

Company number: 4031152

**The Companies Act 2006**  
**Public company limited by shares**  
**Articles of Association**

of

**National Grid plc**

Adopted by special resolution on 27 July 2009

to take effect from 1 October 2009

(Incorporated on 11 July 2000)

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**Introduction**

**1 Default Articles and other standard regulations do not apply**

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1.1 The regulations in Table A of the Companies (Tables A to F) Regulations 1985, and in the Companies (Model Articles) Regulations 2008, and any other articles or regulations which may apply to companies like us under the **Statutes**, do not apply to us, unless expressly included in these **Articles**.

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**2 The meaning of the Articles**

2.1 The following table gives the meaning of certain words and phrases as they are used in these **Articles**. However, the meaning given in the table does not apply if it is inconsistent with the context in which a word or phrase appears. After the **Articles** there is a glossary which explains various words and expressions. But the glossary is not part of the Articles and it does not affect their meaning. The words which are explained in the table below, or in specific **Articles**, are printed in **bold** and those which are explained in the glossary are printed in *italics*.

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<b>Words</b>	<b>Definitions</b>
<b>accounting reference date</b>	This is 31 March, the date on which <b>our</b> financial year ends.
<b>alternate director</b>	A person appointed by a <b>Director</b> to act in their place.
<b>Annual General Meeting</b>	The annual meeting of <b>our shareholders</b> which <b>we</b> hold to comply with these <b>Articles</b> and the <b>law</b> .
<b>Articles</b>	<b>Our</b> Articles of Association, which set out <b>our</b> company's rules, and any changes made to them.
<b>Auditors</b>	<b>Our</b> auditors, an independent firm of accountants which examines <b>our</b> records and financial statements.
<b>Board</b>	<b>Our Board</b> of <b>Directors</b> , or those <b>Directors</b> attending a <b>Directors'</b> meeting that has been properly convened (arranged) and which has a <i>quorum</i> .

## Words

**business day**

## Definitions

A day which is not a Saturday, Sunday or a public holiday in England.

**class meeting**

A meeting of the holders of a relevant class of **shares**.

**clear days**

This period of a notice is the number of days between, but not including, the day when the notice is given or deemed (considered) to be given and the day for which it is given or on which it is to take effect.

**committee**

A committee of the **Board**, appointed with powers delegated in line with Article 85.

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**Companies Act**

The Companies Act 2006.

**Company Communications Provisions**

Sections 1143 to 1148, Section 1168 and Schedules 4 and 5 of the **Companies Act**.

**corporate representative**

A person or persons, authorised by a *company* which is a **shareholder**, to act as its corporate representative or corporate representatives at a **General Meeting** or **class meeting** which the *company* is entitled to attend.

**CREST Regulations**

The Uncertificated Securities Regulations 2001.

**Director**

A Director of **NG**.

**electronic form**

Includes any *notice*, document or information sent or supplied *electronically* or through any other medium (including sending by email, posting on a *website*, sending by fax or by sending a disk by post).

**existing shares (of any kind)**

**Shares** which are in *issue* at the relevant time.

**General Meeting or meeting**

A meeting of **our shareholders** (including any satellite meeting as set out in Article 32) which is an **Annual General Meeting** or any other General Meeting, as set out in Article 28.

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**in writing**

Written by hand or produced by any substitute for writing including anything in **electronic form**.

**Interested Directors**

**Directors** who have or could have a direct or indirect interest in a matter which conflicts, or could conflict, with **our** interests.

**law**

The **Companies Acts**, and all other laws and regulations applying to **NG** (including the **UKLA's** rules) or **our shareholders** as the case may be.

**London Stock Exchange**

The London Stock Exchange plc.

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**NG**

National Grid plc.

**operator**

Euroclear UK and Ireland Limited or any other operator of a *relevant system* under the **CREST Regulations**.

<b>Words</b>	<b>Definitions</b>
<b>paid up share or other security</b>	Includes a <b>share</b> or other security which is treated (credited) as paid up.
<b>pay</b>	Includes any kind of reward or payment for services.
<b>Procedural Resolution</b>	A resolution at a <b>General Meeting</b> which in the chairman's opinion is of a procedural nature (such as a resolution on the choice of a chairman of the <b>General Meeting</b> , a resolution to <i>adjourn</i> the <b>General Meeting</b> or a resolution to correct an obvious error in a <b>Substantive Resolution</b> ).
<b>Register</b>	<b>Our</b> register of <b>shareholders</b> .
<b>registered office</b>	<b>Our</b> registered office.
<b>seal</b>	<b>Our</b> Common Seal, or any official seal <b>we</b> keep under Section 50 of the <b>Companies Act</b> (called a <i>securities seal</i> ).
<b>shareholder</b>	A holder of <b>our shares</b> .
<b>shareholders' meeting</b>	Includes both a <b>General Meeting</b> and a <b>class meeting</b> of <b>NG</b> .
<b>shares</b>	<b>Our</b> ordinary shares or any other class of <b>our</b> shares which are created.
<b>Statutes</b>	The <b>Companies Acts</b> , the <b>CREST Regulations</b> and every other law currently in force which concern companies and affect <b>us</b> .
<b>Substantive Resolution</b>	Any resolution at a <b>General Meeting</b> , other than a <b>Procedural Resolution</b> .
<b>UK Listing Authority or UKLA</b>	The Financial Services Authority acting in its capacity as the competent authority for the purposes of the Financial Services and Markets Act 2000.
<b>United Kingdom</b>	Great Britain and Northern Ireland.
<b>we, us, our</b>	National Grid plc.

- 2.2** References to a *debenture* include *debenture stock* and references to a *debenture* holder include a *debenture stockholder*.
- 2.3** Where the **Articles** refer to a person who is *automatically entitled to a share by law*, this includes a person who is entitled to the **share** as a result of the death, or bankruptcy, of a **shareholder**.
- 2.4** Words which refer to a single number also refer to plural numbers, and the other way around.
- 2.5** References to a person or people include companies, *unincorporated associations* and so on.

- 2.6** Any headings in these **Articles** are only included for convenience. They do not affect the meaning of the **Articles**.
- 2.7** When an *Act*, or a section of an *Act*, is referred to, this includes any amendment to the *Act* or section (before or after the adoption of these **Articles**), as well as where it is included in a later *Act*.
- 2.8** When an *Act* or the **Articles** are referred to, the version which is current at the time will apply.
- 2.9** Where the **Articles** give any power or authority to anybody, this power or authority can be used on any number of occasions, unless the way in which power or authority is used does not allow this meaning.
- 2.10** References to the **Companies Acts** have the meaning given to them by Section 2 of the **Companies Act** but will only apply to provisions which are in force at the relevant date.
- 2.11** Any word which is defined in the **Companies Acts** or the **CREST Regulations** means the same in the **Articles**, unless the **Articles** define it differently, or the way in which the word is used is inconsistent with the definition given in the **Companies Acts** or the **CREST Regulations**.
- 2.12** Where the **Articles** say that something can be done by passing an *ordinary resolution*, this can also be done by passing a *special resolution*.
- 2.13** Where the **Articles** refer to any document being made effective, this means being signed, sealed or *executed* in some other legally valid way.
- 2.14** Where the **Articles** refer to months or years, these are calendar months or years.
- 2.15** **Articles** which apply to **shares** can also apply to *stock*. References in those **Articles** to **share** or **shareholder** include *stock* or stockholder.
- 2.16** Where the **Articles** refer to **shares** in certificated form, this means that *ownership* of the **shares** can be transferred using a written transfer document (rather than in line with the **CREST Regulations**) and that a share *certificate* is usually *issued* to the owner.
- 2.17** Where the **Articles** refer to **shares** in uncertificated form, this means that *ownership* of the **shares** can be transferred in line with the **CREST Regulations** without using a written transfer document and that no share *certificate* is *issued* to the owner.
- 2.18** References to officers include **Directors** and the *Company Secretary*, but not the **Auditors**.
- 2.19** Where the **Articles** refer to an address, this will include any number or address (including, in the case of any *proxy* appointment permitted under Article 52.3, an identification number of a participant in the *relevant system*) used for sending or receiving notices, documents or information *electronically* or through a *website*.
- 2.20** Except where the context requires otherwise, any reference to *issued* shares of any class (whether of **NG** or of any other *company*) will not include any shares of that class held as *treasury shares*.
- 2.21** References to the *system's rules* will include the rules, regulations, procedures, facilities and requirements of the *relevant system* concerned.

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## Shares

### 3 Shareholders' Liabilities

Each **shareholder's liability** (as a **shareholder**) is limited to the amount (if any) that is unpaid on the **shares** that he or she holds.

### 4 Fractions of shares

**4.1** If any **shares** are *consolidated* or divided, the **Directors** have the power to deal with any fractions of **shares** which result. The **Directors** can sell any **shares** representing fractions as they think fit and distribute the net proceeds of sale among **shareholders** in proportion to their fractional entitlements in line with the **law**, their rights and interests. The **Directors** can sell to anyone (including **us**, if the **law** allows this) and can authorise any person to transfer those **shares** to the buyer or in line with the buyer's instructions. The buyer does not need to check how **we** used the money and their *ownership* of the **shares** will not be affected if the sale was irregular or invalid in any way.

**4.2** So far as the **law** allows, when **shares** are *consolidated* or divided, the **Directors** can treat a **shareholder's shares** which are held in certificated form and in uncertificated form as separate shareholdings.

**4.3** The **Directors** can also arrange for any **shares** which result from a *consolidation* or division and which represent rights to fractions of **shares** to be entered in the **Register** as **shares** in certificated form where this makes it easier to sell them.

### 5 The power to reduce capital

**5.1** The **shareholders** can pass a *special resolution* to:

- (a) reduce **our** share capital in any way; or
- (b) reduce, in any way, any *capital redemption reserve*, *share premium account*, or other reserve which cannot be distributed.

This is *subject* to any restrictions under the **Statutes**.

### 6 Buying back shares

**6.1** **We** can buy back, or agree to buy back in the future, any **shares** of any class (including *redeemable shares*), if the **law** allows this. **We** can hold such repurchased **shares** as *treasury shares* in line with the **Companies Act**. However, if **we** have **existing shares** which are admitted to the official list maintained by the **UK Listing Authority** and which can be converted into other **shares** which are *equity shares*, then **we** can only buy back *equity shares* of that class if:

- (a) either the terms of *issue* of the convertible **shares** permit **us** to buy back the *equity shares*; or
- (b) the buy-back or agreement to buy back has been approved by a *special resolution* passed by the holders of the convertible **shares** at a separate **class meeting**.

**6.2** **We** have the right to:

- (a) sell any *treasury shares*;

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The form of our share capital¶  
Our share capital at the date when these Articles are amended is made up of 2,704,102,425 ordinary shares

of 11  $\frac{17}{43}$  pence each.

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<#>The power to increase capital¶  
<#>The **shareholders** can increase **our** share capital by passing an *ordinary resolution*. The resolution must fix the:¶  
<#>amount of the increase;¶  
<#>*nominal value* of the new **shares**; and¶  
<#>currency or currencies of the **shares**.¶

<#>Applying the Articles to new shares¶  
<#>The provisions in these **Articles** about *allotment*, transfer, *automatic entitlement by law* and all other things apply to new **shares** under Article 4 in the same way as if they were part of **our** existing share capital.¶  
<#>The power to change capital¶  
<#>The **shareholders** can pass *ordinary resolutions* to do any of the following:¶

<#>*consolidate*, *subdivide* or *consolidate* and then divide, all or any of **our** share capital into new **shares** of a larger or smaller *nominal value* than the **existing shares**;¶  
<#>cancel any **shares** which have not been taken, or agreed to be taken, by any person at the date of the resolution, and reduce the amount of **our** share capital by the amount of the cancelled **shares**; and¶  
<#>divide some or all of **our** share capital into **shares** which are of a smaller *nominal value* than is fixed in the **Memorandum**. This is *subject* to any restrictions under the **law**. The resolution can provide that, as between the holders of the divided **shares**, different *rights* and restrictions which **NG** can apply to new **shares** can apply to all or any of the different divided **shares**.

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- (b) transfer any *treasury shares* for the purposes of, or to benefit, an employees' share scheme;
- (c) receive an *allotment* of **shares** as *fully paid* bonus **shares** in respect of any *treasury shares*; or
- (d) receive any amount payable on *redemption* of any *redeemable treasury shares*.

We cannot exercise any other right in respect of *treasury shares* we hold, including any right to attend or vote at meetings, to participate in any offer we make to **shareholders** or to receive any distribution (including in a *winding up*).

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## 7 The special rights of new shares

**7.1** If we issue new **shares**, the new **shares** can have *rights* or restrictions attached to them. The *rights* can take priority over the *rights* of **existing shares**, or **existing shares** can take priority over the rights of the new **shares**, or the new **shares** and the **existing shares** can rank equally. These *rights* and restrictions can apply to sharing in **our** profits or assets. Other *rights* and restrictions can also apply, for example on the right to vote. The powers conferred by this Article **7.1** are *subject to* the provisions of Article **7.4**.

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**7.2** The *rights* and restrictions referred to in Article **7.1** can be decided by an *ordinary resolution* passed by the **shareholders**. The **Directors** can also take these decisions if they do not conflict with any resolution passed by the **shareholders**.

**7.3** If the **law** allows, the *rights* of any new **shares** can include *rights* for the holder or **us** (or both the holder and **us**) to have them *redeemed*. **The Directors may determine the terms, conditions and manner of redemption of any such shares.**

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**7.4** The ability to attach particular *rights* and restrictions to new **shares** can be restricted by *special rights* previously given to holders of any **existing shares**.

## 8 The Directors' power to deal with shares

**8.1** The **Directors** can decide how to deal with any **new shares**. The **Directors** can:

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- (a) *allot* them on any terms, which can include the right to transfer the *allotment* to another person before any person has been entered on the **Register**. This is known as the right to *renounce* the *allotment* (see also Article **10.1**);
- (b) grant options to give people a choice to acquire **shares** in the future; or
- (c) dispose of the **shares** in any other way.

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This Article **8.1** is *subject to* the provisions of Article **8.3**.

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**8.2** The **Directors** are free to decide who they deal with, when they deal with the **shares**, and the terms on which they deal.

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**8.3** The **Directors** must comply with:

- (a) the **law** relating to authority, *pre-emption rights* and other matters; and
- (b) any resolution of a **General Meeting** which is passed under the **law**.

## 9 Power to pay commission and brokerage

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**9.1** We can use all the powers given by the **law** to pay commission or *brokerage* to any person who:

- (a) applies, or agrees to apply, for any new **shares**; or
- (b) gets anybody else to apply, or agree to apply, for any new **shares**.

**9.2** The rate per cent or amount of the commission paid, or agreed to be paid, must be disclosed as required by the **law**. The commission can be paid in either cash or by the *allotment* of **fully paid shares**, any combination of the two or in any other way allowed by the **law**.

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## 10 Renouncing allotted but unissued shares

**10.1** Where a **share** has been *allotted* to a person but that person has not yet been entered on the **Register**, the **Directors** can recognise a transfer (called a **renunciation**) by that person of their right to the **share** in favour of some other person. The ability to *renounce allotments* only applies if the terms on which the **share** is *allotted* are consistent with **renunciation**. The **Directors** can impose terms and conditions regulating **renunciation** rights.

## 11 No trusts or similar interests recognised

**11.1** We will only be affected by, or recognise, a current and absolute right to whole **shares**. The fact that any **share**, or any part of a **share**, may not be owned outright by the registered owner does not concern **us**, for example if a **share** is held on any kind of *trust*.

**11.2** The only exception to Article 11.1 is for any right:

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- (a) which is expressly given by these **Articles**; or
- (b) which **we** have a legal duty to recognise.

## Uncertificated shares

### 12 Uncertificated shares

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**12.1** We can *issue shares*, and other *securities*, which do not have *certificates*. We can also allow **existing shares**, and other *securities*, to be held without *certificates*. Evidence of *ownership* of these **shares** and *securities* does not involve a *certificate*. We can also allow any **shares**, or other *securities*, to be transferred without using a transfer form. All this applies so far as the **law** allows.

**12.2** These **shares** and other *securities* can, for example, be transferred by using a *relevant system*, as defined in the **CREST Regulations**. **Shares** transferred in this way are called uncertificated **shares**.

**12.3** Immediately before any **shares** become **uncertificated shares**, the **Articles** will only apply to those **shares** so far as they are consistent with:

- (a) holding those **shares** as uncertificated **shares**;
- (b) transferring *ownership* of those **shares** by using a *relevant system*; and

- (c) any of the provisions of the **CREST Regulations**.

**12.4** The **Directors** can also lay down regulations which:

- (a) govern the *issue*, holding and transfer, and where appropriate, the mechanics of conversion and *redemption*, of these **shares** and *securities*;
- (b) govern the mechanics for payments involving a *relevant system*; and
- (c) make any other provisions which they consider are necessary to ensure that these **Articles** are consistent with the **CREST Regulations**, and with any rules or guidance of an **operator** of a *relevant system*.

These regulations will, if they say so, apply instead of the other provisions in the **Articles** relating to *certificates*, and the transfer, conversion and *redemption* of **shares** and other *securities*, and any other provisions which are not consistent with the **CREST Regulations**. If the **Directors** do make any regulations under this Article ~~12.4~~, Article ~~12.3~~ will still apply to the **Articles**, read with those regulations.

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## Share certificates

### **13** Certificates

**13.1** Except as otherwise provided in these **Articles**, when a **shareholder** is first registered as the holder of any class of **shares** in certificated form, they are entitled, free of charge, to a separate share *certificate* for each class of **shares** they hold in certificated form.

**13.2** We must also satisfy any requirements of the **CREST Regulations** when issuing share *certificates*. Where the **law** allows, **we** do not need to issue share *certificates*.

**13.3** If a **shareholder** receives more **shares** in certificated form of any class, they are entitled, without charge, to another *certificate* for the extra **shares**.

**13.4** If a **shareholder** transfers part of their **shares** covered by a *certificate*, they are entitled, free of charge, to a new *certificate* for the balance if the balance is also held in certificated form. **We** will cancel the old *certificate*.

**13.5** **We** do not have to issue more than one *certificate* for any **share** in certificated form, even if that **share** is held jointly.

**13.6** When **we** deliver a *certificate* to one joint **shareholder** holding **shares** in certificated form, **we** treat this as delivery to all of the joint **shareholders**.

**13.7** **We** can deliver a *certificate* to a broker or *agent* who is acting for a person who is buying the **shares** in certificated form, or who is having the **shares** transferred to them in certificated form.

