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If you have sold or otherwise transferred all of your ordinary shares in Provident Financial plc, please pass this document 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.

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## **NOTICE OF THE 2014 ANNUAL GENERAL MEETING OF PROVIDENT FINANCIAL plc**

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Notice of the Annual General Meeting of Provident Financial plc to be held at its head office, No. 1 Godwin Street, Bradford, West Yorkshire BD1 2SU on Thursday 8 May 2014 at 10.00am is set out on pages 3 to 5 of this document.

Whether or not you propose to attend the Annual General Meeting, please complete and submit a proxy appointment form in accordance with the Notes to the Notice of the Annual General Meeting set out on pages 6 and 7. The proxy appointment form must be received at the address for delivery specified in the Notes by 10.00am on Tuesday 6 May 2014. Please note that Monday 5 May is a bank holiday and you should therefore allow sufficient time for your proxy appointment form to arrive.

**Provident Financial plc**

(incorporated and registered in England and Wales under number 668987)

**Registered Office:**

No. 1 Godwin Street  
Bradford  
West Yorkshire  
BD1 2SU

2 April 2014

*To shareholders*

**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 again holding at our head office at No. 1 Godwin Street, Bradford, West Yorkshire BD1 2SU on Thursday 8 May 2014 at 10.00am. Directions and a map of how to get to our offices are set out on the reverse of the enclosed proxy card. This will be my first AGM as chairman and I very much look forward to welcoming you to the meeting and to our offices. I have arranged for light refreshments to be available on arrival.

Full details of the resolutions that will be put to shareholders are set out in the formal Notice of Annual General Meeting which is set out on pages 3 to 5 of this document. Explanatory notes to the business to be considered are set out in Appendix I on pages 8 to 10.

Amongst the resolutions being proposed this year, I would like to draw your attention specifically to the following resolutions.

**Remuneration (Resolutions 2 and 3)**

These resolutions seek shareholder approval for the directors’ remuneration policy, the annual report on remuneration and the annual statement by the chairman of the remuneration committee, which together form the directors’ remuneration report. The directors’ remuneration report can be found on pages 108 to 130 (inclusive) of the Annual Report and Financial Statements 2013.

As a result of the new remuneration reporting regime the Company is required to propose two remuneration resolutions at this year’s AGM, the first being a binding vote on the Company’s forward looking remuneration policy (“the directors’ remuneration policy”) and the second being a non-binding advisory vote on the implementation of the Company’s existing remuneration policy (“the annual report on remuneration”).

Resolution 2 is a new ordinary resolution seeking approval for the directors’ remuneration policy which can be found on pages 109 to 115 (inclusive) of the Annual Report and Financial Statements 2013. The directors’ remuneration policy sets out the Company’s future policy on directors’ remuneration in terms of payments and share awards. The policy remains consistent with that operated during the 2013 financial year which was implemented following extensive shareholder consultation. This resolution is binding and, if passed by shareholders, the Company will only be able to make payments to its directors after the date the directors’ remuneration policy takes effect, (which will be the date of the AGM), that are consistent with the approved directors’ remuneration policy or that have otherwise been separately approved by shareholders. The Company is required to put a similar binding resolution to shareholders annually, unless the approved directors’ remuneration policy is left unchanged in which case a resolution will only need to be put to shareholders as a minimum every three years.

If the Company wished to change the directors’ remuneration policy it would need to put the revised policy to a vote again, before it could implement that new policy.

Resolution 3 is an ordinary resolution seeking approval of the annual statement by the chairman of the remuneration committee and the annual report on remuneration for the year ended 31 December 2013 which can be found on page 108 and pages 116 to 130 (inclusive) of the Annual Report and Financial Statements 2013. The annual report on remuneration gives details of (a) the implementation of the Company's current remuneration policy during the year ended 31 December 2013 and (b) how the remuneration policy will be applied in practice during the 2014 financial year in terms of payments and share awards. As in previous years, this resolution will be advisory in nature and the directors' entitlement to remuneration is not conditional on the resolution being passed.

