outsourced services relating to Charter Savings Bank. Mr Ward does not participate in the discussion of and voting on matters related to the outsourcing arrangement in his role on either of the Company and Newcastle Building Society Boards and his access to related Board papers is also restricted.

None of the other independent Non-Executive Directors seeking election at the Annual General Meeting has any existing or previous relationship, transaction or arrangement with the Company, the other Directors, any controlling shareholder of the Company or any associate of a controlling shareholder of the Company, within the meaning of Listing Rule 13.8.17R (1) other than as disclosed below.

### Additional Disclosure on the election of Directors

The Board considers each of the independent Directors to be independent in character and judgement and remain satisfied that they are each independent when the scenarios set out in UK Corporate Governance Code Provision B.1.1. are taken into account.

The Nomination Committee is responsible for making recommendations to the Board on the structure, size and composition of the Board and its committees and succession planning for the Directors. Before making appointments of new Directors, the Nomination Committee is responsible for evaluating the balance of skills, knowledge, experience and independence on the Board and identifying and nominating suitable candidates. The Nomination Committee and the Board are committed to the principle of appointments to the Board being made on the basis of merit. The Nomination Committee also evaluates tenure and independence on an annual basis.

### **Re-appointment of Auditor (Resolution 13)**

The Company is required, at each general meeting at which accounts are presented, to appoint auditors to hold office until the conclusion of the next such meeting and Deloitte LLP has advised its willingness to stand for re-appointment. The Board, on the recommendation of the Audit Committee, recommends the re-appointment of Deloitte LLP as auditor to hold office until the conclusion of the Annual General Meeting of the Company held in 2019 (the 'Auditor').

### **Remuneration of Auditors (Resolution 14)**

This resolution seeks shareholder consent for the Audit Committee of the Company to set the remuneration of the Auditor.

### **Political donations (Resolution 15)**

The Companies Act 2006 requires companies to seek shareholder approval before they can make political donations exceeding £5,000 in aggregate in any 12-month period, subject to limited exceptions. This requirement applies to donations to political parties, other political organisations or independent candidates, or any political expenditure incurred.

It is the Company's policy not to make political donations and/or incur political expenditure. However, the definitions of political donations, political organisations and political expenditure in the Companies Act 2006 are very wide and could inadvertently catch activities such as supporting policy review in the business community, employee activity in union activity, and funding seminars and other functions to which politicians are invited. Therefore, to avoid inadvertent infringement of the widely drawn provisions of the Companies Act 2006, the Directors are seeking shareholder authority to incur political expenditure up to a maximum aggregate amount of £50,000 during the period set out in the resolution. Political donations made or political expenditure incurred will be disclosed in the Company's 2018 Annual Report and Accounts, as required by the Companies Act 2006. There were no political donations made in 2017.

### **Directors' authority to allot shares (Resolution 16)**

The Company may only allot new shares (or grant rights over shares) if authorised to do so by the shareholders in a general meeting. The authority will allow the Directors to allot new shares and to grant rights to subscribe for or convert any securities into shares up to a nominal value of £789,000, which is equivalent to one third of the total issued ordinary share capital of the Company, exclusive of treasury shares, as at 9 April 2018, being the last practicable date before publication of this Notice. The Company does not currently hold any of its Ordinary Shares in treasury.

The Directors have no present intention to allot shares or grant rights to subscribe for or convert any security into shares pursuant to this authority. However, the Directors consider it desirable to have the flexibility to respond to market developments and to enable allotments to take place in appropriate circumstances. Given the Company's current capital structure, the Directors do not consider it necessary to seek the additional authority to allot up to a total of approximately 66% of the total issued Ordinary Share capital of the Company, in connection with a rights issue, as permitted by the guidance of the Investment Association. If this resolution is passed, the authority will expire on the conclusion of the next Annual General Meeting or on 30 June 2019, whichever is the earlier.

### **Disapplication of pre-emption rights (Resolutions 17 and 18)**

If the Directors wish to allot new shares and other equity securities, or sell treasury shares for cash (other than in connection with an employee share scheme), company law requires that these shares are offered first to shareholders in proportion to their existing holdings (known as pre-emption rights).