**13.8** The **Directors** can decide how share *certificates* are made effective. For example, they can be:

- (a) signed by one or more **Directors**;
- (b) sealed with the **Seal** (or, in the case of **shares** on a branch register, an official seal for use in the relevant territory); or

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- (c) printed, in any way, with a copy of the **Seal** or with a copy of the signature of one or more **Directors**. The copy can be made or produced mechanically, *electronically* or in any other way the **Directors** approve as long as it complies with the **law**.

**13.9** A share *certificate* must state the number and class of **shares** to which it relates, their *nominal value* and the amount paid up on those **shares**. It cannot be for **shares** of more than one class.

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**13.10** The time limit for **us** to provide a share *certificate* in certificated form is:

- (a) one month after the *allotment* of a new **share** (or any longer period provided by its terms of *issue*); or
- (b) five **business days** after a transfer of **shares** is presented for registration.

**13.11** Share *certificates* will also be prepared and sent earlier where the **UK Listing Authority** requires it.

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## **14 Replacement share certificates**

**14.1** If a **shareholder** has two or more share *certificates* for **shares** of the same class which are in certificated form, they can return the *certificates* to **us**, ask **us** to cancel these and replace them with a single new *certificate*. **We** can comply with this request and the **Directors** can require the **shareholder** to pay **our** administrative expenses for doing so.

**14.2** A **shareholder** can ask **us** to cancel and replace a single share *certificate* with two or more *certificates*, for the same total number of **shares**. **We** can comply with this request and the **Directors** can require the **shareholder** to pay **our** administrative expenses for doing so.

**14.3** A **shareholder** can ask **us** for a new *certificate* if the original is:

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- (a) damaged or defaced; or
- (b) said to be lost, stolen, or destroyed.

**14.4** If a *certificate* has been damaged or defaced, **we** can ask for the *certificate* to be returned to **us** before issuing a replacement. If a *certificate* is said to be lost, stolen or destroyed, **we** can ask for satisfactory evidence, and an *indemnity*, before issuing a replacement.

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**14.5** The **Directors** can require the **shareholder** to pay **our** administrative expenses for issuing any share *certificates* under Article 14.3.

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**14.6** Any one joint **shareholder** can request replacement *certificates* under this Article 14, and **we** can treat an application for a replacement *certificate* made by one joint **shareholder** as being made on behalf of all the **shareholders** concerned.

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## **Changing share rights**

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### **15 Changing the special rights of shares**

**15.1** Whenever **our** share capital is split into different classes of **share**, any *special rights* attached to any of these classes can be varied or cancelled:

- (a) in such a way as provided by those rights; or
- (b) if approved by a *special resolution*;

as long as:

- (a) the **law** allows this; and
- (b) the **Articles** or rights attached to any class of **share** do not say otherwise.

The *special resolution* must be passed at a separate meeting of the holders of the relevant class of **shares**. This is called a **class meeting** (the provisions governing a **class meeting** are set out in Article 30). Alternatively, the holders of at least three-quarters of the **existing shares** of the class (by *nominal value*) can give their consent **in writing**.

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**15.2** The *special rights* of a class of **shares** can be varied or cancelled:

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- (a) while **we** are a going concern;
- (b) while **we** are being *wound up*; or
- (c) if **we** are considering being *wound up*.

**15.3** This Article 15 also applies to the variation or cancellation of *special rights of shares* forming part of a class. Each part of the class which is being treated differently is viewed as a separate class under this Article 15.

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## **16 More about the special rights of shares**

**16.1** The *special rights* of **existing shares** are not regarded as varied, breached or cancelled if:

- (a) new **shares** are created, or *issued*, which *rank* equally with or subsequent to any other **existing shares** in sharing in **our** profits or assets; or
- (b) **we** *redeem* or buy back **our own shares**.

But this does not apply if the terms of the **existing shares** expressly say otherwise.

## **Transferring shares**

### **17 Transfer forms**

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**17.1** Unless the **Articles** or terms of *issue* of any **shares** say otherwise, any **shareholder** can transfer some or all of their **shares** to another person. Every transfer of **shares** in certificated form must be **in writing**, and either in the usual standard form (known as a stock transfer form), or in any other form approved by the **Directors**.

**17.2** Transfers of uncertificated **shares** are to be carried out using a *relevant system* and must comply with the **CREST Regulations**.

### **18 Transferring shares in certificated form**

**18.1** A transfer form for **shares** in certificated form must be delivered to the office where the **Register** is kept (or any other place the **Directors** may decide). The transfer form must have with it:

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- (a) the share *certificate* for the **shares** to be transferred; and
- (b) any other evidence which the **Directors** ask for to prove that the person wanting to make the transfer is entitled to do so.

**18.2** A transfer form for shares in certificated form must be signed, or made effective in some other way, by the person making the transfer.

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**18.3** The person making a transfer will be treated as continuing to be the **shareholder** until the name of the person the **share** is being transferred to is put on the **Register** for that **share**.

**18.4** If **we** register a transfer, or if the **Directors** have any grounds for suspecting fraud, **we** can keep the transfer form. Otherwise, if the **Directors** refuse to register a transfer, the transfer form will be returned, when notice of refusal is given, to the person lodging it.

**18.5** A transfer form cannot be used to transfer more than one class of **shares**. Each class of **shares** needs a separate form.

**18.6** **We** do not charge a fee for transferring **shares** or registering changes relating to the *ownership* of **shares**.

**18.7** Transfers cannot be in favour of more than four joint holders.

**18.8** A transfer form must be properly stamped by HM Revenue & Customs (or its successor if any) for payment of stamp duty where this is required.

## **19 Refusing to register certain transfers**

**19.1** The **Directors** can refuse to register a transfer of any **shares**:

- (a) if the relevant conditions in Article **18** are not satisfied;
- (b) if the transfer is in favour of a minor, a bankrupt, or a person of *unsound mind*; or
- (c) where the **Board** is obliged or entitled to refuse to do so as a result of any failure to comply with a notice under Section 793 of the **Companies Act** (see Article **50**).

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**19.2** The **Directors** do not have to give any reasons for refusing to register a transfer of any **shares**, but if any of those **shares** are admitted to the official list maintained by the **UK Listing Authority**, the **Directors** cannot refuse to register a transfer if this would stop dealings in the **shares** from taking place on an open and proper basis.

**19.3** If the **Directors** decide not to register a transfer of a **share**, they must notify the person the **shares** were to be transferred to, in line with Article **18.4**. They must do this no later than two months after we receive the transfer form (in the case of a **share** in certificated form) or the instruction from the **operator** of the **relevant system** (in the case of a **share** in uncertificated form).

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Deleted: <#>Closing the Register¶  
The **Directors** can decide to suspend the registration of transfers by closing the **Register**. This can be for part of a day, a day, or more than a day. Suspension periods can vary between different classes of **shares**. But the **Register** cannot be closed for more than 30 days a year. In the case of **shares** in uncertificated form, the **Register** must not be closed without the consent of the **operator** of a *relevant system*.

## **20 Overseas branch registers**

**20.1** **We** can use all legal powers to keep an overseas branch register. The **Directors** can make and change any regulations relating to this register, as long as the **law** allows this.

## **21 More provisions on uncertificated shares**

**21.1** *Subject to the law* and the **CREST Regulations**, and apart from any class of **share** which is wholly in uncertificated form, the **Directors** can decide that any class of **shares** can be held in uncertificated form and that title to such **shares** can be transferred by means of a

*relevant system*, or that **shares** of any class should stop being held and transferred as such.

**21.2** The provisions of these **Articles** do not apply to **shares** of any class which are in uncertificated form if these **Articles** are inconsistent with:

- (a) holding **shares** of that class in uncertificated form;
- (b) transferring title to **shares** of that class by means of a *relevant system*; or
- (c) any provision of the **CREST Regulations**.

## People automatically entitled to shares by law

### **22** If a shareholder dies

**22.1** If a sole **shareholder** dies (or a **shareholder** who is the last survivor of joint **shareholders** dies), their legal *personal representatives* will be the only people who **we** will recognise as being entitled to their **shares**.

**22.2** If a **shareholder** who is a joint **shareholder** dies, the remaining joint **shareholder** or **shareholders** will be the only people who **we** will recognise as being entitled to their **shares**.

**22.3** But this Article does not discharge the estate of any **shareholder** from any liability.

### **23** Registering personal representatives

**23.1** A person who becomes *automatically entitled to a share by law* can either be registered as the **shareholder**, or can select some other person to have the **share** transferred to. The person who is *automatically entitled by law* must provide any evidence of his entitlement the **Directors** require.

### **24** A person who wants to be registered must give notice

**24.1** If a person who is *automatically entitled to shares by law* wants to be registered as a **shareholder**, and subject (where relevant) to the *system's rules*, they must deliver or send a notice to **us** saying that they have made this decision. They must sign this notice, and it must be in the form, and accompanied by any other documents, which the **Directors** require. This notice will be treated as a transfer form. All of the provisions of these **Articles** about registering transfers of **shares** apply to it except that the **shares** will only be treated as being presented for registration under Article 13.10 when **we** receive the notice in the form, and accompanied by any other documents, required by the **Directors**. The **Directors** have the same power to refuse to register the automatically-entitled person as they would have had in deciding whether to register a transfer by the person who was previously entitled to the **shares**.

### **25** Transfers by a person who is automatically entitled to a share by law

**25.1** If a person who is *automatically entitled to a share by law* wants the **share** to be transferred to another person, they must do the following:

- (a) for a **share** in certificated form, sign a transfer form to the person they have selected; and

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(b) for a **share** in uncertificated form, transfer the **share** using a *relevant system*.

**25.2** The **Directors** have the same power to refuse to register the person selected as they would have had in deciding whether to register a transfer by the person who was previously entitled to the **shares**.

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## **26** The rights of people automatically entitled to shares by law

**26.1** A person who is *automatically entitled to a share by law* is entitled to any dividends or other money relating to the **share**, even though they are not registered as the holder of that **share**. But the **Directors** can withhold the dividend and other money until a person has been properly registered as the **shareholder** as laid down in the **Articles**. They can also withhold the dividend if the person who was previously entitled to the **share** could have had their dividend withheld.

**26.2** Unless and until they are registered as the **shareholder**, the person *automatically entitled to a share by law* is not entitled to:

- (a) receive *notices* of meetings;
- (b) attend or vote at meetings; or
- (c) (*subject to Article 26.1*) any of the other rights and benefits of being a **shareholder**.

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## Shareholders who cannot be traced

### **27** Shareholders who cannot be traced

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**27.1** We can sell any **shares** at the best price we can reasonably obtain if:

- (a) during the period of 12 years before the earliest of the advertisements referred to in Article 27.1 (b), at least three dividends have been payable on those **shares** and none has been claimed, and no payments sent by us in line with these **Articles** has been cashed;
- (b) after this 12-year period, we announce that we intend to sell the **shares** by placing an advertisement in a national newspaper; and
- (c) during this 12-year period, and for three months after the last advertisement appears, we do not hear from the **shareholder** or any person who is *automatically entitled to the shares by law*.

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**27.2** To sell any **shares** in this way, we can appoint any person to transfer the **shares**. This transfer will be just as effective as if it had been signed or made effective in some other way by the registered holder of the **shares**, or by a person who is *automatically entitled to the shares by law*. The *ownership* of the person the **shares** are transferred to will not be affected, even if the sale is irregular or invalid in any way. Nor does the new **shareholder** need to take any steps to see how any money they may be paying for the **shares** is used.

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**27.3** The net sale proceeds belong to us until claimed under this Article 27, but we must pay these to the **shareholder** who could not be traced before we sold the **shares**, or to the person who is *automatically entitled to their shares by law*, if that **shareholder**, or that other person, asks for it.

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**27.4** We must record the name of that **shareholder**, or the person who was *automatically entitled to the shares by law*, as a creditor for this money in **our** accounts. The money is not held on *trust*, and **we** do not have to pay interest on the money. **We** can keep any money which **we** have earned on the net sale proceeds. **We** can use the money for **our** business, or **we** can invest the money in any way that the **Directors** decide. But the money cannot be invested in **our shares**, or in the shares of any of **our holding companies**.

**27.5** In the case of **uncertificated shares** held by **shareholders** who cannot be traced, restrictions under the **CREST Regulations** will apply.

## General Meetings

### **28** The Annual General Meeting

**28.1** Unless the **law** says otherwise, **we** will hold an **Annual General Meeting** each year in addition to any other **General Meetings** which **we** hold in the year. The *notice* calling the **meeting** must say that the **meeting** is the **Annual General Meeting**. We must hold an **Annual General Meeting** within six months of **our accounting reference date**. The **Directors** will decide when and where to hold the **Annual General Meeting**. **They** can, in accordance with Article 32, decide to hold an **Annual General Meeting** or any other **General Meeting** in more than one location.

### **29** Notice of General Meetings

**29.1** *Subject to Article 29.2*, **we** must give at least 21 **clear days' notice in writing** for every **Annual General Meeting**. For every other **General Meeting**, other than a **General Meeting** convened in line with Article 29.2, **we** must give at least 14 **clear days' notice in writing**.

**29.2** **We** can convene a **General Meeting** by shorter *notice* than that specified in Article 29.1, and it will be considered to be properly convened, if:

- (a) in the case of an **Annual General Meeting**, all **shareholders**, entitled to attend and vote, agree; or
- (b) in the case of any other **General Meeting**, a majority of the **shareholders** entitled to attend and vote, and who together hold not less than 95 per cent in *nominal value* of the **shares** giving that right, agree.

**29.3** Any *notice* of **General Meeting** must:

- (a) say where the **meeting** is to be held (and, if the **meeting** will be held at more than one location in accordance with Article 32, state the **principal meeting place** and any other location under Article 32);
- (b) give the date and time of the **meeting**;
- (c) give the general nature of the business of the **meeting**;
- (d) say if any resolution will be proposed as a *special resolution*;
- (e) say that a **shareholder** who can attend, speak and vote can appoint one or more *proxies* (who need not be **shareholders**) to vote for him or her;
- (f) state the address where appointments of *proxy* are to be delivered; and

(g) state whether the **meeting** is an **Annual General Meeting** or any other **General Meeting**.

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**29.4** We must send *notices* of **meetings** to the **shareholders**, except in cases where the **Articles** or the rights attached to **shares** state that the holders are not entitled to receive them from us. We must also give *notice* to the **Auditors** and **Directors**. The day we serve the *notice*, or it is treated as served, and the day of the **meeting** do not count towards the period of *notice*.

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**29.5** In relation to any class of **shares**, we can decide that only people who are entered on the **Register** at the close of business on a particular day are entitled to receive such a *notice*. We will choose that day and it will fall not more than 21 days before we send the *notice*.

**29.6** If we cannot call a **General Meeting** by sending *notices* through the post, because the postal service is suspended or restricted in the **United Kingdom**, the **Directors** can call the **meeting** by publishing a *notice* in at least one **United Kingdom** national newspaper. *Notice* published in this way will be treated as being properly served on **shareholders** who are entitled to receive it. We can still:

(a) make the **notice** available on our *website* from the date it appears in the national newspaper until the **meeting** or any *adjourned meeting* ends;

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(b) serve the **notice** *electronically*; and

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(c) if it becomes possible to use the postal service again more than seven days before the **meeting**, we must send confirmation of the *notice* through the post to those **shareholders** who did not receive the *notice* *electronically*.

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**29.7** Unless the **Companies Act** does not require it, if we receive a *request in writing* from the number of **shareholders** specified in the **Companies Act** and in line with Article **29.8** and the **Companies Act**, we must send to **shareholders**:

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(a) entitled to receive *notice* of the next **Annual General Meeting**, *notice* of any resolution which can properly be proposed and is intended to be proposed at that **meeting**; and

(b) entitled to receive *notice* of any **General Meeting**, a statement from the **shareholders** requesting it of not more than one thousand words about the matter referred to in any proposed resolution or the business to be dealt with at that **meeting**.

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We will give *notice* of any resolution and circulate any appropriate statement, to our **shareholders** who are entitled to have *notice* of the **General Meeting** sent to them.

**29.8** If, before the end of the financial year preceding the next **Annual General Meeting**, we receive a request (that complies with the requirements of the **Companies Act**) to circulate a resolution or statement, and it is in a form acceptable to the **Directors**, we will send out the resolution or statement without cost to the **shareholders** requesting it. Otherwise, we may require the **shareholders** who requested it to deposit or pay a reasonable sum to meet our expenses to circulate the resolution or statement.

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**29.9** No proceedings at any **General Meeting** will be invalidated if we accidentally fail to give *notice* of the **meeting** or to send an instrument of *proxy* to any **shareholder**.

### 30 Class meetings

**30.1** All the **Articles** relating to **General Meetings** or **meetings** apply, with any necessary changes, to a **class meeting**, but with the following adjustments.

- (a) At least two people who hold (or who act as *proxies* for) at least one-third of the total *nominal value* of the **existing shares** of the class are a *quorum*. However, if this *quorum* is not present at an *adjourned class meeting*, one person who holds **shares** of the class, or his *proxy*, is a *quorum*.
- (b) On a *poll*, the holders of **shares** will have one vote for every **share** of the class they hold.

This is *subject to any special rights* or restrictions which are attached to any class of **shares** by the **Articles**, or when rights are attached to **shares** in some other way under the **Articles**.

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### 31 Moving a General Meeting at short notice

**31.1** If the **Directors** consider that it is impractical, undesirable or unreasonable, to hold a **General Meeting** at the place, time or on the date stated in the *notice* calling the **meeting**, they can change any or all of these things. If the **Directors** do this, an announcement of the date, time and place of the rearranged **meeting** will, if practical, be published in at least one **United Kingdom** national newspaper and on **our** website. *Notice* of the business of the **meeting** does not need to be given again. The **Directors** must take reasonable steps to ensure that any **shareholder** trying to attend the **meeting** at the original time and place is informed of the new arrangements. If a **meeting** is rearranged in this way, *proxy forms* can be delivered, in the way required by Article 51, until 48 hours before the rearranged **meeting**. The **Directors** can also move or postpone the rearranged **meeting**, or both, under this Article 31.

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### 32 Satellite meeting places

**32.1** To assist with the organisation and administration of any **General Meeting**, the **Directors** may decide that the **General Meeting** will be held at more than one location.

**32.2** For the purposes of these **Articles**, any **General Meeting** taking place at two or more locations will be treated as taking place where the chairman of the **meeting** is in attendance (to be known as the **principal meeting place**) and any other location where that **meeting** takes place is referred to in these **Articles** as a **satellite meeting**.