#### **Final Dividend (Resolution 4)**

You are being asked to approve a recommended final dividend of 54.0p per ordinary share for the year ended 31 December 2013. If approved, the final dividend will be paid on 20 June 2014 to all ordinary shareholders who were on the register of members at the close of business on 23 May 2014.

#### **Recommendation**

The directors consider that all the resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole. Your board will be voting in favour of them and unanimously recommends that shareholders do so as well.

#### **Action to be taken**

If you would like to vote on the resolutions but cannot come to the AGM, please complete and submit a proxy appointment form in accordance with the Notes to the Notice of the Annual General Meeting set out on pages 6 and 7. The proxy appointment form must be received at the delivery address specified in the Notes by 10.00am on Tuesday 6 May 2014.

Yours faithfully

**Manjit Wolstenholme**  
Chairman

# Provident Financial plc

## NOTICE OF ANNUAL GENERAL MEETING

The fifty-fourth Annual General Meeting of Provident Financial plc will be held at No. 1 Godwin Street, Bradford, West Yorkshire BD1 2SU on Thursday 8 May 2014 at 10.00am. Shareholders will be asked to consider and pass the resolutions below. Resolutions 16 to 18 (inclusive) will be proposed as special resolutions. All other resolutions will be proposed as ordinary resolutions.

### Ordinary resolutions

1. THAT the directors' and auditor's reports and the audited financial statements of the Company for the year ended 31 December 2013 be received.
2. THAT the directors' remuneration policy set out on pages 109 to 115 (inclusive) in the Annual Report and Financial Statements 2013 be approved.
3. THAT the annual statement by the chairman of the remuneration committee and the directors' annual report on remuneration for the year ended 31 December 2013 set out on pages 108 and 116 to 130 (inclusive) in the Annual Report and Financial Statements 2013 be approved.
4. THAT a final dividend of 54.0p per share on the ordinary shares of 20<sup>8</sup>/<sub>11</sub>p each in respect of the year ended 31 December 2013 be declared.
5. THAT Malcolm Le May be appointed as a director of the Company.
6. THAT Alison Halsey be appointed as a director of the Company.
7. THAT Robert Anderson be reappointed as a director of the Company.
8. THAT Peter Crook be reappointed as a director of the Company.
9. THAT Andrew Fisher be reappointed as a director of the Company.
10. THAT Stuart Sinclair be reappointed as a director of the Company.
11. THAT Manjit Wolstenholme be reappointed as a director of the Company.
12. THAT Deloitte LLP be reappointed as auditor of the Company.
13. THAT the directors be authorised to determine the auditor's remuneration.
14. THAT, from the date of this resolution until the earlier of 30 June 2015 and the conclusion of the Company's next annual general meeting, the Company and all companies that are its subsidiaries at any time during such period are authorised to:
  - (a) make political donations to political parties and/or independent election candidates;
  - (b) make political donations to political organisations other than political parties; and
  - (c) incur political expenditure;up to an aggregate total amount of £50,000, with the amount authorised for each of heads (a) to (c) above being limited to the same total. Any such amounts may comprise sums paid or incurred in one or more currencies. Any sum paid or incurred in a currency other than sterling shall be converted into sterling at such a rate as the board may decide is appropriate. Terms used in this resolution have, where applicable, the meanings they have in Part 14 of the Companies Act 2006 on "Control Of Political Donations And Expenditure".
15. THAT the directors are generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares ("Allotment Rights"), but so that:
  - (a) the maximum amount of shares that may be allotted or made the subject of Allotment Rights under this authority are shares with an aggregate nominal value of £9,552,191;

- (b) this authority shall expire on 30 June 2015 or, if earlier, on the conclusion of the Company's next annual general meeting;
- (c) the Company may make any offer or agreement before such expiry which would or might require shares to be allotted or Allotment Rights to be granted after such expiry; and
- (d) all authorities vested in the directors on the date of the Notice of this meeting to allot shares or to grant Allotment Rights that remain unexercised at the commencement of this meeting are revoked.