Limb (A) of Resolution 17 seeks shareholder approval to allot a limited number of Ordinary Shares or other equity securities, or sell treasury shares, for cash on a pre-emptive basis but subject to such exclusions or arrangements as the Directors may deem appropriate to deal with certain legal, regulatory or practical difficulties. For example, in a pre-emptive rights issue, there may be difficulties in relation to fractional entitlements or the issue of new shares to certain shareholders, particularly those resident in certain overseas jurisdictions.

In addition, there may be circumstances when the Directors consider it is in the interests of the Company to be able to allot a limited number of Ordinary Shares or other equity securities, or sell treasury shares for cash on a non pre-emptive basis. Accordingly, the purpose of limb (B) of Resolution 17 is to authorise the Directors to allot new shares and other equity securities pursuant to the allotment authority given by Resolution 16, or sell treasury shares for cash up to a nominal value of £119,500, equivalent to 5% of the total issued ordinary share capital of the Company excluding and including treasury shares (the Company holds no shares in treasury) as at 9 April 2018, being the last practicable date before publication of this Notice, without the shares first being offered to existing shareholders in proportion to their existing holdings.

In line with the template resolutions published by the Pre-Emption Group in May 2016, the purpose of Resolution 18 is to authorise the Directors to allot new shares and other equity securities pursuant to the allotment authority given by Resolution 16, or sell treasury shares, for cash up to a further nominal amount of £119,500, equivalent to 5% of the total issued ordinary share capital of the Company as at 9 April 2018, being the last practicable date before publication of this Notice, only in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue. If the authority given in Resolution 18 is used, the Company will publish details of the placing in its next annual report.

The Board intends to adhere to the provisions in the Pre-emption Group's Statement of Principles and not to allot shares or other equity securities or sell treasury shares for cash on a non pre-emptive basis pursuant to the authority in Resolution 17 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, other than:

- (i) with prior consultation with shareholders; or
- (ii) in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment.

The Board considers the authority in Resolutions 17 and 18 to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a pre-emptive offer or rights issue without the need to comply with the strict requirements of the statutory pre-emption provisions.

Such authority, if given, will expire at the end of the next AGM of the Company or, if earlier, at the close of business on 30 June 2019 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 Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

Resolutions 17 and 18 will be proposed as special resolutions.

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

The effect of this resolution is to renew the authority granted to the Company to purchase its own Ordinary Shares, up to a maximum of 23,900,000 Ordinary Shares until the earlier of the next Annual General Meeting and 30 June 2019. This represents 10% of the total issued ordinary share capital of the Company excluding treasury shares as at 9 April 2018, being the last practicable date before publication of this Notice and the Company's exercise of this authority is subject to the stated upper and lower limits on the price payable.

Pursuant to the Companies Act 2006, the Company can hold the shares which have been repurchased as treasury shares and either resell them for cash, cancel them, either immediately or at a point in the future, or use them for the purposes of its employee share schemes. The Directors believe that it is desirable for the Company to have this choice and therefore intend to hold any shares purchased under this authority as treasury shares. Holding the repurchased shares as treasury shares will give the Company the ability to resell or transfer them in the future, and so provide the Company with additional flexibility in the management of its capital base. No dividends will be paid on, and no voting rights will be exercised in respect of, treasury shares.

The authority will only be used after careful consideration, taking into account market conditions prevailing at the time, other investment opportunities, appropriate gearing levels and the overall financial position of the Company.

Shares held as treasury shares will not automatically be cancelled and will not be taken into account in future calculations of earnings per share (unless they are subsequently resold or transferred out of treasury). If any shares repurchased by the Company are held in treasury and used for the purposes of its employee share schemes, the Company will count those shares towards the limits on the number of new shares which may be issued under such schemes.

As at 9 April 2018, being the last practicable date before publication of this Notice, there were no options or warrants outstanding to subscribe for shares in the Company.

Resolution 19 will be proposed as a special resolution.