**32.3** A **shareholder** present in person or by *proxy* at a **satellite meeting** may be counted in the *quorum* and can exercise all rights that they would have been able to exercise if they were present at the **principal meeting place**.

**32.4** The **Directors** can make and change such arrangements as they consider appropriate to:

- 32.4.1 ensure that all **shareholders** and *proxies* for **shareholders** wanting to attend the **meeting** can do so;
- 32.4.2 ensure that all persons attending the **meeting** are able to take part in the business of the **meeting** and to see and hear anyone else addressing the **meeting**;
- 32.4.3 ensure the safety of persons attending the **meeting** and the orderly conduct of the **meeting**; and

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32.4.4 restrict the numbers of **shareholders** and *proxies* at any one location to a number that can be safely and conveniently accommodated there.

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32.5 Whether any **shareholder** or *proxy* is entitled to attend a **satellite meeting** will depend on any arrangements then in force and stated in the *notice of meeting* or *adjourned meeting*.

32.6 If the communication equipment fails or if any other arrangements fail for shareholders to take part in the **meeting** at more than one place, the chairman may *adjourn* the **meeting** under Article 38. Such an *adjournment* will not affect the validity of such **meeting**, or any business conducted at such **meeting** up to the point it is *adjourned*, or any action taken following such a **meeting**.

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32.7 A person (known as a **Satellite Chairman**) may be appointed by the **Directors** to preside at each **satellite meeting**. Every **Satellite Chairman** appointed:

32.7.1 will carry out all requests made by the chairman of the **General Meeting**;

32.7.2 can take whatever action they think necessary to maintain the proper and orderly conduct of the **satellite meeting**; and

32.7.3 will have all powers necessary or desirable to carry out these duties.

## Proceedings at General Meetings

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### 33 The chairman of a General Meeting

33.1 The chairman of the **Board** will be the chairman at every **General Meeting**, if they are willing and able to take the chair. If the chairman notifies the **Directors** that they will not attend the **General Meeting**, the **Directors** will, in advance of the **General Meeting**, appoint a **Director** to chair the **meeting**.

33.2 *Subject to Article 33.1, if we do not have a chairman, or if the chairman is not willing and able to chair the meeting, after waiting ten minutes from the time that a meeting is due to start, the Directors who are present will choose one of themselves to act as chairman. If there is only one Director present, they will be chairman, if they agree.*

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33.3 If there is no **Director** willing and able to be chairman, or if no **Director** is present within 15 minutes of the time fixed for the **meeting**, then the **shareholders** who are personally present at the **meeting** and entitled to vote will pass an *ordinary resolution* to decide which one of them is to be chairman. A *proxy* cannot be appointed as the chairman.

33.4 Any resolution (including any amending resolution) proposed by the chairman of the **meeting** does not need to be seconded.

33.5 To avoid any doubt, nothing in the **Articles** restricts or excludes any of the powers or rights of a chairman of a **meeting** which are given by the general **law**.

### 34 Security and other arrangements at General Meetings

34.1 The **Directors** can put in place any arrangements or restrictions they think necessary to ensure the safety and security of people attending a **General Meeting** and the orderly conduct of the **meeting**, including requiring those attending to submit to searches.

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34.2 The chairman of a **meeting** can take any action they consider appropriate for:

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- (a) the safety of people attending a **General Meeting** (including searching anyone attending or any other precautions);
- (b) proper and orderly conduct at a **General Meeting**; or
- (c) the **meeting** to reflect the wishes of the majority.

**34.3** The chairman of the **meeting** can refuse entry to anyone attending a **General Meeting** who refuses a security search or will not otherwise comply with any security arrangements or restrictions.

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**34.4** If anyone has gained entry to a **General Meeting** and refuses to comply with any security arrangements or restrictions, or disrupts the proper and orderly conduct of the **General Meeting**, the chairman can at any time, without the consent of the **General Meeting**, order this person to leave or be removed from the **General Meeting**.

**34.5** The chairman of the **meeting** can invite any person to attend and speak at the **General Meeting** who they consider has the knowledge or experience of our business to assist in the deliberations of the **meeting**.

**34.6** The chairman's decision on points of order, matters of procedure or matters arising incidentally out of the business of a **General Meeting** will be final, as will their decision, acting in good faith, on whether a point or matter is of this nature.

### **35** **Overflow meeting rooms**

**35.1** The **Directors** can arrange for any people who cannot be seated in the main **meeting** room, where the chairman will be, to attend and take part in a **General Meeting** in an overflow room or rooms. Any overflow room will have appropriate links with the main room as required by the **law** and will enable audio-visual communication between the **meeting** rooms throughout the **meeting**. We will give details of any arrangements under this Article 35 in the *notice of the meeting*, but if we fail to do this, it will not invalidate the **meeting**. The **Directors** can decide how to divide people between the main room and an overflow room. If an overflow room is used, the **meeting** will be treated as being held, and taking place, in the main room and the **meeting** will consist of all people who are attending in both the main room and the overflow room.

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### **36** **The quorum needed for General Meetings**

**36.1** Before a **General Meeting** starts to do business, there must be a *quorum* present. If there is not, the **meeting** cannot carry out any business other than appointing a chairman. Unless the **Articles** say otherwise, a *quorum* for all purposes is two people who are entitled to attend and vote.

### **37** **The procedure if there is no quorum**

**37.1** This Article applies if a *quorum* is not present within 10 minutes of the time fixed for a **General Meeting** to start or within any longer period of up to one hour which the chairman can decide on or, if during a **meeting**, a *quorum* is no longer present.

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**37.2** If the **meeting** was called by **shareholders**, it is dissolved. Any other **meeting** is *adjourned* to another day, time and place stated in the *notice of meeting*. If the *notice* does not contain these details, the **meeting** is *adjourned* to a day, time and place decided by the chairman, not less than 10 days and not more than 28 days later.

**37.3** We will give at least seven **clear days'** notice of any *adjourned meeting* where the **meeting** was *adjourned* due to not being *quorate*, and the *notice* will specify that if two **shareholders** are present (whatever the number of **shares** held by them) they will be a *quorum*.

**37.4** If at the *adjourned meeting* a *quorum* (two **shareholders**) is not present within five minutes of the time fixed for it, the **meeting** is dissolved.

## **38** **Adjourning General Meetings**

**38.1** The chairman of a **General Meeting** can *adjourn* the **meeting**, before or after it has started, and whether or not a *quorum* is present, if the chairman considers that:

- (a) there is not enough room for the number of **shareholders** who want to attend the **meeting**;
- (b) the behaviour of the people present prevents, or is likely to prevent, the business of the **meeting** being carried out in an orderly way; or
- (c) an *adjournment* is necessary for the safety of the people attending the **meeting** or for any other reason so that the business of the **meeting** can be properly carried out.

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The chairman does not need the consent of the **meeting** to *adjourn* it for any of these reasons. This includes an indefinite *adjournment*. The *adjournment* will be to another time, which can be later on the same day or on a new date, and can be to another place. The chairman will decide on these matters.

**38.2** The chairman of a **General Meeting** can also *adjourn* a **meeting** which has a *quorum* present, if this is agreed by the **meeting**. This can be to a time, date and place proposed by the chairman. It includes an indefinite *adjournment*. The chairman must *adjourn* the **meeting** if the **meeting** directs the chairman to. In these circumstances the **meeting** will decide how long the *adjournment* will be, and where it will *adjourn* to. If a **meeting** is *adjourned* indefinitely, the **Directors** will subsequently fix the time, date and place of the *adjourned meeting*.

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**38.3** **General Meetings** can be *adjourned* more than once. But if a **meeting** at which a *quorum* is present is *adjourned* for more than 30 days, or indefinitely, **we** must give at least seven **clear days'** notice for the *adjourned meeting* in the same way as was required for the original **meeting**. If a **meeting** is *adjourned* for less than 30 days, **we** do not need to give **notice** about the *adjourned meeting*, or about the business to be considered there. Sufficient **notice** is given if **we** publish an advertisement in at least one national daily newspaper in the **United Kingdom** seven **clear days** before the *adjourned meeting*.

**38.4** An *adjourned General Meeting* can only deal with business that could have been dealt with at the original **meeting** before it was *adjourned*.

## **39** **Amending resolutions**

**39.1** In the case of a resolution duly proposed as a *special resolution*, no amendment to that resolution (other than an amendment to correct an obvious error) can be considered or voted on.

**39.2** In the case of a resolution duly proposed as an *ordinary resolution*, no amendment to that resolution (other than an amendment to correct an obvious error) can be considered or voted on unless:

- (a) *notice* of the terms of the amendment and of the intention to move the amendment have been:
  - (i) lodged in writing at the **registered office**; or
  - (ii) received *electronically*, with the *notice of meeting*, at the address specified for receiving *notices* in *electronic form*,  
  
at least two clear **business days** before the time appointed for holding the **meeting** or *adjourned meeting* at which the resolution is to be proposed; and
- (b) the chairman of the **meeting** decides in good faith that it can be considered and voted on.

**39.3** If the chairman, acting in good faith, rules an amendment to a resolution out of order, any error in that ruling will not affect the validity of a vote on the original resolution.

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## **40 Proxies, Corporate Representatives and Directors speaking at General Meetings**

**40.1** *Proxies* and **corporate representatives** can speak at a **General Meeting**.

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**40.2** A **Director** who is not a **shareholder** can still attend and speak at a **General Meeting**.

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## **Voting procedures**

**41 All votes decided on a poll**

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**41.1 Substantive Resolutions** at a **General Meeting** will be decided on a *poll* (whether or not one is demanded) and any **Procedural Resolution** will be decided on a *show of hands* unless a *poll* is (before or on the declaration of the result of the *show of hands*) demanded.

**41.2** A *poll* can be demanded by:

- (a) the chairman of the **meeting**;
- (b) at least five **shareholders** at the **meeting** who are entitled to vote (including *proxies* of **shareholders** entitled to vote);
- (c) one or more **shareholders** at the **meeting** who are entitled to vote and who have, between them, at least 10 per cent of the total votes of all **shareholders** who have the right to vote at the **meeting** (including *proxies* for **shareholders** entitled to vote); or
- (d) one or more **shareholders** who have **shares** which allow them to vote at the **meeting** (including *proxies* of **shareholders** entitled to vote), where the total amount which has been *paid up* on these **shares** is at least 10 per cent of the total sum *paid up* on all **shares** which give the right to vote at the **meeting**.

**41.3** A *proxy form* gives the *proxy* the authority to demand a *poll*, or to join others in demanding one. A demand for a *poll* made by a *proxy* for a **shareholder** is treated in the same way as a demand by the **shareholder** himself.

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**41.4** A demand for a *poll* can be withdrawn before the earlier of the time at which the *poll* is taken and the close of the **meeting** if the chairman agrees to this. If a *poll* is demanded, and this demand is then withdrawn, any declaration by the chairman of the result of a vote on that resolution by a *show of hands*, which was made before the *poll* was demanded, will stand. If a demand is withdrawn, any other **shareholder** entitled to demand a *poll* may do so.

## **42** How a poll is taken

**42.1** If a *poll* is taken or demanded in line with the **Articles**, the chairman of the **General Meeting** decides where, when and how the *poll* will be carried out. The result is treated as the decision of the **meeting** where the *poll* was taken or demanded, even if the *poll* is carried out after the **meeting**.

**42.2** The chairman can:

- (a) decide that a ballot, voting papers, tickets or electronic means, or any such combination, will be used;
- (b) appoint scrutineers (who need not be **shareholders**);
- (c) *adjourn* the **meeting** to a day, time and place which they decide on for the result of the *poll* to be declared; or
- (d) decide a time and place where the result of the *poll* will be declared.

**42.3** On a *poll*, a **shareholder** can vote either personally or by his *proxy*. A **shareholder** can appoint more than one *proxy* to attend on the same occasion. If a **shareholder** votes on a *poll*, they do not have to use all their votes or cast all their votes in the same way. Unless their appointment provides otherwise, and *subject to* the **Articles**, a *proxy* can vote or not at their discretion on any matter at the **meeting**.

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**42.4** A demand for a *poll* on a **Procedural Resolution** does not stop a **meeting** from continuing and dealing with other matters. If a demand for a *poll* has been withdrawn, the chairman may give such directions as the chairman considers necessary to ensure that the business of the **meeting** proceeds as if the demand had not been made.

## **43** Timing of a poll

**43.1** A *poll* can either be taken immediately at the **meeting** or within 30 days and at a place decided on by the chairman. No *notice* is required for a *poll* which is not taken immediately if the time and place it is to be taken are announced at the **General Meeting**. If the time and place the *poll* is to be taken are not announced at the **meeting**, we must give seven **clear days'** *notice* of the time and place the *poll* is to be taken.

## **44** The chairman's casting vote

**44.1** If the votes are equal, either on a *poll* or a *show of hands*, the chairman of the **General Meeting** is entitled to a further, casting vote. This is in addition to any other votes which the chairman may have as a **shareholder** or as a *proxy*.

## **45 The effect of a declaration by the chairman**

**45.1** Any declaration by the chairman on a point of order is conclusive. In addition, a corresponding entry in the minute book is conclusive proof of the following declarations by the chairman of the **General Meeting**:

- (a) a resolution has been passed or not passed; or
- (b) a resolution has been passed by a particular majority.

There is no need to prove the validity, number or proportion of votes recorded for or against a resolution.

## **Voting rights**

### **46 The votes of shareholders**

**46.1** Subject to Article 46.2, when a **shareholder** or a duly appointed *proxy* is entitled to attend a **General Meeting** and vote, a **shareholder** or a duly appointed *proxy* has only one vote on a *show of hands*. On a *poll* a **shareholder** has one vote for every **share** which they hold. On a *poll*, a duly-appointed *proxy* or a **corporate representative** who is entitled to be present and to vote, has one vote for every share for which they have been appointed. This is *subject to any special rights* or restrictions which are given to any class of **shares** by, or in line with, the **Articles**.

**46.2** To decide who can attend or vote at a **General Meeting** and how many votes can be cast, the *notice* of the **meeting** can give a time by which people must be entered on the **Register** in order to be entitled to attend or vote at the **meeting**. This time must be 48 hours or less before the time fixed for the **meeting**.

### **47 Shareholders who owe us money**

**47.1** Unless the **Articles** say otherwise, **shareholders** who have not paid **us** all sums relating to their **shares** which are due at the time of the **meeting** cannot attend or vote at **General Meetings** or *exercise* any other right conferred by being a **shareholder** in relation to **General Meetings**. This applies both to attending a **meeting** personally and to attending by *proxy* or **corporate representative**.

### **48 Votes of shareholders who are of unsound mind**

**48.1** This Article 48 applies where:

- (a) a **shareholder** is of *unsound mind*; and
- (b) a court which claims jurisdiction to protect people who are unable to manage their own affairs has made an order detaining a **shareholder** or appointing a person to manage their property or affairs.

**48.2** The person or people appointed to act for the **shareholder** can vote for the **shareholder** and *exercise* other rights at **General Meetings**. This includes appointing a *proxy*, voting on a *show of hands* and voting on a *poll*. However, this Article 48 only applies if they deliver any evidence which the **Directors** may require of their authority to do these things to the office where the **Register** is kept (or at any other place which can be specified in line with these **Articles**) at least 48 hours before the relevant **meeting** (or *adjourned meeting*).

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## 49 The votes of joint holders

**49.1** Where a **share** is held by joint **shareholders** any one joint **shareholder** can vote at a **General Meeting** (either personally or by *proxy*). If more than one of the joint **shareholders** votes (either personally or by *proxy*), the only vote which will count is the vote of the person whose name is listed before the other voters on the **Register** for the **share**.

## Restrictions on shareholder voting

### 50 Suspending shareholder rights on non-disclosure of interest

**50.1** If any **shareholder**, or any person appearing to be interested in **shares** held by the **shareholder**, has been properly served with a notice under Section 793 of the **Companies Act** which requires information about interests in shares (a **Section 793 notice**), and has not supplied us with the information required within 14 days of the date of the notice, then (unless the **Directors** decide otherwise) this Article 50 will apply. Until they provide the information, the **shareholder** will not be entitled to attend or vote personally or by *proxy* or by a **corporate representative** at a **shareholders' meeting** or to *exercise* any other right in relation to **shareholders' meetings** as holder of:

- (a) the **shares** covered by the notice (called **default shares**);
- (b) any further **shares** which are *issued* in respect of **default shares**; and
- (c) any other **shares** held by the **shareholder** holding the **default shares**.

**50.2** Any person who acquires **shares** *subject to* the restrictions under Article 50.1 is limited by the same restrictions, unless:

- (a) the transfer was an **approved transfer** (see Article 50.9); or
- (b) the transfer was by a **shareholder** who has supplied the information required by the notice under Article 50.1.

**50.3** Where the **default shares** represent 0.25 per cent or more of the **existing shares** of a class the **Directors** can, by a notice (a **Section 793 Notice**) to the **shareholder**, direct that:

- (a) **we** retain any dividend or part of a dividend or other money which would otherwise be payable on the **default shares** (without any liability to pay interest when such money is finally paid to the **shareholder**) and the **shareholder** will not be entitled to elect to receive **shares** instead of a dividend; and
- (b) *subject to* Article 50.4, no transfer of any of the **shares** held by the **shareholder** will be registered unless:
  - (i) the transfer is an **approved transfer** (see Article 50.9); or
  - (ii) the **shareholder** has supplied the information required and the transfer is of part only of their holding; and
  - (iii) when presented for registration, the transfer is accompanied by a *certificate*. This *certificate* must be in a form satisfactory to the **Directors** and state that, after due and careful enquiry, the **shareholder** is satisfied that none of the **shares** included in the transfer are **default shares**.

**50.4** Any **Section 793 Notice** can treat **shares** of a **shareholder** in certificated and uncertificated form as separate shareholdings and either apply only to **shares** in certificated form or to **shares** in uncertificated form or apply differently to **shares** in certificated and uncertificated form. In the case of **shares** in uncertificated form, the **Directors** can only use their discretion to prevent a transfer if this is allowed by the **CREST Regulations**.

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**50.5** We must send a copy of the **Section 793 Notice** to every person who appears to be interested in the **shares** covered by the notice, but if we fail to do so, this does not invalidate the notice.

**50.6** The effect stated in a **Section 793 Notice** continues until the information required has been supplied. It ceases to apply when the **Directors** decide (which they must do within one week of the default being resolved). We must give the **shareholder** written notice of the **Directors'** decision.