### Special resolutions

16. THAT the Company be generally and unconditionally authorised, for the purposes of section 701 of the Companies Act 2006, to make one or more market purchases (as defined in section 693(4) of the Companies Act 2006) of its own ordinary shares of 20<sup>8</sup>/<sub>11</sub>p each ("ordinary shares"), such power to be limited:

- (a) to a maximum aggregate number of 13,965,191 ordinary shares; and
- (b) by the condition that the minimum price which may be paid for an ordinary share is the nominal value of that share and that the maximum price which may be paid for an ordinary share is the highest of:
  - (i) an amount equal to 5% above the average market value of an ordinary share, based on the London Stock Exchange Daily Official List, for the five business days immediately preceding the day on which that ordinary share is contracted to be purchased; and
  - (ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange at the time that the purchase is carried out,
 in each case, exclusive of expenses;

such power to expire on 30 June 2015 or, if earlier, on the conclusion of the Company's next annual general meeting; but in each case so that the Company may, before such expiry, enter into a contract to purchase ordinary shares which will or may be completed or executed wholly or partly after the power ends and the Company may purchase ordinary shares pursuant to any such contract as if the power had not ended.

17. THAT the directors be empowered to allot equity securities (as defined in the Companies Act 2006) for cash pursuant to the authority conferred by Resolution 15, as set out in the Notice of this meeting, and to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to such allotment or sale, such power to be limited to:

- (a) the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or an invitation to apply for, equity securities (whether by way of rights issue, open offer or otherwise):
  - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
  - (ii) to holders of other equity securities, as required by the rights of those securities or, as the board otherwise considers it necessary,

subject to any limits, restrictions or arrangements which the board considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

- (b) any other allotment of equity securities up to an aggregate nominal amount of £1,447,301

such power to expire when the authority conferred on the directors by Resolution 15 in the Notice of this meeting expires save that, before the expiry of this power, 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 power ends and the board may allot equity securities (and sell treasury shares) under any such offer or agreements as if the power had not ended.

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

Registered Office:  
No. 1 Godwin Street  
Bradford  
West Yorkshire  
BD1 2SU

Registered in England and Wales No. 668987

By order of the board



Kenneth J Mullen  
General Counsel and Company Secretary  
2 April 2014

## Notes

1. Members who are entitled to attend and vote at the meeting 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 annual general meeting ("AGM") provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.
2. The right of a member to vote at the meeting will be determined by reference to the register of members. To be entitled to attend, vote and speak at the AGM, shareholders must be registered in the register of members of the Company at 6.00pm on Tuesday 6 May 2014 (or, in the event of any adjournment, on the date which is two days before the time of the adjourned meeting).
3. A member wishing to attend, vote and speak at the meeting in person should arrive prior to the time fixed for its commencement. A member that is a corporation can only attend and vote at the meeting in person through one or more representatives appointed in accordance with section 323 of the Companies Act 2006. Any such representative should bring to the meeting written evidence of his/her appointment, such as a certified copy of a board resolution of, or a letter from, the corporation concerned confirming the appointment. Any member wishing to vote at the meeting without attending in person or (in the case of a corporation) through its duly appointed representative must appoint a proxy to do so.
4. 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 Capita Asset Services on 0871 664 0300 (calls cost 10p per minute plus network extras, lines are open 8.30am-5.30pm Mon-Fri). To be valid, a proxy form must be completed in accordance with the instructions that accompany it and delivered (together with any power of attorney or other authority under which it is signed, or a certified copy of such item) to Capita Asset Services, PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF so as to be received by 10.00am on Tuesday 6 May 2014. Alternatively, a member may appoint a proxy online by following the instructions for the electronic appointment of a proxy at [www.capitashareportal.com](http://www.capitashareportal.com). To be a valid proxy appointment, the member's electronic message confirming the details of the appointment completed in accordance with those instructions must be transmitted so as to be received by the same time. Members who hold their shares in uncertificated form may also use the CREST voting service to appoint a proxy electronically, as explained below. Appointing a proxy will not prevent a member from attending and voting in person at the meeting should he/she so wish.
5. Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the member 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 member as to the exercise of voting rights. The statement of the rights of members in relation to the appointment of proxies in Note 1 above does not apply to Nominated Persons. The rights described in Note 1 can only be exercised by members of the Company.
6. As at 27 March 2014 (being the latest practicable date prior to the publication of this document) the Company's total issued equity share capital consisted of 139,651,919 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 27 March 2014 were 139,651,919.
7. 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.
8. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). The message, regardless of whether it constitutes the appointment of a

proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA 10) by 10.00am on Tuesday 6 May 2014.

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.

9. CREST members and, where applicable, their CREST sponsors, or voting service providers, should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
10. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
11. 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 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. The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the 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 AGM includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.
12. Any member entitled to attend and vote at 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 that the question be answered.
13. Information relating to the meeting which the Company is required by the Companies Act 2006 to publish on a website in advance of the meeting can be found at [www.providentfinancial.com](http://www.providentfinancial.com). A member may not use any electronic address provided by the Company in this document or with any proxy appointment form or in any website for communicating with the Company for any purpose in relation to the meeting other than as expressly stated in it.

## APPENDIX I

### Resolutions

The following notes give an explanation of the proposed resolutions.

Resolutions 1 to 15 (inclusive) are proposed as ordinary resolutions. An ordinary resolution will be passed at a meeting on a show of hands if it is passed by a simple majority of (i) the members who (being entitled to do so) vote in person on the resolution and (ii) the persons who vote on the resolution as duly appointed proxies of members entitled to vote.

Resolutions 16 to 18 (inclusive) are proposed as special resolutions. A special resolution will be passed at a meeting on a show of hands if it is passed by a majority of not less than 75% of (i) the members who (being entitled to do so) vote in person on the resolution and (ii) the persons who vote on the resolution as duly appointed proxies of members entitled to vote.

#### Resolution 1: Directors' and auditor's reports and audited financial statements

The directors' and auditor's reports and the audited financial statements of the Company for the year ended 31 December 2013, together the Annual Report and Financial Statements 2013 (the "annual report") have been made available to shareholders and will be presented at the AGM. The annual report may also be accessed on the Company's website at [www.providentfinancial.com](http://www.providentfinancial.com). In accordance with the UK Corporate Governance Code, the Company proposes a resolution on the annual report at the AGM.

#### Resolution 2: Directors' remuneration policy

The directors' remuneration policy is contained in the annual report. It may also be accessed on the Company's website at [www.providentfinancial.com](http://www.providentfinancial.com). This is a binding vote and if passed by shareholders the Company will only be able to make payments after the date of the AGM consistent with the approved policy.

#### Resolution 3: Remuneration committee chairman's annual statement and directors' annual report on remuneration

The remuneration committee chairman's annual statement and the directors' annual report on remuneration for the year ended 31 December 2013 are contained in the annual report. It may also be accessed on the Company's website at [www.providentfinancial.com](http://www.providentfinancial.com). This vote is advisory only and does not affect the actual remuneration paid to any individual director.

#### Resolution 4: Dividend

Shareholders are being asked to approve the final dividend for each ordinary share. However, the final dividend cannot be more than the amount which the directors recommend (which is 54.0p for each ordinary share). Under the articles of association of the Company the directors can pay interim dividends (these are dividend payments made during the year). The final dividend proposed in this resolution is in addition to the interim dividend of 31.0p for each ordinary share which was paid on 30 November 2013.

#### Resolutions 5 to 11: Appointment and reappointment of directors

The articles of association of the Company state that any director appointed by the board since the last AGM will be required to retire at the next AGM and may offer himself or herself for appointment by the shareholders. Alison Halsey and Malcolm Le May were appointed on 1 January 2014 and will therefore retire at the AGM and offer themselves for appointment.