#### **Notice of general meetings (Resolution 20)**

The Companies (Shareholders' Rights Regulations) 2009 (the 'Shareholders' Rights Regulations') requires that the notice period for general meetings of the Company should be 21 days unless certain requirements are satisfied. The Company is currently able to call general meetings (other than an Annual General Meeting) on 14 clear days' notice and would like to preserve this ability. In order to be able to do so, shareholders must have approved the calling of meetings on 14 clear days' notice. This resolution seeks such approval and this approval will be effective until the Company's next Annual General Meeting. In the event that a general meeting is called on less than 21 days' notice, then the Company will meet the requirements for electronic voting under section 8 of the Shareholders' Rights Regulations in order to be able to call a general meeting on 14 clear days' notice. CREST voting will be permitted to fulfil these requirements.

The Company will not use the authority to call a general meeting on 14 clear days' notice as a matter of routine, and only in circumstances where the flexibility is merited by the business of the meeting or where it would be to the advantage of the members as a whole and moreover where the proposals are not of a complexity that might require more time for consideration by members.

Resolution 20 will be proposed as a special resolution.

## Directors' Biographical Details

### Sir Malcolm Williamson Chairman

**Appointed to the Board:** June 2017 (Chairman as of August 2017)

**Key skills and experience:**

Sir Malcolm has gained significant leadership experience on the boards of a number of publicly listed companies, having served a variety of roles, latterly as the Senior Independent Director at Aviva plc and as Chairman of Friends Life Group plc. These roles together with his executive experience as the former Group Chief Executive of Standard Chartered Bank and former President and CEO of Visa International ensure he is well placed to lead the Board effectively. Sir Malcolm's previous roles include Chairman of Signet Jewellers, Clydesdale Bank plc and the National Australia Group Europe (2012-2014) and a Non-Executive Director of National Australia Bank until 2012. He has been a Non-Executive Director of JP Morgan Cazenove Holdings, G4S and the National Grid Group and has served as a member of the Board of Trustees for the International Business Leaders Forum.

**Board committee membership:**

Nomination Committee Member

**Principal external appointments:**

Chairman, New Day Group UK Limited

Chairman, Youth Business International and CSFI

## Executive directors

### Ian Lonergan Chief Executive Officer

**Appointed to the Board:** November 2008

**Key skills and experience:**

As CEO and co-founder of the business, Ian leads the senior team and is responsible for delivering the Group strategy, ensuring risk management is a core focus and setting the values and standards to which employees work. He has over 20 years of experience in financial services, focusing mainly on strategy, financial analysis and management functions. Ian qualified as a Chartered Accountant with Ernst & Young where he worked in the Financial Services Practice as both as auditor and a management consultant in both Europe and the Asia Pacific regions.

**Principal external appointments:** None

### Sebastien Maloney Chief Financial Officer

**Appointed to the Board:** January 2010

**Key skills and experience:**

In his role as CFO, Sebastien has executive responsibility for all aspects of finance, including the production of management and statutory accounts, financial planning and analysis, corporate finance, treasury operations, capital markets activities, and asset/liability management. He previously held senior roles at Merrill Lynch, GMAC-RFC and Morgan Stanley, working in a range of roles focusing on portfolio valuation analytics, financial planning and liability management through to mortgage securitisation structuring and sales.

**Board committee membership:**

Disclosure Committee Chair

**Principal external appointments:** None

### Peter Elcock Chief Risk Officer

**Appointed to the Board:** November 2015

**Key skills and experience:**

Peter is responsible for the risk, legal and compliance teams. He has over 38 years of experience in financial services, having held a number of senior positions in financial institutions, including 27 years at Barclays Bank plc in a variety of roles and most latterly at director level leading risk management and change. He also held the role of Chief Risk Officer at Coventry Building Society.

**Principal external appointments:** Non-Executive Director of Ipswich Building Society

## Non-Executive Directors

### Philip Jenks

#### Deputy Chairman

**Appointed to the Board:** October 2009 (Deputy Chairman as of August 2017)

**Key skills and experience:**

Philip has over 40 years of experience in retail banking services, including 37 years at Halifax Bank of Scotland (and previously Halifax plc and Halifax Building Society), one of the UK's largest mortgage and savings businesses. He has worked closely with the Department for Communities and Local Government and been an adviser to the Housing Finance Select Committee. Since his appointment to the Charter Court Board, Philip has made a valued contribution in building the governance infrastructure and regulatory relationships.