**50.7** A **Section 793 Notice** also ceases to apply to any **shares** which are transferred by a **shareholder** in a transfer which would be permitted under Article 50.3 even where a **Section 793 Notice** restricts transfers.

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**50.8** For the purposes of this Article 50, a person is treated as appearing to be interested in any **shares** if the **shareholder** holding the **shares** has been served with a notice under Section 793 of the **Companies Act** and:

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- (a) the **shareholder** has named the person as being interested; or
- (b) (after taking into account the response of the **shareholder** to the notice and any other relevant information) we know or have reasonable cause to believe that the person in question is or may be interested in the **shares**.

**50.9** For the purposes of this Article 50, a transfer of **shares** is an **approved transfer** if:

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- (a) it is a transfer of **shares** to a person offering to buy them or under an acceptance of a *take-over offer* (as defined in Section 974 of the **Companies Act**); or
- (b) the **Directors** are satisfied that the transfer is made following a sale in good faith of the whole of the *beneficial ownership* of the **shares** to a party unconnected with the **shareholder** or with any person appearing to be interested in the **shares**. This includes a sale made through the **London Stock Exchange** or any other stock exchange on which the **shares** are normally traded. For this purpose any associate (as that term is defined in Section 435 of the Insolvency Act 1986) is included among the people who are connected with the **shareholder** or any person appearing to be interested in the **shares**.

**50.10** For the purposes of this Article 50, 'interested' has the same meaning as in Section 793 of the **Companies Act**.

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**50.11** For the purposes of this Article 50, reference to a person having failed to give us the information required by a **Section 793 Notice**, or being in default of supplying such information, includes:

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- (a) their failure or refusal to give all or any part of it;
- (b) giving information which they know to be *materially* false; or
- (c) having recklessly given information which is *materially* false.

**50.12** This Article 50 does not restrict in any way the provisions of the **Companies Act** which apply to failures to comply with notices under Section 793 of the **Companies Act**.

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## Proxies

### 51 Completing proxy forms

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**51.1** A *proxy form* can be in any form which is commonly used, or in any other form, which the **Directors** approve.

**51.2** A *proxy form* must be **in writing**. A *proxy form* given by an individual **shareholder** must be signed by the **shareholder** appointing the *proxy*, or by an agent who has been properly appointed **in writing** or authenticated in line with Article 122. If a *proxy* is appointed by a *company*, the form should be either sealed with the *company's* seal or signed by an officer or an agent who is properly authorised to act for the *company* or authenticated in line with Article 122. Unless shown otherwise, the **Directors** are entitled to assume that where a *proxy form* appears to have been signed by an officer or agent of a *company*, the officer or agent was authorised to sign by the *company*, without requiring any further evidence. Signatures or authentication need not be witnessed.

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**51.3** Subject to the law, all *notices* convening **General Meetings** which are sent to **shareholders** entitled to vote at the **General Meeting** must be accompanied by a *proxy form* at our expense.

**51.4** If we accidentally fail to send out a *proxy form* to a **shareholder** entitled to it (or they do not receive the *proxy form*) it will not invalidate any resolution passed or proceedings at the **General Meeting** to which the *proxy form* relates.

**51.5** A **shareholder** can appoint more than one *proxy* to attend, vote and speak at the same **meeting** provided that each *proxy* is appointed to exercise the rights attached to a different **share** or **shares** held by that **shareholder**. Depositing the *proxy form* does not prevent a **shareholder** from attending and voting at the **meeting** or at any *adjournment* of it.

**51.6** A *proxy* need not be a **shareholder**.

**51.7** *Proxies* are appointed for 12 months from the date the *proxy form* is signed and dated, but the appointment will remain valid after 12 months for the purposes of a *poll* or an *adjourned meeting*, if the *poll* was demanded or the *adjournment* moved at a **meeting** held within the 12-month period.

### 52 Delivering completed proxy forms

**52.1** A completed *proxy form* must be delivered to the place stated in the *notice of General Meeting*, or in the *proxy form*, or, if no place is stated, to the office where the **Register** is kept. If the **Directors** decide to accept *proxies* delivered *electronically*, the *proxies* must be delivered in the way that the **Directors** specify.

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A *proxy form* must be delivered at least:

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- (a) 48 hours before a **General Meeting** or an *adjourned meeting*;
- (b) 24 hours before a *poll* is taken, if the *poll* is taken more than 48 hours after it was demanded; or

- (c) 48 hours before a **meeting** or an *adjourned meeting*, if the *poll* is taken within 48 hours of the **meeting** or an *adjourned meeting*.

In calculating the time periods in this Article 52.1, the **Directors** can decide to exclude any part of any day which is not a **business day**.

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**52.2** As far as the **law** permits, **Directors** can decide to accept *proxies* delivered *electronically* (see Article 52.3), *subject to* any limitations, restrictions or conditions they decide to apply. **We** may choose not to apply Articles 52.1 and 52.2 in relation to a *proxy form* delivered in this way. If a *proxy form* is signed by an agent, the *power of attorney* or other authority granted to the agent to sign it, or a copy which has been certified, must be delivered with the *proxy form*, unless the *power of attorney* has already been registered with **us**.

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**52.3** In relation to any **shares** in uncertificated form, the **Directors** can permit a proxy to be appointed *electronically* in the form of an *uncertificated proxy instruction*. They can also permit any supplement to, or amendment or withdrawal of, any such instruction by a further *uncertificated proxy instruction*. The **Directors** can set out the method of determining when **we** should consider **we** received any such instruction. The **Directors** can treat any such instruction which appears or claims to be sent on behalf of the **shareholder** as sufficient evidence that the person sending the instruction is authorised to send it on behalf of that **shareholder**.

**52.4** If Article 52 is not met, the *proxy* will not be able to act for the person who appointed them.

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**52.5** Where two or more *proxy forms* are delivered for use by the same **shares**, **we** will treat the one which has been delivered last as replacing and *revoking* the others which have been delivered.

**52.6** Unless the *proxy form* says otherwise, it will be valid at an *adjourned General Meeting* as well as for the original **General Meeting** it relates to.

**52.7** Once a *proxy form* relating to more than one **meeting** (including any *adjourned meeting*) has been delivered, it does not need to be delivered for each following **meeting** it relates to.

**52.8** A **shareholder** can attend and vote at a **General Meeting** even if they have appointed a *proxy* to attend, vote and speak at that **meeting**. However, if they vote in person on a resolution, their appointment of a *proxy* will not be valid on that resolution.

### **53** Cancelling a proxy's authority

**53.1** Any vote cast in the way a *proxy form* authorises, or any demand for a *poll* made by a *proxy*, will be valid even though:

- (a) the person who appointed the *proxy* has died or is of *unsound mind*;
- (b) the *proxy form* has been withdrawn; or
- (c) the authority of the person who signed the *proxy form* for the **shareholder** has been withdrawn.

**53.2** However, this does not apply if notice of the fact has been received at the office where the **Register** is kept (or at such other place at which the *proxy* was validly deposited) before:

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- (a) the **General Meeting** or *adjourned meeting* starts; or

- (b) the time fixed to take a *poll* on a later day;  
when the *proxy form* is used.

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## 54 Representatives of companies

**54.1** Subject to the **Statutes**, a *company* which is a **shareholder** can authorise one or more persons to act as its representative or representatives at any **General Meeting** or any **class meeting** which it is entitled to attend. Each person will be called a **corporate representative**.

## 55 Challenging votes

**55.1** Any objection to the right of any person to vote must be made at the **General Meeting** (or *adjourned meeting*) at which the vote is cast. This also applies to any objection about the counting of any vote or the failure to count any vote. If a vote is not disallowed at a **meeting**, it is valid for all purposes. Any objection must be raised with the chairman of the **meeting** and the chairman's decision is final.

## Directors

### 56 The number of Directors

**56.1** There must be at least two **Directors** (other than **alternate directors**). But the **shareholders** can increase this minimum by passing an *ordinary resolution*. There is no maximum number of **Directors**.

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### 57 Qualification to be a Director

**57.1** A **Director** need not be a **shareholder**.

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### 58 Directors' fees

**58.1** Under this Article **58.1**, each of the **Directors**, other than a **Director** acting in an *executive capacity*, will be paid a fee for their services. The **Directors** or a **committee** can decide on the amount, timing and way of paying **Directors'** fees, but the total of the fees paid to all of the **Directors** (excluding amounts paid as special **pay** under Article **59**, amounts paid as expenses under Article **60** and any payments under Article **61**) must not exceed:

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- (a) £2,000,000 a year; or  
(b) any higher sum decided on by an *ordinary resolution* at a **General Meeting**.

**58.2** The fee will accrue from day to day and any **Director** holding office as a **Director** for only part of the period covered by the fee is only entitled to a pro-rata share for that part of the period.

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### 59 Special pay

**59.1** The **Directors** or any **committee** can award special **pay** to any **Director** who:

- (a) acts in an *executive capacity*;  
(b) serves on any **committee**;

- (c) performs any other services which the **Directors** consider to extend beyond the ordinary duties of a **Director**;
- (d) devotes special attention to the business of **NG**; or
- (e) goes or lives abroad on **our** behalf.

**59.2** Special **pay** can take the form of salary, commission or other benefits, or can be paid in some other way (for example by issuing **shares**). This is decided on by the **Directors** or any **committee** and can be a fixed sum or percentage of profits or otherwise.

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**59.3** Special **pay** is additional to fees paid under Article **58.1**.

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## **60** **Directors' expenses**

**60.1** We can also repay a **Director's** travelling, hotel and other expenses properly incurred:

- (a) to attend and return from **shareholders' meetings** (including any **class meetings**);
- (b) to attend and return from **Directors'** meetings;
- (c) to attend and return from meetings of **committees**; or
- (d) in other ways in connection with **our** business.

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## **61** **Directors' pensions and other benefits**

**61.1** The **Directors** or any **committee** can decide whether to award:

- (a) pensions;
- (b) annual payments;
- (c) gratuities; or
- (d) other allowances or benefits

to any people who are or were **Directors**, executive officers, officers, or employees of **NG** or of any *subsidiary* or former *subsidiary* of **NG**, or of any predecessor in business of **NG** and to any member of their family (including a husband or wife, or former husband or wife) or to any person who is or was dependent on them.

**61.2** The **Directors** can decide to contribute (before as well as after they stop receiving a salary or occupy a position for which they receive any form of remuneration) to any scheme, trust or fund or to pay premiums to a third party for these purposes. The **Directors** can make such payments while the intended beneficiary is a **Director** of **NG** or of any of **our subsidiaries**. They can also make such payments if any intended beneficiary is related to, or depends on (or did depend on), a **Director** of **NG** or any of **our subsidiaries**.

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**61.3** The **Directors** or any **committee** can arrange for any of these matters to be done by **us** either alone or working with any other person.

**61.4** No **Director** or former **Director** is accountable to **us** or **our shareholders** for a benefit of any kind given in line with this Article **61**. Receiving a benefit of any kind given in line with this Article **61** does not prevent a person from being or becoming a **Director**.

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## **62** Appointing Directors to various posts

**62.1** The **Board** or any **committee** can appoint any **Director** as chairman, or as Chief Executive, or to act in any other *executive capacity* they decide on. So far as the **law** allows, they can decide on how long these appointments will be for, and on their terms. *Subject to* the terms of any of the **Directors'** contracts with **us**, they can also vary or end their appointments.

**62.2** A **Director** appointed as an executive **Director** can, in line with Article **59**, be paid special **pay** (by salary, commission, profit sharing or otherwise) in any way the **Directors** or any **committee** may decide and either in addition to, or in place of, any fee they receive as a **Director** under Article **58**.

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**62.3** A **Director** will automatically stop being chairman or Chief Executive or acting in any other *executive capacity* if they are no longer a **Director**. Other executive appointments will only stop if the contract or resolution appointing the **Director** to a post says so. If a **Director's** appointment ends under this Article **62.3**, this does not prejudice any claim for breach of contract against **us** which may otherwise apply.

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**62.4** The **Directors** can give a **Director** appointed to an executive post any of the powers which they jointly have as **Directors**. These powers can be given on terms and conditions decided on by the **Directors** either in parallel with, or in place of, the powers of the **Directors** acting jointly. The **Directors** can change the basis on which such powers are given or withdraw such powers from the executive.

## **Changing Directors**

### **63** Retiring Directors

**63.1** At an **Annual General Meeting**, any **Director** who was elected or last re-elected three or more calendar years before the current year will automatically retire from office.

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### **64** Eligibility for re-election

**64.1** A retiring **Director** is eligible for re-election.

### **65** Re-electing a Director who is retiring

**65.1** A **Director** may be re-elected at the **General Meeting** at which they retire (as long as they are eligible for re-election and have not told **us** in writing that they do not want to be re-elected) if the **shareholders** pass an *ordinary resolution* to re-elect the **Director**.

**65.2** A **Director** retiring at a **General Meeting** retires at the end of that **meeting** or (if earlier) when a resolution is passed to appoint someone in his place. Where a retiring **Director** is re-elected the **Director** continues as a **Director** without a break.

### **66** Electing two or more Directors

**66.1** A single resolution for electing two or more **Directors** is void unless putting the resolution in this form has been approved by an earlier resolution taken at the **General Meeting**, with no votes cast against.

## 67 People who can be Directors

67.1 Only the following people can be elected as **Directors** at a **General Meeting**:

- (a) a **Director** who is retiring at the **meeting**;
- (b) a person who is recommended by the **Directors**; or
- (c) a person who has been proposed by a **shareholder** (under Article 67.2) who is entitled to attend and vote at the **General Meeting**.

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67.2 A **shareholder** proposing a **Director** must deliver to the **registered office**:

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- (a) a signed letter stating that they intend to propose another person for election as **Director**; and
- (b) written confirmation from the person to be proposed that they are willing to be elected.

These must be delivered at least 14 days before the **General Meeting**, but not more than 42 days before the **meeting** (this period includes the date on which the *notice* is given).

## 68 Filling vacancies and appointing extra Directors

68.1 The **Directors** can appoint any person as an extra **Director** or to fill a *casual vacancy*. Any **Director** appointed in this way must retire at the first **Annual General Meeting** after their appointment. At this **Annual General Meeting** they can be elected by the **shareholders** as a **Director**.

68.2 *Subject to Article 67, at a General Meeting the shareholders can also pass an ordinary resolution* to fill a *casual vacancy* or to appoint an extra **Director**.

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68.3 Extra **Directors** can only be appointed under this Article up to the limit (if any) on the total number of **Directors** under the **Articles** (or any variation of the limit approved by the **shareholders** under the **Articles**).

## 69 Removing and appointing Directors by an ordinary resolution

69.1 The **shareholders** can pass an *ordinary resolution* to remove a **Director**, even though their time in office has not ended. This applies whatever else is said in the **Articles**, or in any agreement between **us** and the **Director** concerned. By **law, we** must be given a *special notice* of the *ordinary resolution*. But if a **Director** is removed in this way, it will not affect any claim for damages for breach of any contract of service they may have.

69.2 *Subject to Article 67, the shareholders can pass an ordinary resolution to elect a person to replace a Director who has been removed in this way. If a Director is not appointed under this Article 69.2, the vacancy can be filled under Article 68.*

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## 70 When Directors are disqualified

70.1 Any **Director** automatically ceases to be a **Director** in any of the following circumstances.

- (a) If a bankruptcy order is made against them.
- (b) If they make any arrangement or composition with their creditors or apply for an interim order under Section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under the Insolvency Act 1986.

- (c) If they become of *unsound mind*.
- (d) If they have missed **Directors'** meetings for a continuous period of six months, without permission from the **Directors**, and the **Directors** pass a resolution stating that they have ceased to be a **Director**.
- (e) If they cease to be or are banned from being a **Director** by **law**.
- (f) If they:
  - (i) give **us** a letter of resignation; or
  - (ii) offer to resign and the **Directors** pass a resolution accepting the offer.
- (g) If all the other **Directors** pass a resolution, or sign a notice, requiring the **Director** to resign, they will no longer be a **Director** when the notice is served on them. But if a **Director** is removed in this way, this will not affect any claim for damages for breach of any contract of service which they may have with **us**.
- (h) If they hold any executive office and this appointment is ended or expires without being renewed within 14 days, and the **Directors** decide that they should leave their office.

**70.2** When a **Director** stops being a **Director** for any reason, they will also automatically stop being a member of any **committee**. Their removal from office will be without prejudice to any claim which they or **we** might bring over any contract of service between them and **us**.

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## Directors' meetings

### **71** Directors' meetings

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**71.1** The **Directors** can decide when to have meetings and how they will be conducted, and on the *quorum*. They can also *adjourn* their meetings.

### **72** How Directors' meetings are called

**72.1** Any **Director** can call a meeting. The *Company Secretary* must also call a meeting if a **Director** requests a meeting.

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**72.2** Meetings are called by serving a *notice* on all the **Directors**. This *notice* can be given to a **Director**:

- (a) personally;
- (b) by word of mouth;
- (c) by **notice in writing** (sent to him or her at their last known address); or
- (d) in **electronic form**.

**72.3** Any **Director** can waive the right to receive *notice* of any meeting, including one which has already taken place.

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## 73 Quorum

**73.1** If no other *quorum* is fixed, two **Directors** are a *quorum*. Subject to these **Articles and the law**, a meeting at which a *quorum* is present can *exercise* all the powers, authorities and discretions of the **Directors**.

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**73.2** A person who holds office only as an **alternate director** will, if the person who appointed them is not present, be counted in the *quorum*.

**73.3** A **Director** who ceases to be a **Director** at a **Directors'** meeting can continue to be present and act as a **Director** and be counted in the *quorum* until the end of that meeting if no other **Director** objects and a *quorum* would not otherwise be present.

## 74 The chairman of Directors' meetings

**74.1** If the chairman of the **Board** is at a meeting, they will chair it. If the chairman notifies the **Directors** that they will not attend the **Directors'** meeting then the **Directors** will, in the advance of the **Directors'** meeting, appoint a **Director** to chair the meeting.

**74.2** Subject to Article 74.1, if the chairman of the **Board** is not present, or if the chairman is not willing to act as chairman, within 10 minutes of the time when the meeting is due to start, the **Directors** who are present can choose which one of them will chair the meeting.

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## 75 Voting at Directors' meetings

**75.1** Matters for decision which arise at a **Directors'** meeting will be decided by a majority vote. If votes are equal, the chairman of the meeting has a second, casting vote. **Directors** can act even if there are vacancies.