The articles of association of the Company state that each director should retire, but may be reappointed at least at every third AGM as well as the first AGM following appointment. Furthermore, each director must offer himself for reappointment annually once he has served for nine years or more. However, in accordance with the annual reappointment recommendations of the UK Corporate Governance Code all remaining directors will, as in previous years, retire at the AGM and offer themselves for reappointment. There is information about the directors and the board committees on which they sit in Appendix II on pages 11 to 14 of this document.

In accordance with the UK Corporate Governance Code, the Chairman confirms that a formal performance evaluation has been carried out and each of these directors continues to be an effective member of the board and to demonstrate commitment to the role.

### **Resolutions 12 & 13: Re-appointment and remuneration of auditor**

The Company is obliged by law to appoint an auditor annually. Deloitte LLP were first appointed as auditor to the Company at the 2013 AGM. Resolution 12 proposes that Deloitte LLP now be re-appointed as the Company's auditor.

Resolution 13 authorises the directors to set the auditor's remuneration.

### **Resolution 14: Authority to make political donations**

This resolution renews the resolution that was passed at the 2013 AGM and seeks approval from shareholders to enable the Company to make political donations or incur political expenditure which it would otherwise be prohibited from making or incurring by the Companies Act 2006.

Amongst other things, the Companies Act 2006 prohibits companies and their subsidiaries from making political donations or incurring political expenditure in excess of an aggregate of £5,000 in relation to a political party or other political organisation or an independent election candidate in any 12 month period unless such donations and expenditure have been approved in advance by the Company's shareholders. The Company and its subsidiaries do not currently make donations to political parties and do not intend to do so in the future. However, the Companies Act 2006 contains wide definitions of "political donation", "political organisation", "political expenditure" and "political party" and, as a result, it is possible that the Company and its subsidiaries may be prohibited from supporting bodies which it is in the shareholders' interests for the Company to support; for example, bodies concerned with policy review or law reform, with the representation of the business community or sections of it or special interest groups. If this resolution is passed the Company and its subsidiaries will be authorised to make political donations and incur political expenditure which might otherwise be prohibited by the legislation, up to a limit of, in aggregate, £50,000. The directors consider that the authority is necessary to provide the Company with comfort that it will not, because of uncertainties as to the scope and interpretation of the legislation, unintentionally commit a technical breach of it. It will also allow the Company and its subsidiaries to provide financial and other support to organisations which it is in shareholders' interests for the Company to support.

As permitted under the Companies Act 2006, the resolution extends not only to the Company but also covers all companies which are subsidiaries of the Company at any time the authority is in place.

### **Resolution 15: Authority to allot shares**

The directors are currently authorised to allot shares (which include ordinary shares and preference shares) in the Company and to grant rights to subscribe for or convert any security into shares but the authority is due to expire at the 2014 AGM. In accordance with best practice the directors are seeking the annual renewal of this authority. The previously granted authority will be revoked although such revocation will not have retrospective effect.

This resolution would give the directors the authority to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares up to a maximum aggregate nominal value equal to £9,552,191 (representing 46,085,133 ordinary shares). This represents approximately 33% of the total issued equity share capital of the Company as at 27 March 2014 (being the latest practicable date prior to the publication of this document). The renewed authority will remain in force until 30 June 2015 or, if earlier, the conclusion of the Company's next AGM. As at 27 March 2014, the Company did not hold any treasury shares.

The directors have no present intention of exercising this authority. The purpose of giving the directors this authority is to maintain the Company's flexibility to take advantage of any appropriate opportunities that may arise.

### **Resolution 16: Authority for the Company to purchase its own shares**

This resolution renews the authority given to the Company at the 2013 AGM to purchase its own shares in the market. No shares were purchased pursuant to that authority. The resolution sets out the maximum number of shares which may be purchased, which is approximately 10% of the total issued equity share capital of the Company as at 27 March 2014, the highest and lowest prices which may be paid and the date when this authority expires. If any shares are purchased, they will be either cancelled or held as treasury shares. Any such decision will be made by the directors at the time of purchase on the basis of shareholders' best interests. If the directors decide to hold such shares as treasury shares, any subsequent issue of these treasury shares for the purposes of equity-based incentive schemes will be treated as being included in the 10% anti-dilution limit in those schemes.