**Board committee membership:** Risk Committee Member

**Principal external appointments:** Non-Executive Director at Leeds Building Society

### Noël Harwerth

#### Senior Independent Non-Executive Director

**Appointed to the Board:** June 2017 (Senior Independent Director as of August 2017)

**Key skills and experience:**

Noël has extensive experience in both the public sector with government bodies and the private sector with global banking companies, which brings valuable insight to the boardroom debate. Noël is a former director of Standard Life Aberdeen plc and RSA Insurance Group plc prior to which she held a variety of senior roles with Citicorp for 15 years, latterly serving as the Chief Operating Officer of Citibank International. Noël's prior non-executive roles include GE Capital Bank Limited, Sumitomo Mitsui Banking Corporation, Europe Avocet Mining and Alent plc.

**Board committee membership:**

Risk Committee Member

Remuneration Committee Member

Nomination Committee Member

**Principal external appointments:**

Chair of the UK Export Finance Board

Senior Independent Director of Sirius Minerals Plc

Non-Executive Director of The London Metal Exchange

Non-Executive Director of the British Horseracing Authority Limited

Member of the advisory board of CHAPS Clearing Company Limited

Board member of Standard Life Assurance Limited, a subsidiary of Standard Life Aberdeen plc

### Ian Ward

#### Independent Non-Executive Director

**Appointed to the Board:** January 2015

**Key skills and experience:**

Ian has over 40 years of experience in financial services including 16 years as Chief Executive Officer of Leeds Building Society. He was formerly a director of Leeds, York and North Yorkshire Chamber of Commerce and Chairman of its property forum. Ian has considerable experience in non-executive roles and his understanding of the regulated financial services market brings valuable regulatory insight to the Board.

**Board committee membership:**

Remuneration Committee Chair

Audit Committee Member

Risk Committee Member

Nomination Committee Chair

**Principal external appointments:**

Non-Executive Director of Newcastle Building Society

Chairman of Newcastle Systems Management Limited

Chairman of Newcastle Financial Advisors Limited

Senior Independent Director of Harrogate & District NHS Foundation Trust and a member of the audit and finance committees.

**Tim Brooke**

**Independent Non-Executive Director**

**Appointed to the Board:** January 2015

**Key skills and experience:**

Tim has strong risk management experience gained within the financial services sector through executive roles with JP Morgan Chase & Co., Yorkshire Building Society and latterly as a former partner with Pricewaterhouse Coopers LLP Risk Assurances Services. Together with Tim's internal audit experience gained in the early part of his career and his non-executive experience with Risk and Audit Committees he is well placed to lead the Risk Committee. Tim holds non-executive roles with a number of other financial and non-financial institutions operating in the UK and abroad.

**Board committee membership:**

Risk Committee Chair  
Audit Committee Member  
Remuneration Committee Member

**Principal external appointments:**

Non-Executive Director of Butterfield Mortgages Limited  
Senior Independent Non-Executive Director of Monzo Bank Limited  
Non-Executive Director of Marsden Building Society  
Chairman of Capita Employee Benefits Limited

**Rajan Kapoor**

**Independent Non-Executive Director**

**Appointed to the Board:** September 2016

**Key skills and experience:**

Rajan was Financial Controller of the Royal Bank of Scotland Group plc and held a number of senior finance positions in a 28-year career with RBS. He has wide-ranging experience of all aspects of banking including external reporting, financial planning and analysis, asset and liability management, taxation and stress testing. He also has extensive experience of financial and regulatory reporting in the UK and US, with a strong background in internal financial controls, governance and compliance. Rajan is a Fellow of the Institute of Chartered Accountants and of the Chartered Institute of Bankers in Scotland.