**75.2** The remaining **Directors** can continue to act even if one or more of them stops being a **Director**. But if the number of **Directors** falls below the minimum which applies under Articles 56 and 73 (including any variation of this minimum which is approved by an *ordinary resolution* of **shareholders**), the remaining **Director** can only either:

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- (a) appoint further **Directors** to make up the shortfall; or
- (b) call a **General Meeting**.

**75.3** If no **Directors** are willing or able to act under this Article 75, any two **shareholders** can call a **General Meeting** to appoint extra **Directors**.

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## 76 Directors' meetings by video or web conference and phone

**76.1** Any or all of the **Directors**, or members of a **committee**, can take part in a meeting of the **Directors** or of a **committee** by taking part in a video or web conference or by using a conference phone or similar equipment designed to allow everybody to take part in the **Directors'** meeting.

**76.2** Taking part in this way will be counted as being present at the **Directors'** meeting. A **Directors'** meeting which takes place by way of video or web conference, conference phone or similar equipment will be treated as taking place where most of the participants are. If there is no largest group, **Directors'** meetings will be treated as taking place where the chairman is.

**76.3** A **Directors'** meeting held in the way described in Article **76.1** will be valid as long as a *quorum* is present in one single place, or in places connected by way of video or web conference, telephone conference or similar equipment.

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## **77 Resolutions in writing**

**77.1** This Article **77** applies to a written resolution which is signed or confirmed *electronically* by the minimum number of **Directors** required to make a **Directors'** meeting or a meeting of a **committee quorate**. This kind of resolution is just as valid and effective as a resolution passed by those **Directors** at a meeting or **committee** meeting which is properly called and held.

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**77.2** The resolution can be passed using several copies of a document, if each document is signed by one or more **Directors**, or each **Director** confirms their agreement *electronically*. These copies can be sent *electronically*. A resolution is not adopted unless the minimum number of **Directors** to make the meeting or **committee** meeting *quorate* have signed it or confirmed their agreement *electronically*.

**77.3** A resolution signed by an **alternate director** need not also be signed by the person who appointed them. Also, a resolution signed by the person who appointed an **alternate director** need not also be signed by the **alternate director** in that capacity.

**77.4** A written resolution will be valid when it is signed by the last **Director**.

**77.5** The resolution can be:

- (a) in the form of a letter;
- (b) in **electronic form** (as long as it is **in writing**); or
- (c) in any other way the **Directors** may approve.

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## **78 The validity of Directors' actions**

**78.1** Everything which is done by:

- (a) the **Board**;
- (b) a **committee**;
- (c) a **Director**;
- (d) a person acting as a **Director**; or
- (e) a member of a **committee**;

will be valid even though it is discovered later that any **Director**, or person acting as a **Director**, was not properly appointed.

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**78.2** Article **78.1** also applies if it is discovered later that anyone was disqualified from being a **Director**, or had stopped being a **Director**, or was not entitled to vote.

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**78.3** In any of the cases set out above, anything done in favour of anyone dealing with **us** in good faith will be as valid as if there was no defect or irregularity of the kind referred to in this Article **78**.

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## Directors' interests

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### 79 Authorising Directors' interests

**79.1** For the purposes of Section 175 of the **Companies Act**, the **Directors** can authorise any matter which:

- (a) would or could be a breach of a **Director's** duty under that section; or
- (b) could result in a breach of a **Director's** duty under that section.

This authorisation will avoid a situation arising in which the **Director** has, or could have, a direct or indirect interest that conflicts, or could conflict, with **our** interests.

**79.2** For authorisation of a matter under this Article to be effective:

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- (a) the matter in question must have been proposed **in writing** for consideration at a **Board** meeting, in line with the **Board's** normal procedures or in any other way the **Directors** may decide;
- (b) any *quorum* requirement at the **Board** meeting when the matter is considered must be met without counting any **Interested Directors**; and
- (c) the matter must be agreed without the **Interested Directors** voting, or would have been agreed if the votes of the **Interested Directors** had not been counted.

**79.3** Any matter authorised under this Article will include any existing or potential conflict of interest which it is reasonable to expect will arise out of the authorised matter.

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**79.4** Any authorisation of a matter under this Article will be *subject to* any conditions or limitations that the **Board** decides. The **Board** can decide the conditions or limitations at the time authorisation is given, or later on, and can end them at any time. A **Director** must comply with any obligations the **Directors** impose on him or her after a matter has been authorised.

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**79.5** A **Director** does not have to hand over to **us** any benefit he or she receives (or a **person** connected with them receives) as a result of anything the **Board** has authorised under this Article. No contract, transaction or arrangement of the type described in this Article can be set aside because of any **Director's** interest or benefit.

### 80 Directors may have certain interests

**80.1** *Subject to* complying with Article **80.2**, a **Director** can have the following interests.

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- (a) A **Director** (or a **person** connected with them) can be a director, **officer** or employee of, or have an interest in (including holding shares) any **Relevant Company**.
- (b) A **Director** (or a **person** connected with them) can have an interest in any **Relevant Company** we have an interest in, or be a party to a contract with that company.
- (c) A **Director** (or a **person** connected with them, or any firm the **Director** is a partner, employee or **shareholder** of) can do professional work for any **Relevant Company** (other than as an **Auditor**) whether or not they are paid for the work.

(d) A **Director** can have an interest if it is unreasonable to expect that it will result in a conflict of interest. Formatted: Font: Bold

(e) A **Director** can have an interest, transaction or arrangement which may result in another interest which they do not know about. Formatted: Font: Bold

(f) A **Director** may have an interest in any matter authorised under Article 79. Deleted: 83

(g) A Director may have any other interest authorised by *ordinary resolution*.

No authorisation under Article 79 is required for any interests under this Article 80.1. Deleted: 83

**80.2** The **Director** must declare the nature and extent of any interest allowed under Article 80.1, but which does not fall within Article 80.3. They must do this at a **Board** meeting or by sending notice in writing to other **Directors** *electronically* or otherwise. If a Director: Deleted: 4  
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(a) has an interest in a company and is interested in any transaction or arrangement with that company; or

(b) is connected with a person and is interested in a transaction with that person,

they must declare the nature and extent of any interest and give such notice at a **Board** meeting.

**80.3** A **Director** does not need to declare an interest: Formatted: Bullets and Numbering

(a) falling within paragraph (d) or (e) or (f) of Article 80.1; Deleted: 4

(b) if the other **Directors** already know about the interest (and for this purpose the other **Directors** will be treated as knowing about the interest if it is reasonable to expect they know about it); or

(c) if the interest concerns the terms of their service contract (as defined in Section 227 of the **Companies Act**) that have been or are to be considered at a **Board** meeting or at a committee meeting of **Directors** appointed under these **Articles** to consider the terms.

**80.4** A **Director** does not have to hand over to us any benefit he or she (or a **person** connected with them) receives: Formatted: Bullets and Numbering

(a) from any contract or employment with, or interest in, any **Relevant Company**; or

(b) for any payment as referred to in Article 80.1. Deleted: 4

No contract, transaction or arrangement of the type described above can be set aside because of any **Director's** interest or benefit.

**80.5** In this Article each of the following is a **Relevant Company**: Formatted: Bullets and Numbering

(a) **NG**;

(b) a *subsidiary* of **NG**;

(c) any **holding company** of **NG** or a *subsidiary undertaking* of any such *holding company*;

(d) any **company** promoted by **NG**; or

(e) any **company** in which **NG** is interested.

## 81 Restrictions on quorum and voting

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**81.1** Unless this Article says otherwise, and regardless of whether the interest is one which is authorised under Article 79 or allowed under Article 80, a **Director** cannot vote (and if he or she does, their vote will not be counted) on a resolution about a contract in which they (or a **person** connected with them) have an interest.

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**81.2** A **Director** cannot be counted in the *quorum* for a **Board** meeting in relation to any resolution on which they are not entitled to vote.

**81.3** If the **law** allows, a **Director** can (unless they have some other interest as well as an interest allowed by this Article) vote and be counted in the *quorum* on a resolution concerning a contract:

- (a) in which the **Director** has an interest which they do not know about;
- (b) in which the **Director** has an interest which it is unreasonable to expect will result in a conflict of interest;
- (c) in which the **Director** has an interest only because they hold **our shares, debentures** or other *securities*, or by reason of any other interest in or through **us**;
- (d) which involves giving any security, guarantee or *indemnity* to the **Director** or any other **person** for:
  - (i) money lent or obligations incurred by the **Director**, or by any other person;
  - (ii) at our request, or for **our** benefit or the benefit of any of **our subsidiaries**; or
  - (iii) a debt or other obligation which is owed by **us** or any of **our subsidiaries** to that other person if the **Director** has taken responsibility for all or any part of that debt or obligation by giving a guarantee, security or *indemnity*;
- (e) where **we** or any of **our subsidiaries** are offering any shares, **debentures** or other *securities* for *subscription* or purchase:
  - (i) to which the **Director** is or may be entitled as a holder of **our securities**; or
  - (ii) where the **Director** will be involved in the *underwriting* or *sub-underwriting*;
- (f) relating to any other *company* in which the *Director* has an interest, directly or indirectly (including holding a position in that *company*) or is a **shareholder**, creditor, employee or is otherwise involved in that *company*. These rights do not apply if the **Director** owns one per cent or more of that *company* or of the voting rights in that *company*;
- (g) relating to an arrangement for the benefit of **our** employees or former employees or any of **our subsidiaries** which only gives the **Directors** the same benefits that are generally given to the employees or former employees the arrangement relates to;
- (h) relating to **us** buying or renewing insurance for any *liability* for the benefit of **Directors** and others;
- (i) which gives **Directors** *indemnities*;
- (j) relating to funding expenditure by any **Director** or **Directors**:

- (i) on defending criminal, civil or regulatory proceedings or actions against the **Director** or the **Directors**;
  - (ii) in connection with an application to the court for relief; or
  - (iii) on defending the **Director** or the **Directors** in any regulatory investigations;
- (k) which enables any **Director** or **Directors** to avoid incurring expenditure as described in paragraph (j); and
- (l) in which the **Director's** interest, or the interest of **Directors** generally, has been authorised by an *ordinary resolution*.

**81.4** This Article 81 applies if the **Directors** are considering proposals to appoint two or more **Directors** to positions with us or any *company we* are interested in. It also applies if the **Directors** are considering setting or changing the terms of the appointment. These proposals can be split up to deal with each proposed **Director** separately. If this is done, each proposed **Director** can vote and be included in the *quorum* for each resolution, except the one concerning them.

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**81.5** If any question comes up at a **meeting** about whether a **Director** has a *material* interest or whether they can vote or be counted in the *quorum*, and the **Director** does not agree to abstain from voting on the issue or not be counted in the *quorum*, the question will be referred to the chairman of the **meeting**. The chairman's ruling about the **Director** is conclusive, unless the nature or extent of the **Director's** interests has not been fairly disclosed to the **Board**. If the chairman is the **Director** in question, the question will be decided by a resolution of the **Board** (the chairman will be counted in the *quorum* but will not vote on the matter) and the resolution will be final unless the nature or extent of the chairman's interest (so far as it is known to them) has not been fairly disclosed to the **Board**.

## **82 Confidential information**

**82.1** Subject to Article 79, if a **Director** receives information for which he or she owes a duty of confidentiality to a **person** other than us, and they did not receive the information because of their position as a **Director**, they will not be required to:

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- (a) disclose the confidential information to the **Board**, or to any of **Directors**, *officers* or employees; or
- (b) use or apply the confidential information in any other way in connection with their duties as a **Director**.

**82.2** A duty of confidentiality may arise when a **Director** has, or could have, a direct or indirect interest that conflicts, or may conflict, with **our** interests. This Article 82 will apply only if the conflict arises out of a matter which has been authorised under Article 79, or falls within Article 80.

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**82.3** This Article does not affect any equitable principle (rules of fairness) or rule of **law** which may excuse or release the **Director** from disclosing information, in circumstances where disclosure may otherwise be required under this Article.

## **83 Directors' interests - general**

**83.1** For the purposes of Articles 79 to 83:

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- (a) an interest of a **person** who is connected with a **Director** will be treated as an interest of the **Director**; and
- (b) Section 252 of the **Companies Act** will determine whether a **person** is connected with a **Director**.

**83.2** Where a **Director** has an interest which it is reasonable to expect will result in a conflict of interest, the **Director** will, if asked to do so by the **Board**, take any additional steps that are necessary or desirable to manage the conflict of interest. These steps can include complying with any procedures laid down by the **Board** to manage conflicts of interest generally, or carrying out any specific procedures approved by the **Board** for managing the situation or matter in question, including (without limitation) the **Director**:

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- (a) being absent from any **Board** meetings where the relevant situation or matter is to be considered; and
- (b) not being given access to documents or information made available to the **Board** generally in relation to such a situation, or arranging for the documents or information to be reviewed by a professional adviser to determine whether it is appropriate for him or her to have access to such documents or information.

**83.3** By passing an *ordinary resolution*, the **shareholders** can ratify any contract not properly authorised because it breached any of the provisions in Articles **79** to **83**.

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## Minutes

### **84** Minutes

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**84.1** The **Directors** must make sure that minutes are made in the appropriate books:

- (a) recording the appointment of officers made by the **Directors**;
- (b) recording the proceedings of **shareholder meetings** and meetings of the **Directors** and **committees**; and
- (c) recording in each case the names of the **Directors** present.

**84.2** *Subject to the law*, the minutes will be a sufficient record of the meeting if signed by the chairman.

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## Directors' committees

### **85** Delegating powers to committees

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**85.1** The **Directors** can delegate any of their powers, or discretions, to **committees** of one or more **Directors**. This includes powers or discretions relating to **Directors' pay** or giving benefits to **Directors**. If the **Directors** have delegated any power or discretion to a **committee**, any references in these **Articles** to using that power or discretion include its use by the **committee**. Any **committee** must comply with any regulations laid down by the **Directors**. These regulations can require or allow people who are not **Directors** to be co-opted onto the **committee**, and can give voting rights to co-opted members. But:

- (a) there must be more **Directors** on a **committee** than co-opted members; and

(b) a resolution of the **committee** is only effective if a majority of the members of the **committee** present at the time of the resolution were **Directors**.

**85.2** Unless the **Directors** decide not to allow this, a **committee** can sub-delegate powers and discretions to sub-committees. References in these **Articles** to **committees** include sub-committees permitted under this Article **85**.

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## **86 Committee procedure**

**86.1** If a **committee** includes two or more **Directors**, the **Articles** which regulate **Directors'** meetings and their procedure will also apply to **committee** meetings (if they can apply to **committee** meetings), unless these are inconsistent with any regulations for the **committee** which have been laid down under Article **85.1**.

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## **Directors' powers**

### **87 General powers of Directors**

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**87.1** The **Directors** manage **our** business and affairs. *Subject to* the **Statutes**, these **Articles**, and any regulation made by *special resolution* which affects their powers, the **Directors** will exercise all powers other than those **we** are required to exercise in a **General Meeting**. No regulation made by *special resolution* will invalidate any act previously carried out by the **Directors** which would have been valid if the regulation had not been made. The general powers granted to the **Directors** by this Article **87.1** will not be limited or restricted by any special authority or power given to the **Directors** by any of the other provisions in these **Articles**.

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### **88 Provision for employees if we cease or transfer our business**

**88.1** If we cease or transfer to any person the whole or part of the undertaking of **NG** (or the whole or part of the undertaking of any of **our subsidiaries**), the **Directors** may make provision for the benefit of **our employees or former employees (or the employees or former employees of that subsidiary) other than directors, former directors, or shadow directors.**

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### **89 The power to appoint attorneys and agents**

**89.1** The **Directors** can appoint anyone (including the members of a group which changes over time) as **our attorneys** or agents by granting a *power of attorney* or by authorising them in some other way. The *attorneys* or agents can either be appointed directly by the **Directors**, or the **Directors** can give someone else the power to appoint *attorneys* or agents. The **Directors** can decide on the purposes, powers, authorities and discretions of *attorneys* or agents. But they cannot give an *attorney* or agent any power, authority or discretion which the **Directors** do not have under these **Articles**.

**89.2** The **Directors** can decide how long a *power of attorney* or authority will last for, and they can attach any conditions to it. The *power of attorney* or authority can also include any provisions which the **Directors** decide on for the protection and convenience of anybody dealing with the *attorney* or agent. The *power of attorney* can also allow the *attorney* to grant any or all of their power, authority or discretion to any other person.

**89.3** For the purposes of this Article ~~89~~ but *subject to* Article ~~89.1~~, an *attorney can be appointed* by:

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- (i) two **Directors**; or
- (ii) a **Director** and the *Company Secretary*; or
- (iii) a **Director** in the presence of a witness who confirms the signature of the **Director**.

An agent can be appointed by a **Director** or the *Company Secretary*.

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## **90 Local boards**

**90.1** The **Directors** can establish any local boards or agencies for managing any of **our** affairs, either in the **United Kingdom** or elsewhere.

**90.2** The **Directors** can:

- (a) appoint members of these local boards, or any managers or agents;
- (b) fix their remuneration, and
- (c) delegate to any local board, manager or agent any of the **Directors'** powers, authorities and discretions, including the power to sub-delegate.

**90.3** The **Directors** can authorise the members of any local boards to fill any vacancies and to act despite any vacancies.

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**90.4** Any appointments or delegations can be made under any terms that the **Directors** think fit. The **Directors** can remove any person appointed in this way, and end or vary any such delegation. No person dealing in good faith with the local board or agency will be affected if they have not received notice of any termination or variation of the appointment or delegation.

## **91 Using the title 'Director'**

**91.1** A person who is employed by, or occupies an office with **NG** may be given a title which includes the word 'Director'. This does not mean that the person is a **Director** of **NG** or that the person can act as a **Director** of **NG** or be deemed to be a **Director** of **NG** under these **Articles**.

## **92 Signatures on cheques**

All cheques, promissory notes, drafts, bills of exchange and other *negotiable or transferable instruments*, and all receipts for money paid to **us**, can be signed, drawn, accepted, endorsed or made legally effective in any way the **Directors** decide by passing a resolution.

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## **93 Borrowing powers**

**93.1** So far as the **Companies Acts** allow, the **Directors** can *exercise* all **our** powers to:

- (a) borrow money;
- (b) *issue (subject to the provisions of the Companies Acts dealing with authority to allot debentures convertible into shares) debentures and other securities*; and

- (c) give any form of:
  - (i) guarantee; and
  - (ii) security, either outright or as collateral and over all or any of **our** undertakings, property and assets;

for any or **our** debts, *liabilities* or obligations or those of any third party.