The directors are committed to managing the capital of the Company effectively. Any purchases would be made only if to do so would result in an increase in earnings per share of the Company and would be in the best interests of the Company and of shareholders generally. Earnings per share is the profit after tax of the Company divided by the weighted average number of shares in issue during the year. The directors have no present intention of making purchases of the Company's shares pursuant to this authority.

As at 27 March 2014 there were options outstanding over 848,172 ordinary shares in the capital of the Company which represents 0.607% of the Company's total issued equity share capital as at that date. If the authority to purchase the Company's ordinary shares was exercised in full, these options would represent 0.674% of the Company's total issued equity share capital. As at 27 March 2014 (being the latest practicable date prior to the publication of this document) the Company did not hold any treasury shares.

#### **Resolution 17: Power to disapply pre-emption rights**

This resolution seeks to renew the directors' power to allot equity securities for cash and to sell treasury shares other than to existing holders of ordinary shares in proportion to their holdings. Equity securities are ordinary shares in the Company (but do not include shares which are allotted under employee share schemes). This power is limited to an offer of equity securities by way of a rights issue or an open offer or similar procedure under which a Company offers existing shareholders the chance to acquire new shares. The number of shares they can acquire depends on the number of shares they already own. This is one way by which companies can raise extra capital. However, the rules in some countries make it difficult to include shareholders in those countries in such offers. The power given by this resolution means that the directors can make separate arrangements for those shareholders. The directors may also make separate arrangements for any fractions of shares which are left over.

In addition, this power allows the directors to issue ordinary shares for cash or sell treasury shares for cash without first having to offer the shares to existing shareholders, up to a maximum aggregate nominal amount of £1,447,301. This is approximately 5% of the total issued equity share capital of the Company on 27 March 2014 (being the latest practicable date prior to the publication of this document).

All authorities previously conferred in relation to this power will be revoked, provided that such revocation does not have retrospective effect.

The Association of British Insurers has issued guidelines recommending that a company should not issue shares for cash (without first offering them to existing shareholders) in any one year in excess of 5% of the total issued equity share capital of the Company as shown in its last accounts and in excess of an aggregate of 7.5% in any rolling period of three years. It is the Company's intention to comply with these guidelines.

#### **Resolution 18: Notice for general meetings (other than annual general meetings)**

This resolution renews an authority given at the 2013 AGM and is required as a result of section 307A of the Companies Act 2006 coming into force. The Company currently has power under its articles of association to call general meetings (other than annual general meetings) on at least 14 clear days' notice and would like to preserve this ability. In order to do so, shareholders must first approve the calling of meetings on at least 14 days' notice. This special resolution seeks such approval. This approval will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed.

The shorter notice period would not be used as a matter of routine for general meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole.

## APPENDIX II

### BIOGRAPHICAL DETAILS OF THE DIRECTORS STANDING FOR APPOINTMENT OR REAPPOINTMENT



Peter Crook (50)  
Chief Executive

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**Appointed to the board:** 2006

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**Committee membership:**  
Chairman: executive committee and group executive committee.

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**Key achievements:**

- Repositioning of the CCD business and developing a revised strategy with the new managing director and the new management team.
- Developing a relationship with the new regulator and overseeing the preparations for the group to transition to the FCA.
- Developing a detailed succession plan for the level of management below board level with the assistance of external advisors.
- Providing strategic direction in the development of the Vanquis Bank international project.
- Appointment to the FCA Practitioner Panel from 1 January 2014.

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**Previous board and management experience:**  
UK Managing Director, Barclaycard.

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**Current external appointments:**  
Non-executive director of Cabot (Group Holdings) Limited.



Andrew Fisher (56)  
Finance Director

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**Appointed to the board:** 2006

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**Committee membership:**  
Member: executive committee and group executive committee.