**Board committee membership:**

Audit Committee Chair  
Risk Committee Member  
Remuneration Committee Member

**Principal external appointments:** None

## Notes to the Notice of Annual General Meeting

### Proxies

1. A member is entitled to appoint another person as their proxy to exercise all or any of their 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 with this Notice. The appointment of a proxy will not prevent a member from subsequently attending and voting at the meeting in person. In the case of joint holders, any one holder may vote. If more than one holder is present at the meeting, only the vote of the senior will be accepted, seniority being determined in the order in which the names appear on the register. A space has been included in the Form of Proxy to allow members to specify the number of shares in respect of which that proxy is appointed. Shareholders who return the Form of Proxy duly executed but leave this space blank will be deemed to have appointed the proxy in respect of all of their shares. Shareholders who wish to appoint more than one proxy in respect of their shareholding should contact the Company's Registrars, Equiniti Limited, FREEPOST RTHJ-CLLL-KBKU, Aspect House, Spencer Road, Lancing, West Sussex BN99 8LU, UK or by telephone on 0371 384 2030 or +44 (0)121 415 7047 if you are calling from outside the UK. Lines open 8:30 a.m. to 5:30 p.m., Monday to Friday (excluding bank holidays in England and Wales).

For additional Forms of Proxy you may photocopy the Form of Proxy provided with this document indicating on each copy the name of the proxy you wish to appoint and the number of Ordinary Shares in the Company in respect of which the proxy is appointed. All Forms of Proxy should be returned together in the same envelope.

3. To appoint a proxy: either (a) the Form of 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 deposited with the Company's Registrars, Equiniti Limited, FREEPOST RTHJ-CLLL-KBKU, Aspect House, Spencer Road, Lancing, West Sussex BN99 8LU, UK; or (b) the proxy appointment must be lodged using the CREST Proxy Voting Service in accordance with note 10 below; or (c) online proxies must be lodged in accordance with note 5 below in each case so as to be received no later than 48 hours before the time of the holding of the AGM or any adjournment thereof.

Please note that all Forms of Proxy and appointments, whether postal or electronic, must be received by 12.00 noon (UK time) on Monday 14 May 2018.

### Nominated persons

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.

### Online voting

5. Submit an electronic proxy appointment by logging onto Equiniti's website [www.sharevote.co.uk](http://www.sharevote.co.uk). Shareholders will need their Voting ID, Task ID and Shareholder Reference Number, printed on the face of the accompanying Form of Proxy. Alternatively, if you have already registered with the Registrar's on-line portfolio service, Shareview you can submit your proxy by logging onto your portfolio at [www.shareview.co.uk](http://www.shareview.co.uk) using your usual ID and password. Once logged in simply click 'View' on the 'My Investments' page, click on the link to vote then follow the on screen instructions.

### Total voting rights

6. Holders of Ordinary Shares are entitled to attend and vote at general meetings of the Company. Each Ordinary Share confers one vote on a poll. The total number of issued Ordinary Shares in the Company on 9 April 2018, which is the latest practicable date before the publication of this document, is 239,130,419. Therefore, the total number of votes exercisable as at 9 April 2018 is 239,130,419.

As at 9 April 2018, there have been no further changes in the major shareholdings notified to the Company since 19 March 2018 (being the date on which the Directors' Report for the year ended 31 December 2017 was approved).

### Record date

7. 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 close of business (6:30 p.m. UK time) on 14 May 2018 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.

### Entry to the AGM, security arrangements and conduct of proceedings

8. To facilitate entry to the meeting, shareholders are requested to bring with them suitable evidence of their identity. Persons who are not shareholders of the Company (or their appointed proxy) will not be admitted to the AGM unless prior arrangements have been made with the Company. For security reasons, all hand luggage may be subject to examination prior to entry to the AGM. Cameras, tape recorders, laptop computers and similar equipment may not be taken into the AGM. We ask all those present at the AGM to facilitate the orderly conduct of the meeting and reserve the right, if orderly conduct is threatened by a person's behaviour, to require that person to leave.

#### **CREST proxy instructions**

9. 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 (available via [www.euroclear.com](http://www.euroclear.com)). 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.
10. 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 Euroclear's 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 an amendment to the instruction given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by 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 proxies appointed through CREST should be communicated to the appointee through other means.
11. 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, to procure that their 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.
12. 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.

#### **Automatic poll voting**

13. 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 UK Listing Authority once the votes have been counted and verified.

#### **Publication of audit concerns**

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

#### **Questions**

15. Any shareholder 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, or (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.

#### **Documents on display**

16. Copies of the Letters of Appointment of the Non-Executive Directors, and the Executive Directors' service contracts will be available at the registered office of the Company during usual business hours on any weekday (Saturdays, Sundays and public holidays excluded) until the date of the AGM and also at the place of the AGM from 15 minutes prior to the commencement of the meeting until the conclusion thereof.