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## 94 Borrowing restrictions

### 94.1 The Directors must:

- (a) limit our **Borrowings**; and
- (b) exercise all voting and other rights or powers of control **we** have over **our** *subsidiary undertakings*;

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to make sure that the total amount of all **Borrowings** by the **Group** outstanding at any time (excluding any borrowings owed by one member of the **Group** to another) will not be more than £35,000,000,000 or any other amount approved by **shareholders** by an *ordinary resolution* at a **General Meeting**.

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This limitation on **Borrowings** will only affect *subsidiary undertakings* to the extent that the **Directors** can restrict the **Borrowings** of the *subsidiary undertakings* by exercising the rights or powers of control which **we** have over **our** *subsidiary undertakings*. **We** can consent in advance to exceeding the borrowing limit by passing an *ordinary resolution* at a **General Meeting**.

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### 94.2 In this Article:

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- (a) **Group** means **NG**, its *subsidiaries* and *subsidiary undertakings*, other than those not consolidated in **NG's** group accounts in line with Section 402 of the **Companies Act**;
- (b) **minority proportion** means the proportion of the issued equity share capital of a partly-owned subsidiary which is not, for the time being, beneficially owned within the **Group**; and
- (c) **borrowings** means the aggregate amount (combined total) of all liabilities and obligations of the **Group** which, in line with the accounting bases and principles of the **Group**, are treated as borrowings in the latest **audited consolidated balance sheet** (see Article 94.2(d)) of the **Group** and will include:
  - (i) money borrowed from outside the **Group** by a partly-owned *subsidiary* (less a proportion equal to the **minority proportion**); and
  - (ii) the proportion of money (equal to the **minority proportion**) borrowed by a member of the **Group** from a partly-owned *subsidiary* of the **Group**.

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**Borrowings** do not include:

- (i) money borrowed by one member of the **Group** to repay (with or without a premium), within six months of being borrowed, all or part of the outstanding borrowings owed by another member of the **Group**;
- (ii) for six months from the date on which a company becomes a *subsidiary undertaking* of the **Group**, an amount equal to money borrowed by that

*company*, and which is outstanding at the date when it becomes a member of the **Group**;

(iii) for six months from the date on which a *company* is acquired by a member of the **Group**, an amount secured on an asset of that company, and which is outstanding at the date of acquisition; and

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(iv) money beneficially owned by a member of the **Group** which is deposited with a person who is not a member of the **Group** and which must be repaid on, or within three months of, a demand (less, in the case of a partly-owned *subsidiary* of the **Group**, a proportion equal to the **minority proportion**).

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If the amount of **Borrowings** is being calculated in connection with a transaction involving a *company* becoming or ceasing to be a member of the **Group**, the amount is to be calculated as if the transaction had already occurred.

The aggregate of the following will be credited against the money borrowed:

- (i) cash in hand of the **Group**;
- (ii) cash deposits and the balance on each current account of the **Group** with banks in the **United Kingdom** (and elsewhere if this applies) if the remittance of the cash to the **United Kingdom** is not prohibited by any **law**, regulation, treaty or official directive;
- (iii) the amount of all short-term *assets* that might be included in 'Investments – short-term loans and deposits' in a consolidated balance sheet of the **Group**, prepared on the date of the relevant calculation in line with the principles with which the latest audited balance sheet was produced; and
- (iv) the amount of any cash or short-term *assets* which are securing the repayment of any amount borrowed by the **Group** deposited or otherwise placed with the trustee or similar entity in respect of the relevant borrowing.

Where the aggregate principal amount of **Borrowings** required to be taken into account for the purposes of this Article 94 is being calculated on any particular date, the following will apply:

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(i) Money borrowed by **NG** or any *subsidiary undertaking* expressed or calculated in a currency other than sterling will be converted into sterling using the current rate of exchange, when preparing the audited balance sheet which forms the basis of the calculation of the **Borrowings**. Or, if the calculation did not involve the relevant currency, the **Auditors** can refer to the rate of exchange, or approximate rate of exchange, they consider appropriate on the date the audited balance sheet was prepared.

(ii) If, under the terms of any borrowing, the amount of money needed to discharge the principal amount of the borrowing in full if it fell to be repaid (at the option of **NG** or by reason of default) is less than the amount that would otherwise be taken into account for such borrowing, for the purpose of this Article 94, the amount of the borrowing to be taken into account will be the lesser amount.

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(d) **Audited consolidated balance sheet** means the audited consolidated balance sheet of the **Group** prepared in line with the **Law** for the relevant financial year.

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**94.3** A certificate or report given by a person chosen by the **Directors** certifying or reporting on the total amount of **Borrowings** by the **Group** outstanding at a particular time will be conclusive evidence of that amount. However, the **Directors** can rely on a 'good-faith' estimate of the total amount of **Borrowings** at any time and if, as a result, the borrowing limit stated in Article 94.1 is accidentally exceeded, an amount of borrowings equal to the excess can be disregarded until six months after the date on which the **Directors** became aware that such a situation had or may have arisen.

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**94.4** No lender or other person dealing with the **Group** needs to see or enquire if we are observing the borrowing limit imposed by Article 94.1. No debt incurred or security given in excess of this borrowing limit will be invalid or ineffective unless the lender or the recipient of the security was given notice at the time when the debt was incurred or security given, that the limit had been or would be exceeded as a result.

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## Alternate directors

### **95** Alternate directors

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**95.1** Any **Director** can appoint any person (including another **Director**) to act in their place (this person is called an **alternate director**). These appointments need the approval of the other **Directors**, unless the proposed **alternate director** is another **Director**. A **Director** appoints an **alternate director** by delivering a signed appointment (or in any other way approved by the **Directors**) to us. An **alternate director** need not be a **shareholder**.

**95.2** The appointment of an **alternate director** ends if the **Director** appointing them ceases to be a **Director**, unless that **Director** retires at a **General Meeting** at which the **Director** is re-elected under Article 65. A **Director** can also remove their **alternate director** by delivering a signed notice (or in any other way approved by the **Directors**) to us. An **alternate director** can also be removed as an **alternate director** by a resolution of the **Directors**.

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**95.3** An **alternate director** is entitled to receive *notices* of **Directors'** meetings once they have given us an address, electronic address or fax number where we can serve *notices*. They are entitled to attend and vote as a **Director** at any meeting where the **Director** appointing them is not present and generally to perform all the functions of the **Director** appointing them as an **alternate director**. If the **alternate director** is a **Director** or attends any meeting as an alternate for more than one **Director**, they will have one vote for each **Director** they act as an alternate for, as well as their own vote as a **Director**. However, they may not be counted more than once for the purposes of the *quorum*. If the person who appointed them is temporarily unable to act through ill health or disability, the signature of the **alternate director** to any resolution in writing of the **Directors** is as effective as the signature of the person who appointed them.

**95.4** If the **Directors** decide to allow this, Article 95.3 also applies to any meeting of a **committee** that the person who appointed them is a member of.

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**95.5** An **alternate director** will alone be responsible to us for their own actions and mistakes. Except as said in this Article 95, an **alternate director**:

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- (a) does not have power to act as a **Director**;
- (b) is not considered to be a **Director** for the purposes of the **Articles**;

- (c) is not considered to be the agent of the person who appointed them; and
- (d) cannot appoint an **alternate director**.

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**95.6** If the **law** allows, an **alternate director** is entitled to:

- (a) contract;
- (b) benefit from contracts or arrangements or transactions;
- (c) be repaid expenses; and
- (d) be *indemnified* to the same extent as if the **alternate director** were a **Director**.

However, the **alternate director** is not entitled to receive any **pay** from **us**, except for any **pay we** would otherwise **pay** to the person who appointed them but which they had told **us, in writing**, to **pay** to their alternate or unless **we** decide otherwise by *ordinary resolution*.

## The Company Secretary

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### **96** The Company Secretary

**96.1** The *Company Secretary* is appointed by the **Directors**. The **Directors** decide on the terms and period of their appointment as long as the **law** allows this. The **Board** can also remove the *Company Secretary*, but this does not affect any claim for damages against **us** for breach of any contract of employment they may have. The **Directors** may appoint two or more people to be joint *Company Secretaries*. One or more deputy and/or assistant *Company Secretaries* may also be appointed.

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## The Seal

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### **97** The Seal

**97.1** The **Directors** are responsible for arranging for the **Seal** and any *securities seal* to be kept safely. The **Seal** and any *securities seal* can only be used with the authority of the **Board** or a duly-authorised **committee** of the **Board**. The *securities seal* can be used only for sealing *securities* **we** issue in certificated form and sealing documents **we** issue to create or certify *securities*.

**97.2** *Subject to* the provisions of these **Articles** and unless the **Board** or a duly authorised **committee** of the **Board** decide otherwise, every document which is sealed using the **Seal** must be signed personally by:

- (a) one **Director** and the *Company Secretary*;
- (b) two **Directors**; or
- (c) a **Director** in the presence of a witness who confirms the signature of the **Director**.

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**97.3** A **committee** duly authorised by the **Board** for the purposes of this Article **97** can consist entirely or partly of people other than **Directors**. Other than the provisions of Articles ~~84~~ 1(a) and (b), Articles ~~84~~ and ~~77~~ will apply to this **committee**.

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**97.4** Where a signature is required to witness the **Seal**, the **Directors** can decide that the witness need not sign the document personally but that their signature can be printed on it mechanically, *electronically* or in any other way the **Directors** approve.

**97.5** *Securities* and documents which have the *securities seal* stamped on them do not need to be signed unless the **Directors** or the **law** require this.

**97.6** The **Directors** can use all the powers given by **law** relating to official seals to be used abroad.

**97.7** **Our certificates** for *debentures* or other *securities* may be printed in any way and may be sealed or signed for (or both) in any way allowed by these **Articles**.

**97.8** As long as it is allowed by **law**, any document **we** agree to that is signed by:

- (a) one **Director** and the *Company Secretary*;
- (b) two **Directors**; or
- (c) a **Director** in the presence of a witness who confirms the signature of the **Director**,
- (d) will be as effective as if the **Seal** had been used. However, a document intended as a deed must not be signed in this way without the authority of the **Directors** or of a **committee** authorised by the **Directors** to give such authority.

## Authenticating documents

### **98** Establishing that documents are genuine

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**98.1** Any **Director**, or the *Company Secretary*, has power to authenticate any of the following, and to certify copies or extracts from them as true copies or extracts:

- (a) any documents relating to **our** constitution;
- (b) any resolutions passed by the **shareholders**, or by the **Directors** or by a **committee**; and
- (c) any books, documents, records or accounts which relate to **our** business.

**98.2** When any books, documents, records and accounts are not kept at the **registered office**, **our** officer who holds them is treated as a person who has been authorised by the **Directors** to authenticate any of them, and to provide certified copies or extracts from them.

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**98.3** This Article ~~98.3~~ applies to a document which appears to be a copy of a resolution or an extract from the minutes of any meeting, and which is certified as a copy or extract as described in Article ~~98.1~~ or ~~98.2~~. This document is conclusive evidence for anyone who deals with **us** on the strength of the document that:

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- (a) the resolution has been properly passed; or
- (b) the extract is a true and accurate record of the proceedings of a valid meeting.

## Reserves

### 99 Setting up reserves

**99.1** The **Directors** can set aside any of **our** profits and hold them in a *reserve* or use these sums for any legal purpose. Sums held in a *reserve* can either be used in **our** business or be invested. The **Directors** can divide the *reserve* into separate funds for special purposes and alter the funds the *reserve* is divided into. The **Directors** can also carry forward any profits without holding them in a *reserve*. The **Directors** must comply with the legal restrictions which relate to *reserve funds*.

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## Dividends

### 100 Final dividends

**100.1** By **law**, the **Directors** can recommend the amount of any *final dividend*. The **shareholders** can then *declare final dividends* by passing an *ordinary resolution*. No dividend can exceed the amount recommended by the **Directors**.

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### 101 Fixed and interim dividends

**101.1** By **law**, if the **Directors** consider that **our** profits justify dividend payments, they can:

- (a) pay the fixed dividends on any class of **shares** carrying a fixed dividend on the dates set down for paying these dividends; and
- (b) pay *interim dividends* on **shares** of any class of the amounts, and on the dates and for the periods they decide.

But no *interim dividend* will be paid on **shares** which carry deferred or non-preferred rights if, at the time of payment, any preferential *dividend* is in *arrears* (on any one of them).

**101.2** If the **Directors** act in good faith, they are not liable to any **shareholders** who suffer a loss because the **Directors** have paid a lawful dividend under this Article 101, on other **shares** which *rank* equally with or behind their **shares**.

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### 102 Dividends not in cash

**102.1** If the **Directors** recommend this, the **shareholders** can pass an *ordinary resolution* to direct all or part of a dividend to be paid by distributing specific *assets* (and in particular **paid-up shares** or *debentures* of any other *company*). The **Directors** will give effect to such a resolution. Where any difficulty arises on distributing or valuing the *assets*, the **Directors** can settle it as they decide. In particular, they can:

- (a) issue fractional *certificates* (or ignore fractions);
- (b) fix the value of *assets* for distribution purposes;
- (c) *subject to the law* and, in the case of **shares** held in uncertificated form, the *system's rules*, authorise and instruct any person to sell and transfer any fractions;
- (d) pay cash of a similar value to adjust the rights of people entitled to the dividend; and
- (e) transfer any *assets* to *trustees* for people entitled to the dividend.

### **103** Deducting amounts owing from dividends and other money

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**103.1** If a **shareholder** owes any money relating to **shares**, the **Directors** can deduct any of this money from:

- (a) any dividend on any **shares** held by the **shareholder**; or
- (b) any other money payable by **us** to the **shareholder** in connection with the **shares**.

Money deducted in this way can be used to pay amounts owed to **us** in connection with the **shares**.

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### **104** Payments to shareholders

**104.1** Any dividend or other money payable in cash (whether in sterling or foreign currency) relating to a **share** can be paid:

- (a) by cheque or warrant or any other similar financial instrument made payable to the **shareholder** who is entitled to it and sent direct to their registered address. In the case of joint **shareholders**, the cash will be sent to the **shareholder** who is first named in the **Register** and sent direct to their registered address. The cash can also be sent to someone else named in a written instruction from the **shareholder** (or from all joint **shareholders**);
- (b) in the case of **shares** in uncertificated form, by the use of a *relevant system* (if authorised by the **shareholder**);
- (c) by inter-bank transfer or other electronic means to an account named in a written instruction from the person receiving the payment; or
- (d) in some other way agreed between the **shareholder** (or all joint **shareholders**) and **us**.

**104.2** For joint **shareholders**, or people jointly and *automatically entitled to shares by law*, **we** can rely on a receipt for a dividend or other money paid on **shares** from any one of the joint **shareholders**.

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**104.3** Cheques and warrants are sent, and payment in any other way is made, at the risk of the people who are entitled to the money. **We** are treated as having paid a dividend if such a cheque or warrant is cleared or if a payment using a *relevant system* or bank transfer or other electronic means is made in line with **our** instructions. **We** will not be responsible for a payment which is lost or delayed. If any cheque or warrant or related tax voucher has been, or is alleged to have been, lost, stolen or destroyed, the **Directors** may issue a replacement cheque or warrant or related tax voucher if the person entitled to the money requests this and pays **our** administrative expenses for complying with their request.

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**104.4** Unless the rights attached to any **shares**, or the **terms** of any **shares** or the **Articles** say otherwise, a dividend, or any other money payable in respect of a **share**, can be paid in whatever currency the **Directors** decide, using an appropriate exchange rate selected by the **Directors** for any currency conversions. The **Directors** can also agree how and when the amount to be paid in the other currency will be calculated and paid, and for **us** or any other person to pay any costs involved.

**104.5** No dividend or other sum payable by **us** on or for **our shares** carries a right to interest from **us** unless the rights of the **shares** provide otherwise.

**104.6** If the person entitled to the dividend is one of **our** employees or one of **our subsidiaries**, the cheque or warrant may be sent to that person through **our** internal post system or that of **our subsidiary**.

## **105 Record dates for payments and other matters**

**105.1** Any dividend or distribution can be paid to the **shareholders** shown on the **Register** at the close of business on a particular day. The date must be stated in the resolution passed for payment of the dividend or providing for the distribution. The payment will be based on the number of **shares** registered on that day. This Article 105, applies whether what is being done is the result of a resolution of the **Directors** or a resolution passed at a **General Meeting**. The date stated for payment can be before any relevant resolution was passed. This Article 105, does not affect the rights between past and present **shareholders** to payments or other benefits.

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## **106 Dividends which are not claimed**

**106.1** The **Directors** can invest a dividend or use it in some other way for **our** benefit if it has not been claimed for one year after the passing of either:

- (a) the resolution at a **General Meeting** declaring that dividend; or
- (b) the resolution of the **Directors** providing for payment of that dividend;

(whichever is later).

If the **Directors** decide to pay unclaimed dividends into a separate account, **we** will not be a *trustee* of the money and will not be liable to pay any interest on it. Any dividend which has not been claimed for 12 years after the date on which it was *declared* or became due for payment will be *forfeited* and belong to **us**.

**106.2** **We** can stop paying dividends or other monies payable by cheque or other payment order if the cheques or other payment orders for two dividends or other monies payable in a row are sent back or not cashed. This also applies if, following one such occasion, reasonable enquiries have failed to establish any new postal or delivery address for the **shareholder** or appropriate details for making payment in any other way. **We** can start paying dividends in this way again if the **shareholder** or a person *automatically entitled to the shares by law* claims those dividends.

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## **107 Waiving dividends**

**107.1** **We** can waive (not pay out) all or any dividend by acting on a document signed by the **shareholder** (or the person *automatically entitled to the shares by law*) and delivered to **us**.

## **Capitalising reserves**

### **108 Capitalising reserves**

**108.1** Taking account of any *special rights* attaching to any class of **shares**, the **shareholders** can pass an *ordinary resolution* to allow the **Directors** to change into capital any sum:

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- (a) which is part of any of **our reserves** (including *premiums* received when any **shares** were *issued*, *capital redemption reserves* or other undistributable reserves); or
- (b) which **we** are holding as undistributed profits.

**108.2** Unless the *ordinary resolution* states otherwise, the **Directors** will use the sum which is changed into capital by setting it aside for the **shareholders** at the close of business on the day the resolution is passed (or another date stated in the resolution). The sum set aside must be used to *allot shares* and distribute them to **shareholders** (or as they may direct) as bonus **shares** in proportion to their holdings of **shares** at the time. The **shares** can be ordinary **shares** or, if the rights of other **existing shares** allow this, **shares** of some other class.