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**Key achievements:**

- Renewing the group's £382.5m syndicated bank facility through to May 2017.
- Realigning the roles and responsibilities of internal audit and risk following the publication of the guidance: Effective Internal Audit in the Financial Services Sector issued by the Chartered Institute of Internal Auditors.

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**Previous board and management experience:**  
Finance Director of Premier Farnell plc and partner at Price Waterhouse LLP.

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**Current external appointments:**  
None.



Manjit Wolstenholme (49)  
Independent non-executive Chairman

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**Appointed to the board:** 2007

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**Committee membership:**  
Chairman: nomination committee.  
Member: audit committee and risk advisory committee.

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**Key strengths:**  
Extensive experience of corporate finance matters, having spent 13 years in investment banking, enabling her to make a significant contribution to the corporate and financial structure of the group.

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**Previous board and management experience:**  
Co-head of investment banking at Dresdner Kleinwort Wasserstein and Partner at Gleacher Shacklock.

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**Current external appointments:**  
Non-executive director of Future plc, The Unite Group plc and Aviva Investors Holdings Limited.

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Malcolm Le May (56)  
Independent non-executive director  
Senior Independent Director

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**Appointed to the board:** 2014

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**Committee membership:**  
Chairman: remuneration committee.  
Member: audit committee, risk advisory committee and nomination committee.

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**Key strengths:**  
Over 30 years' experience in banking, asset management and insurance.

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**Previous board and management experience:**  
Co-head of banking for Barclays in New York; head of investment banking, Europe at UBS and global head of corporate and investment banking at ING Barings. Also Deputy CEO at Morley Fund Management (now Aviva Investors), and President of JER Europe.

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**Current external appointments:**  
Senior advisor to Ernst & Young, Senior Independent Non-executive director of Pendragon plc, Non-executive director of RSA Insurance Group plc and Chairman of Juno Capital LLP.

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Alison Halsey (58)  
Independent non-executive director

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**Appointed to the board:** 2014

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**Committee membership:**

Member: audit committee, remuneration committee, risk advisory committee and nomination committee.

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**Key strengths:**

34 years with KPMG specialising in financial services with audit and advisory responsibilities for UK and international banks.

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**Previous board and management experience:**

Partner: KPMG. Advised a number of UK charities and was a board member of the National Autistic Society for five years.

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**Current external appointments:**

Non-executive director of Teachers Assurance and an Ambassador for Alzheimer's Society.

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Stuart Sinclair (60)  
Independent non-executive director

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**Appointed to the board:** 2012

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**Committee membership:**

Chairman: audit committee.

Member: remuneration committee, risk advisory committee and nomination committee.

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**Key strengths:**

Extensive experience in financial services in the UK and overseas, enabling effective challenge and significant contribution to board discussions. 10 years in US-based management consulting, 14 years as CEO or equivalent in retail banking organisations and seven years on financial services boards.

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**Previous board and management experience:**

Chairman of GE Capital China and GE Capital Bank (UK), Chief Executive Officer of Tesco Personal Finance, Director of Virgin Direct; Director of Retail Banking at The Royal Bank of Scotland and non-executive director at Liverpool Victoria.

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**Current external appointments:**

Director of Pru Health, Non-executive director of Platinum Bank (Kiev), Senior Independent Non-executive Director of Swinton Group Limited; Non-executive director of QBE Insurance (Europe) Limited and QBE Underwriting Limited; and Council Member of the Royal Institute for International Affairs (Chatham House).



Rob Anderson (55)  
Independent non-executive director

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**Appointed to the board:** 2009

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**Committee membership:**

Chairman: risk advisory committee.

Member: remuneration committee, audit committee and nomination committee.

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**Key strengths:**

Extensive retail experience and knowledge of the type of consumer served by the group. As a recently serving Chief Executive he has current operational business experience which is relevant to the group's businesses.

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**Previous board and management experience:**

Director of childrenswear business unit of Marks & Spencer and Chief Executive of Signet Jewelers Limited's UK Division.

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**Current external appointments:**

None.