#### **Information available on the website**

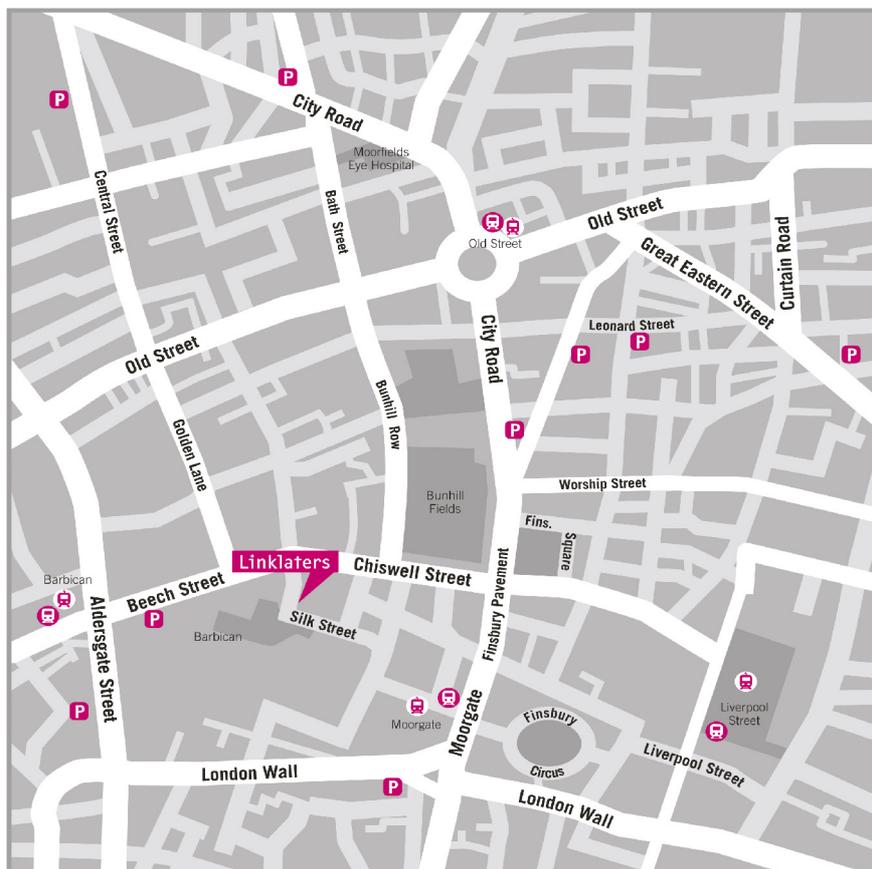
17. A copy of this notice and other information required by section 311A of the Companies Act 2006 can be found at [www.chartercourts.co.uk](http://www.chartercourts.co.uk). Shareholders may not use any electronic address provided in either this Notice of Meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

## Information on the 2018 Annual General Meeting

Charter Court Financial Services Group plc – Annual General Meeting  
Wednesday 16 May 2018 at 12:00 noon

### Location

The 2018 AGM is being held at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ, the location of which is shown on the map below:



### Transport details: How to get there by tube or train

Nearest tube station  
Moorgate, Barbican

### Nearest train station

Liverpool Street

### Security

Please note that, for security reasons, all hand luggage may be subject to examination prior to entry to the Annual General Meeting. Certain items will not be permitted in the meeting room. These include cameras, recording equipment, items of any nature with potential to cause disorder and such other items as the Chairman of the meeting may specify.

Persons who are not shareholders of the Company (or their appointed proxy) will not be admitted to the Annual General Meeting unless prior arrangements have been made with the Company.

We ask all those present at the Annual General Meeting to facilitate the orderly conduct of the meeting and reserve the right, if orderly conduct is threatened by a person's behaviour, to require that person to leave.

Shareholders should note that the doors to the Annual General Meeting will open at 11:30 a.m.

Charter Court Financial Services Group plc  
[www.chartercourtfsc.co.uk](http://www.chartercourtfsc.co.uk)  
0333 014 3477