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**108.3** If any difficulty arises distributing **shares** in line with this Article **108**, the **Directors**, *subject to the law* and the **CREST Regulations**, can resolve it in any way they decide. For example, they can deal with entitlements to fractions of a **share** or any options involving **our** employee share schemes. They can decide:

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- (a) that the benefit of **share** fractions belongs to **us**;
- (b) that **share** fractions are ignored; or
- (c) deal with fractions in some other way including by cash payment.

**108.4** The **Directors** can appoint any person to sign any contract with **us** on behalf of those who are entitled to **shares** under the resolution. Such a contract is binding on all **shareholders** concerned.

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### Scrip dividends

**109** **Shareholders can be offered the right to receive scrip dividends (extra shares instead of cash dividends)**

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**109.1** If the **law** allows, the **Directors** can, on any terms they think fit, offer **shareholders** the right to receive extra **shares**, instead of some or all of their cash dividend. The **shareholders** must have passed an *ordinary resolution* authorising the **Directors** to make this offer before the **Directors** can do this.

**109.2** The *ordinary resolution* can apply to a particular dividend or dividends. Or it can apply to some or all of the dividends which can be *declared* or paid in the period up to and including the **Annual General Meeting** which is held in the fifth year after the *ordinary resolution* is passed.

**109.3** The **Directors** can offer **shareholders** the right to request new **shares** instead of cash for:

- (a) the next dividend; or
- (b) all future dividends (if a share alternative is made available), until they tell **us** that they no longer want to receive new **shares** or the authority under Article **109.1** is not renewed.

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The **Directors** can also allow **shareholders** to choose between these alternatives.

**109.4** A **shareholder** is entitled to **shares** whose total **relevant value** is as near as possible to, but not greater than, the cash dividend they would have received. The **relevant value** of a

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**share** is a value calculated in the way set out in the *ordinary resolution*. If the *ordinary resolution* does not set this out, then the **relevant value** of a **share** is the average value of the **shares** for the five dealing days starting from, and including, the day when the **shares** are first quoted '*ex dividend*'. This is worked out from the average middle-market quotations for the **shares** on the **London Stock Exchange**, as published in its Daily Official List. A certificate or report from the **Auditor** stating the **relevant value** will be conclusive evidence of that amount.

**109.5** The **Directors** will only apply this Article **109**, if **we** have enough revenues or reserves which can be *capitalised* to satisfy the offer.

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**109.6** After the **Directors** have decided to apply this Article **109** to a dividend, as soon as reasonably practicable they must, notify eligible **shareholders in writing** of their right to opt for new **shares**. This notice should also say how, where and when **shareholders** must notify **us** if they want to receive new **shares**. Where new **shares** are available and **shareholders** have already opted to receive new **shares** in place of all future dividends, **we** will not notify them of a right to opt for new **shares**. Instead, **we** will remind them that they have already opted for new **shares** and tell them how to tell **us** if they want to start receiving cash dividends again.

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**109.7** The **Directors** can set a minimum number of **shares** which **shareholders** can receive under their right to choose new **shares**. No **shareholders** will receive a fraction of a **share**. The **Directors** can decide how to deal with any fractions left over. **We** can, if the **Directors** decide, have the benefit of these left over fractions.

**109.8** The **Directors** can exclude or restrict the right to opt for new **shares**, or make any other arrangements which they decide are necessary or convenient to deal with any of the following legal or practical problems:

- (a) problems relating to laws of any territory; or
- (b) problems relating to the requirements of any recognised regulatory body or stock exchange in any territory; or
- (c) where special formalities would otherwise apply in connection with the offer of new **shares**.

**109.9** So far as a **shareholder** opts to receive new **shares**, no dividend on the **shares** for which they have opted to receive new **shares** (called the **elected shares**) will be *declared* or payable. Instead, new **shares** will be *allotted* on the basis set out earlier in this Article **109**. To do this the **Directors** will convert into capital the sum equal to the total *nominal amount* of the new **shares** to be *allotted*. They will use this sum to *pay up in full* the appropriate number of new **shares**. These will then be *allotted* and distributed to the holders of the **elected shares** as set out above. The sum to be converted into capital can be taken from any amount in any *reserve* or fund (including the *share premium account*, any *capital redemption reserve* and the income statement). Article **108** applies to this process, so far as it is consistent with this Article **109**.

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**109.10** Unless the **Directors** decide otherwise or the **CREST Regulations** or the rules of a *relevant system* require otherwise, any new **shares** which a **shareholder** has chosen to receive instead of some or all of their cash dividend will be:

- (a) **shares** in uncertificated form if the corresponding **elected shares** were **uncertificated shares** on the record date for that dividend; and

- (b) **shares** in certificated form if the corresponding **elected shares** were **shares** in certificated form on the record date for that dividend.

**109.11** The new **shares** rank equally in all respects with the **existing shares** on the record date for the dividend. But, they are not entitled to share in the dividend from which they arose.

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**109.12** The **Directors** can decide at their discretion that new **shares** will not be available in place of any cash dividend. They can decide this at any time before new **shares** are *allotted* in place of a cash dividend, whether before or after **shareholders** have opted to receive new **shares**.

## Accounts

### **110** Accounting and other records

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The **Directors** will make sure that proper accounting records that comply with the **law** are kept to record and explain **our** transactions.

### **111** The location and inspection of records

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**111.1** The accounting records will be kept:

- (a) at the **registered office**; or
- (b) at any other place which the **law** allows, and the **Directors** decide on.

**111.2** **Our** officers always have the right to inspect the accounting records.

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**111.3** Anyone else (including a **shareholder**) does not have any right to inspect any of **our** accounting books or papers unless:

- (a) the **law** or a proper court order or an *ordinary resolution* passed by **us** gives them that right; or
- (b) the **Directors** authorise them to do so.

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### **112** Sending copies of accounts and other documents

**112.1** This Article 112 applies to every balance sheet and income statement to be laid before the **shareholders** at a **General Meeting** with any other document which the **law** requires to be attached to these, including the **Directors'** and **Auditor's** reports.

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**112.2** We must send copies of the documents mentioned in Article 112.1 to the **Auditors**, **shareholders** and *debenture* holders and all other people the **Articles**, or the **law**, say we must send them to. We must do this at least 21 **clear days** before the relevant **General Meeting**. But we do not need to send these documents to:

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- (a) **shareholders** who we send summary financial statements to;
- (b) more than one joint holder of **shares** or *debentures*; or
- (c) any person we do not have a current address for.

**112.3** **Shareholders** or *debenture* holders who are not sent copies can receive a copy free of charge by applying to **us** at the **registered office**.

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## Auditors

### 113 Acts of Auditors

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**113.1** The **Directors** must appoint **Auditors** for **us**. So far as the **law** allows, the actions of a person acting as an auditor are valid in favour of someone dealing with **us** in good faith, even if there was some defect in the person's appointment or the person was at any time not qualified to act as an auditor.

### 114 Auditors at General Meetings

**114.1** An **Auditor** can attend any **General Meeting** and should receive all *notices* of and other communications relating to any **General Meeting** which any **shareholder** is entitled to receive. They can speak at **General Meetings** on any business which is relevant to them as **Auditor**.

## Communicating with shareholders

### 115 Serving and delivering notices and other documents

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**115.1** *Subject to* and in line with the **Companies Acts** and these **Articles**, **we** can send or supply all types of *notices*, documents or information to **shareholders** *electronically* or by making the *notices*, documents or information available on a *website* (or **we** can do both).

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**115.2** *Subject to* and in line with Articles 115, 116, 118 and 119, the **Company Communications Provisions** in the **Companies Act** govern how **we** send or receive *notices*, documents or information.

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### 116 Notices to joint holders

**116.1** We will consider anything which needs to be agreed by joint **shareholders** as agreed when the first joint **shareholder** who is listed on the **Register** has agreed. We treat a *notice* given to the first shareholder in this way as given to all of the joint **shareholders**.

**116.2** When a *notice* or document is given to joint **shareholders**, it will be given to the first joint **shareholder** who is listed on the **Register**.

**116.3** Where this Article 116 relates to joint **shareholders**, it will take priority over the **Company Communications Provisions**.

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### 117 Notices for shareholders with foreign addresses

**117.1** This Article 117 applies to **shareholders** (including joint shareholders) whose address on the **Register** is outside the **United Kingdom**. *Subject to* the **Statutes**, they can give **us** a **United Kingdom** address where **we** can serve *notices* or documents on them. If they do give us a United Kingdom address, they are entitled to have *notices* or documents served on them at that address. Otherwise, they are not entitled to receive any *notices* and documents from **us** except *electronically*, subject to all the laws that apply.

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**117.2** For **shareholders** registered on a branch register, *notices* or documents can be posted in the **United Kingdom** or in the country where the branch register is kept.

## **118 When notices are served or considered to be served**

**118.1** If we send a *notice* or any other kind of document (including a share certificate):

- (a) through the post (or internal post for a **shareholder** who is one of **our** employees or an employee of one of **our subsidiaries**); or
- (b) in **electronic** form but not *electronically*;

we treat it as being properly served or delivered within 24 hours if **we** used first-class post or 48 hours if **we** used second-class post (or on the day advised by the post office).

**We** can prove that a *notice* or other document was served by post (or internal post) by showing that:

- (a) the letter containing the *notice* or document was properly addressed; and
- (b) it was put into the postal system with postage pre-paid (where this applies) or given to a delivery agent.

**118.2** **We** will treat any *notice* or document which **we** sent or supplied *electronically* as being properly sent 24 hours after it was transmitted. Proving delivery of the *notice*, document or information will be adequate to show it was properly addressed.

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**118.3** **We** will treat any *notice* or document which we send or supply through a *website* as being properly served when:

- (a) the material is first made available on the *website*; or
- (b) the person **we** sent the *notice* or document to received (or is treated as having received) *notice* that the material was available on the *website*.

**118.4** If **we** serve, deliver personally or leave a *notice* or any other kind of document at the address for the **shareholder** on the **Register**, **we** treat it as being served or delivered on the day and at the time it was left.

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**118.5** If a **shareholder** is present at any **shareholders' meeting** either in person or by *proxy* or, in the case of a corporate **shareholder**, by a duly authorised **corporate representative**, we will consider that they received *notice* of the **meeting** and of the reason why it was called.

**118.6** Where this Article ~~118~~ relates to any *notices* or documents **we** treat as having been delivered, it will take priority over the **Company Communications Provisions**.

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## **119 Serving notices and documents on shareholders who have died, are bankrupt or are of unsound mind**

**119.1** This Article ~~119~~ applies if a **shareholder** has died, has become of *unsound mind* or become bankrupt or is in liquidation, but is still registered as a **shareholder**. It applies whether they are registered as a sole or joint **shareholder**. A person who is *automatically entitled to such shares by law*, and who proves this to the reasonable satisfaction of the **Directors**, can give an address for service of *notices* and documents. If this is done, *notices* and documents must be sent to that address. Otherwise, if any notice or other document is served on the **shareholder** named on the **Register**, or sent to them in line with the **Articles**, this will be valid despite their death, *unsound mind*, bankruptcy or liquidation. This applies even if **we** knew about these things. If *notices* or documents are

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served or sent in line with this Article 119.1, there is no need to send them to, or serve them in any other way, on any other people who may be involved.

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**119.2** Where this Article relates to a **shareholder** who has died, has become of *unsound mind* or become bankrupt or is in liquidation, it will take priority over the **Company Communications Provisions**.

## **120 If documents are accidentally not sent**

**120.1** If any *notice* or other document relating to any meeting or other proceeding is accidentally not sent, or is not received, the meeting or other proceeding will not be invalid as a result.

## **121 When entitlement to notices stops**

**121.1** This Article 121 applies if, on two consecutive occasions, *notices* or other communications have been sent by post to a **shareholder** at their registered address (or, in the case of a **shareholder** whose registered address is not in the **United Kingdom**, any address given to **us** for serving *notices*) but have been returned undelivered. The **shareholder** will not be entitled to receive any more *notices* or other communication until they have given **us** a new registered address (or, in the case of a **shareholder** whose registered address is not within the **United Kingdom**, a new address for serving of *notices*). For the purposes of this Article 121.1, references to a communication include references to any cheque or other method of payment; but nothing in this Article 121.1 will entitle **us** to stop sending any cheque or other method of payment for any dividend, unless **we** are also entitled to do so under Article 106.2.

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## **122 Signing or authenticating of documents sent electronically**

**122.1** If, under these **Articles**, a *notice*, information or document needs to be signed or authenticated by a **shareholder** or other person, **we** will consider any *notice* or document in **electronic form** is sufficiently authenticated if:

- (a) **we** can confirm the identity of the sender;
- (b) **we** have no reason to doubt the identity of the sender; or
- (c) it is in any other way approved by the **Directors**.

**We** may specify ways for validating a *notice*, information or a document, and **we** will regard any *notice*, information or document not validated in the way **we** specify as not having been received by **us**.

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## **123 Statutory requirements for notices**

**123.1** Nothing in Articles 115 to 122 will affect any legal requirement for serving any offer, *notice*, information or other document in any particular way.

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## **Winding up**

### **124 Directors' power to petition**

**124.1** The **Directors** have power in **our** name and on **our** behalf to present a petition to the court for **NG** to be *wound up*.

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## 125 Distributing assets in kind

**125.1** If **we** are *wound up* (whether by voluntary liquidation, under supervision of the Court, or by the Court) the liquidator can, with the authority of a *special resolution* passed by the **shareholders** and any other sanction required by the **law**, divide the whole or any part of **our assets** among **our shareholders**. This applies whether the *assets* consist of property of one kind or different kinds. For this purpose, the liquidator can set whatever value they consider fair on any property and decide how to divide it between **shareholders** or different groups of **shareholders**. The liquidator can also, with the authority of a *special resolution* passed by the **shareholders** and any other sanction required by **legislation**, transfer any part of the *assets* to *trustees* on trusts for the benefit of **shareholders** as the liquidator decides. The liquidation of **NG** can then be closed and **our company** dissolved. However, under this Article 125, no past or present shareholder can be forced to accept any **shares** or other property which carries a *liability*.

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## Destroying documents

### 126 Destroying documents

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**126.1** We can destroy:

- (a) all transfer forms for **shares**, and documents sent to support a transfer, and any other documents which were the basis for making an entry on the **Register**, six years after the date of registration;
- (b) all dividend payment instructions and notifications of a change of address or name, two years after the date these were registered; and
- (c) all cancelled share *certificates*, one year after the date they were cancelled.

**126.2** If **we** destroy a document in line with Article 126.1, it is conclusively treated as having been a valid and effective document in line with **our** records relating to the document. Any action **we** took in dealing with the document in line with **our** terms before it was destroyed is conclusively treated as properly taken.

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**126.3** This Article 126 only applies to documents which are destroyed in good faith and if we are not on notice of any claim to which the document may be relevant.

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**126.4** For documents relating to **shares** in uncertificated form, **we** must also comply with any rules (as defined in the **CREST Regulations**) which limit **our** ability to destroy these documents.

**126.5** We can destroy a document earlier than the dates mentioned in Article 126.1 if **we** make a permanent record (whether *electronically*, by microfilm, by digital imaging or by any other means) of that document before **we** destroy it.

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**126.6** This Article 126 does not make us liable:

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- (a) if **we** destroy a document earlier than referred to in Article 126.1; or
- (b) if **we** would not be liable if this Article 126 did not exist.

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**126.7** This Article 126 applies whether we destroy a document or dispose of it in some other way.

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## Indemnity and insurance

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### 127 Indemnity and insurance

**127.1** To the fullest extent permitted by law, we will indemnify all our Directors and officers out of our own funds against the following:

- (a) Any liability incurred by or attaching to them in connection with any negligence, default, breach of duty or breach of trust by them in relation to **NG** other than:
  - (i) any liability to **us** or any *associated company*; and
  - (ii) any liability of the kind referred to in Section 234(3) of the **Companies Act**.
- (b) Any other liability incurred by or attaching to them:
  - (i) in actually or seemingly carrying out their duties;
  - (ii) in using or seemingly using their powers; and
  - (iii) in any other activity connected to their duties, powers or office.

Where a **Director** or officer is indemnified against any liability in line with this Article 127, the *indemnity* will cover all costs, charges, losses, expenses and *liabilities* incurred by them.

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**127.2** As well as the cover provided under Article 127.1 above, the **Directors** will have power to purchase and maintain insurance for or for the benefit of:

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- (a) any person who is or was at any time a **Director** or officer of any *relevant company*; or
- (b) any person who is or was at any time a trustee of any pension fund or employees' share scheme in which employees of any *relevant company* are interested.

This includes insurance against any liability incurred by or attaching to them through any act or omission:

- (i) in actually or seemingly carrying out their duties;
- (ii) in using or seemingly using their powers; and
- (iii) in any other activity connected to their duties, powers or offices;

in relation to:

- (a) any *relevant company*;
- (b) any pension fund; or
- (c) any employees' share scheme;

and all costs, charges, losses, expenses and *liabilities* incurred by them in relation to any act or omission.

**127.3** Subject to the law, we will:

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- (a) provide a **Director** or **officer** with funds to meet expenditure they have incurred or may incur in defending any criminal or civil proceedings or in connection with any application under the provisions mentioned in Section 205(5) of the **Companies Act**;

- (b) provide a **Director** or **officer** with funds to meet expenditure they have incurred or may incur in defending an investigation by a regulatory authority or against action proposed by a regulatory authority in connection with any alleged negligence, default, breach of duty or breach of trust by him or her in relation to **us**; and
- (c) do anything to enable a **Director** or officer to avoid incurring such expenditure, but any funds **we** provide or other things **we** do will be in line with Section 205(5) of the **Companies Act**.

## The ADR Depository

Some of our shares are held in the form of American Depositary Receipts (**ADRs**). These are receipts, administered by American banks, for shares in non-American companies. The American bank's role includes collecting and distributing dividends to ADR Holders.

### 128 ADR definitions

128.1 In Articles 128, to 137:

<b>ADR Depository</b>	A bank (custodian), approved by the <b>Board</b> , who holds <b>Depositary Shares</b> under arrangements where they issue <b>ADRs</b> to an <b>ADR Holder</b> .
<b>ADR Holder</b>	means a person or persons who are registered as holding <b>our ADRs</b> .
<b>ADRs</b>	American depositary receipts which are issued by the <b>ADR Depository</b> and represent <b>Depositary Shares</b> .
<b>Appointed Number</b>	means the number of <b>Depositary Shares</b> which an <b>Appointed Proxy</b> holds.
<b>Appointed Proxy</b>	means an <b>ADR Holder</b> who is appointed as <i>proxy</i> by the <b>ADR Depository</b> .
<b>Depositary Shares</b>	<b>Our shares</b> held by a custodian.
<b>Proxy Register</b>	The register of names and addresses of all the <b>Appointed Proxies</b> .

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### 129 The ADR Depository can appoint proxies

129.1 The **ADR Depository** can appoint more than one person to be its *proxy*. As long as the appointment is in line with the requirements in Article 129.2, the appointment can be made in any way and on any terms which the **ADR Depository** thinks fit. Each person appointed in this way is called an **Appointed Proxy**.

129.2 The appointment must set out the number of **shares** allocated to each **Appointed Proxy**. This number is called the **Appointed Number**. When added together, the **Appointed Numbers** of all **Appointed Proxies** appointed by the **ADR Depository** must not be more than the number of **Depositary Shares** (as calculated in Article 129.3).

129.3 The **Depositary Shares** which can be held by the **ADR Depository** consist of the total of the number of **shares** registered in the name of the **ADR Depository**.

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**130 The ADR Depository must keep a Proxy Register**

**130.1** The ADR Depository must keep a register of the names and addresses of all the Appointed Proxies. This is called the Proxy Register. The Proxy Register will also set out the ADRs held by each Appointed Proxy. The Appointed Number of shares can be calculated by multiplying the number of ADRs held by an Appointed Proxy by the number of shares which any one ADR currently represents.

**130.2** The ADR Depository must let anyone the Directors nominate inspect the Proxy Register during usual business hours on a business day. The ADR Depository must also provide, as soon as possible, any information contained in the Proxy Register if we or our agents ask for it.

**131 Appointed Proxies can only attend General Meetings if properly appointed**

**131.1** An Appointed Proxy may only attend a General Meeting if they provide us with written evidence of their appointment by the ADR Depository for that General Meeting. This must be in a form agreed between the Directors and the ADR Depository.

**132 Rights of Appointed Proxies**

**132.1** Subject to the Companies Act and these Articles, and as long as the Depository Shares are sufficient to include an Appointed Proxy's Appointed Number:

- (a) at a General Meeting which an Appointed Proxy is entitled to attend, they are entitled to the same rights and have the same obligations in relation to their Appointed Number of shares as if the ADR Depository was the registered holder of the shares and they had been validly appointed in line with Articles 51 to 55 by the ADR Depository as its proxy in relation to those shares; and
- (b) an Appointed Proxy can appoint another person to be their proxy for their Appointed Number of shares, as long as the appointment is made and deposited in line with Articles 51 to 55 and, if it is, the provisions of these Articles will apply to this appointment as though the Appointed Proxy was the registered holder of such shares and the appointment was made by them in that capacity.

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**133 Sending information to an Appointed Proxy**

**133.1** We can, if the Directors decide and subject to U.S. and any other legal and regulatory requirements, send all the same documents we send to shareholders to an Appointed Proxy, at their address in the Proxy Register.

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**134 Paying dividends to an Appointed Proxy**

**134.1** We can pay to an Appointed Proxy, at their address in the Proxy Register, all dividends or other monies relating to the Appointed Proxy's Appointed Number of shares instead of paying this amount to the ADR Depository. If we do this, we will not have any obligation to make this payment to the ADR Depository as well.

**135 The Proxy Register can be fixed at a certain date**

**135.1** To determine who is entitled as Appointed Proxies to:

- (a) exercise the rights conferred by Article 132;

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(b) receive documents sent in line with Article 133; and

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(c) be paid dividends in line with to Article 134.

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and the **Appointed Number of shares** for which a person is to be treated as having been appointed as an **Appointed Proxy**, the **ADR Depository** can determine that the **Appointed Proxies** are the people entered in the **Proxy Register** at the close of business on a date (a '**Record Date**') determined by the **ADR Depository** in consultation with us.

**135.2** When a **Record Date** is decided for a particular purpose:

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(a) the **Appointed Number of shares** held by an **Appointed Proxy** will be treated as the number appearing against their name in the **Proxy Register** at the close of business on the **Record Date**;

(b) this can be shown by multiplying the number of **ADRs** which each **Appointed Proxy** holds by the number of **shares** which any one **ADR** currently represents; and

(c) changes to entries in the **Proxy Register** after the close of business on the **Record Date** will be ignored in determining if a person is entitled for the purpose concerned.

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### **136 The nature of an Appointed Proxy's interest**

**136.1** Except as required by the **Companies Act**, we will not recognise any **Appointed Proxy** as holding any interest in **shares** held in any trust.

**136.2** Except for recognising the rights set out in Article 132, we are entitled to treat any person entered in the **Proxy Register** as an **Appointed Proxy** for certain **shares** as the only person (other than the **ADR Depository**) who has any interest in such **shares**.

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### **137 Validity of the appointment of Appointed Proxies**

**137.1** If any question arises at a **General Meeting** about the validity of any appointments to vote (or exercise any other right) in respect of any **shares** (for example, because the total number of **shares** recorded against appointments in the **Proxy Register** is more than the number of **Depositary Shares**), the chairman of the **General Meeting** will decide who can vote (which can include refusing to recognise a particular appointment or appointments as valid) and the chairman's decision will, if made in good faith, be final and binding.

**137.2** If a question of the type described in Article 137.1 arises in any circumstances other than at or in relation to a **General Meeting**, the question will be decided by the **Directors**. Their decision (which can include refusing to recognise a particular appointment or appointments as valid) will also, if made in good faith, be final and binding.

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## Glossary

### About the glossary

This glossary is to help readers understand **our Articles**. Words are explained as they are used in the **Articles**, they might mean different things in other documents. The glossary is not legally part of the **Articles** and it does not affect their meaning. The definitions are intended to be a general guide, they are not precise.

**Act** An Act of Parliament, including the **Companies Act**, any statute, statutory instrument, order, rule, regulation or directive.

**adjourn** When a meeting breaks up, to be continued at a later time or day, at the same or a different place.

**allot** When new shares are allotted, they are set aside for the person they are intended for. This will normally be after the person has agreed to pay for a new share, or has become entitled to a new share for any other reason. As soon as a share is allotted, that person gets the right to have their name put on the register of shareholders. When they have been registered, the share has also been *issued*.

**asset** Anything which is of any value to its owner.

**attorney** An attorney is a person who has been appointed to act for another person. The person is appointed by a formal document, called a *power of attorney*.

**associated company** The meaning of associated company is given in Section 256 of the **Companies Act**. The term could relate to one of the *company's* subsidiaries, its *holding company* or a subsidiary of its *holding company*.

**automatically entitled to a share by law** In some situations, a person will be entitled to have shares which are registered in somebody else's name registered in their own name. Or they may want the shares to be transferred to another person. When a **shareholder** dies, or the sole survivor of joint **shareholders** dies, their **personal representatives** have the right to have the **shares** transferred. If a **shareholder** is made bankrupt, their trustee in bankruptcy has this right.

**beneficial interest (or ownership)** If a trustee holds shares for someone, or for their benefit, that person has a beneficial interest in those shares.

**brokerage** Commission which is paid to a broker by a *company issuing* shares, where the broker's clients have applied for shares.

**capitalise** To convert some or all of the *reserves* of a *company* into capital (such as shares).

**capital redemption reserve** A reserve of funds which a *company* can set up to maintain its capital base when shares are *redeemed* or bought back.

**casual vacancy** A vacancy amongst the **Directors** which occurs because of the death, resignation or disqualification of a **Director**, or because an elected **Director** does not accept their appointment, or for any other reason except the retirement of a **Director** in line with the **Articles**.

**certificate** A certificate includes a share certificate (which is not a valid document of title), a loan capital certificate or certificates for **our** other *securities* (other than letters of allotment, scrip certificates or similar documents).

**Common Seal** A seal used to stamp **our** documents as evidence that **we** have *executed* them.

**company** Includes any corporate body.

**Company Secretary** A person appointed in line with Section 271 of the **Companies Act** and who has the necessary knowledge and experience to carry out the functions of the secretary of the *company* and who satisfies the requirements of Section 273 of the **Companies Act** or, if applicable, a joint, deputy or assistant *Company Secretary*.

**consolidate** When shares are consolidated, they are combined with other shares, for example every three shares with a *nominal value* of £1 might be consolidated into one new share with a *nominal value* of £3.

**debenture** A typical debenture is a document recording long-term borrowing by a *company*. The loan usually has to be repaid at a fixed date in the future, and carries a fixed rate of interest.

**declare** When a dividend is declared, it becomes due to be paid on the date specified in the Resolution.

**dividend arrears** This includes any dividends on shares with *cumulative rights* which could not be paid, but which have been carried forward.

**dividend warrant** A dividend warrant is a cheque for a dividend.

**electronically** Any document or information sent or supplied in **electronic form**, as further defined in Section 1168 of the **Companies Act**.

**equity securities** Securities that can be converted to *equity shares* as further defined in Section 560 of the **Companies Act**.

**equity shares** Shares in **our** capital which are regarded as equity share capital under Section 548 of the **Companies Act**.

**ex dividend** When a share goes 'ex dividend', a person who buys it will not be entitled to the dividend which has been *declared* shortly before they bought it. However, the seller is entitled to this dividend, even though it will be paid after they have sold their share.

**executed** A document is executed when it is signed or sealed or made valid in some other way.

**executive capacity** A role which carries the power of a person responsible for an activity or business.

**exercise** When a power is exercised, it is put to use.

**final dividend** The dividend, which is approved by the **shareholders** and paid following the end of the financial year.

**fully paid shares** When all of the money due to us for a share has been paid, a share is called a fully paid (or **paid up**) share.

**holding company** A *company* which controls another *company* (for example, by owning a majority of its shares) is called the holding *company* of that other *company*. The other *company* is the *subsidiary* of the holding *company*.

**indemnity** If a person gives another person an indemnity, they promise to make good any losses or damage which the other might suffer. The person who gives the indemnity is said to **indemnify** the person they give it to.

**in issue** See **issue**.

**instruments** Formal legal documents.

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**interim dividend** A dividend, authorised by the **Directors**, and paid part way through the financial year.

**issue** When a share has been issued, everything necessary has been done to make the shareholder the owner of the share. In particular, the shareholder's name has been put on the register of shareholders. Existing shares which have been issued are *in issue*.

**liabilities** Debts and other obligations.

**jointly and severally liable** When more than one person is jointly and severally liable it means that any one of them can be sued, or they can all be sued together.

**material** The **Board** will determine on a case-by-case basis whether a matter or contract is material, considering its value and significance to **our** business and the interests of any **Director**.

**negotiable instrument** A document such as a cheque, which can be freely transferred from one person to another.

**nominal amount or value** The value of the **share** in **our** accounts. For example, the nominal value of 11  $\frac{17}{43}$  p ordinary shares is 11  $\frac{17}{43}$  p. This value is shown on the share *certificate*. **We** can

issue new **shares** for a price which is at a *premium* to the nominal value. Shares can be bought and sold on the stock market for more, or less, than the nominal value. The nominal value is sometimes also called the 'par value'. The nominal value is not connected to the quoted share price of **NG**.

**notice** A formal announcement about a future meeting or event.

**non equity securities** *Securities* which are not **equity securities**.

**ordinary resolution** A resolution which needs a simple majority. That is, at least 50 per cent of those voting to be in favour.

**personal representatives** A person who is entitled to deal with the property ('the estate') of a person who has died. If the person who has died left a valid will, the will appoints 'executors' who are personal representatives. If the person died without leaving a valid will, the courts will appoint one or more 'administrators' to be the personal representatives.

**poll** A vote. On a poll vote, the number of votes a **shareholder** has depends on the number of **shares** they own. A **shareholder** has one vote for each **share** they own. A poll vote is different from a *show of hands* vote, where each person who is entitled to vote has just one vote, however many **shares** the person owns.

**power of attorney** A formal document which legally appoints one or more people to act on behalf of another person.

**pre-emption rights** The right of **shareholders**, given by the **Companies Act**, to be offered a proportion of certain classes of newly *issued shares* and other securities before they are offered to anyone else. This offer must be made on terms which are at least as favourable as the terms offered to anyone else.

**premium** If **we** *issue* a new **share** for more than its *nominal value* (for example, because the market value is more than the *nominal value*), the amount above the *nominal value* is the premium.

**proxy** A proxy is a person who is appointed by a **shareholder** to attend and speak at a **meeting** and vote for that **shareholder**. A proxy is appointed by using a *proxy form*. A proxy does not have to be a **shareholder**.

**proxy form** A form which a **shareholder** uses to appoint a *proxy* to attend and speak at a **meeting** and vote for them. The proxy form must be delivered to **us** before the **meeting** it relates to.

**quorum** The minimum number who must be present before a meeting can start. When this number is reached, the meeting is said to be 'quorate'.

**rank and ranking** When either capital or income is distributed to **shareholders**, it is paid out according to the rank (or ranking) of the **shares**. For example, a **share** which ranks before (or above) another **share** when **our** income is distributed is entitled to have its dividends paid first, before any dividends are paid on **shares** which rank below (or after) it. If there is not enough income to pay dividends on all **shares**, the available income must be used first to pay dividends on **shares** which rank first, and then to **shares** which rank below. The same applies for repayments of capital. Capital must be paid first to **shares** which rank first in sharing in **our** capital, and then to **shares** which rank below.

**redeem and redemption** When a share is redeemed, it comes back to **us** in return for a sum of money (the 'redemption price') which was fixed before the share was *issued*. This process is called redemption. A share which can be redeemed is called a 'redeemable' share.

**relevant company** This refers to:

- (a) us;
- (b) any of **our** holding companies; and
- (c) any *company* (incorporated or not) in which **we** or any of **our** holding *companies* have or have had a direct or indirect interest, or which is associated in any way with us or any of **our** subsidiaries.

**relevant securities** Any shares of a *company*, except shares held as a result of share schemes for employees (such as profit-sharing schemes) and some shares held by the founders of the *company*. Also included are any securities which can be converted into shares of this type, or which allow their holders to *subscribe* for shares of this type.

**relevant system** This is a term used in the **CREST Regulations** for a paperless share-dealing computer system which allows shares without share *certificates* to be transferred without using transfer forms.

**renouncing or renunciation** Where a share has been *allotted*, but nobody has been entered on the share register for the share, it can be *renounced* to another person. This transfers the right to have the share registered to another person.

**reserve fund or reserves** A fund which has been set aside in the accounts of a *company*. Profits which are not paid out to **shareholders** as dividends, or used up in some other way, are held in a reserve fund by the *company*.

**rights or rights of any share** The rights attached to the **share** when it is issued, or afterwards (for example, the right to vote at a **meeting** or the rights to receive a dividend).

**securities** All shares, bonds and other investment instruments issued by a *company* which entitle the holder to a share in the profits or *assets* of that *company*, to receive a cash payment from a *company* or to subscribe for such a security.

**securities seal** A seal used to stamp **our** securities as evidence that **we** have issued them. **Our** security seal is like **our** *Common Seal* but with the addition of the word 'securities'.

**share premium account** If **we** issue a new **share** for more than its *nominal value* (because the market value is more than the *nominal value*), the amount above the *nominal value* is the premium, and the total of these premiums is held in a *reserve fund* (which cannot be used to pay dividends) called the share premium account.

**show of hands** A vote where each person who is entitled to vote has just one vote, however many shares that person holds.

**special notice** This term is defined in Section 312 of the **Companies Act**. Broadly, if *special notice* of a resolution is required, the resolution is not valid unless **we** have been told about the intention to propose it at least 28 days before the **shareholders' meeting** at which it is proposed (although in certain circumstances the **meeting** can be on a date less than 28 days from the date of the notice).

**special resolution** A decision which needs the votes of at least 75 per cent of those voting to be in favour. **Shareholders** must be given at least 14 **clear days'** notice of any special resolution.

**special rights** These are the rights of a particular class of shares, as distinct from rights which apply to all shares generally. Typical examples of special rights are where the shares *rank* their rights to sharing in income and assets and voting rights.

**statutory declaration** A formal way of declaring something in writing. Particular words and formalities must be used - these are laid down by the Statutory Declarations Act of 1835.

**stock** Shares which have been converted into a single **security** with a different unit value. For example a shareholding of one hundred £1 shares might be converted into £100 worth of stock.

**subdividing shares** When shares are subdivided they are split into shares which have a smaller *nominal amount*. For example, a £1 share might be subdivided into two 50p shares.

**subject to** Means that something else has priority, or prevails, or must be taken into account. When a statement is subject to another statement the first statement must be read in the light of the other statement, which will prevail if there is any conflict.

**subscribe for shares** To agree to take new shares in a *company* (usually for a cash payment).

**subsidiary** A *company* which is controlled by another *company* (for example, because the other *company* owns a majority of its shares) is called a subsidiary of that *company* as defined in Section 1159 of the **Companies Act**.

**subsidiary undertaking** This is a term defined in the **Companies Act**. It is a wider definition than *subsidiary*. Generally speaking it is a *company* which is controlled by another *company* because the other *company*:

- (a) has a majority of the votes in the *company* either alone, or acting with others;
- (b) is a **shareholder** who can appoint or remove a majority of the directors; or
- (c) can *exercise* dominant influence over the *company* because of anything in the *company's* articles, or because of a certain kind of contract.

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**system's rules** The rules of the *relevant system*.

**take-over offer** An offer made by one *company* to the shareholders of another *company* to buy enough shares to give it control over the other *company*.

**treasury shares** Shares which are held by a *company* as treasury shares in line with **Sections 724 to 726 of the Companies Act**.

**trustees** People who hold property of any kind for the benefit of one or more other people under an arrangement which the **law** treats as a 'trust'. The people whose property is held by the trustees are called the *beneficial owners*.

**UK GAAP** UK generally accepted accounting principles.

**uncertificated proxy instruction** A properly authenticated instruction sent by means of a *relevant system*, in line with the *system's rules*, to a person acting on **our** behalf, on terms decided by the **Directors**.

**unincorporated associations** Associations, partnerships, societies and other bodies which the **law** does not treat as a separate legal person from their members.

**unsound mind** Not being able to make an informed decision due to lack of awareness and understanding of the nature of a document or situation.

**website** A collection of web pages on the World Wide Web which contain files belonging to **us**.

**wind up** The formal process to put an end to a *company*. When a company is wound up its *assets* are distributed. The assets go first to creditors who have supplied property and services, and then to **shareholders**. **Shares** which rank first in sharing in **our** assets will receive any funds which are left over before any **shares** which rank after (or below) them.

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**Memorandum**

The Memorandum of Association of **NG**.