

# RESULTS SUMMARY & AGM NOTICE 2018



This document includes our Notice of Annual General Meeting and the Company's financial highlights for the year extracted from our results announcement issued on 1 March 2019 which can be found at [www.alliancetrust.co.uk](http://www.alliancetrust.co.uk). For full details, including a discussion of our investment performance and our future plans for the Company, please read our Annual Report. You can now read and download the Alliance Trust PLC Annual Report for the financial year ended 31 December 2018 on the Company's website at [www.alliancetrust.co.uk](http://www.alliancetrust.co.uk). We only send copies of the Annual Report to those shareholders who have specifically requested one, either in printed form or by email. You can change your preference at any time by writing to the Company Secretary or by emailing us at [investor@alliancetrust.co.uk](mailto:investor@alliancetrust.co.uk).

# RESULTS FOR THE YEAR ENDED 31 DECEMBER 2018

## Business simplification almost complete

### FINANCIAL HIGHLIGHTS

	As at 31 Dec 2018	As at 31 Dec 2017	Year-on-year change
Share price	688.0p	746.5p	-7.8%
NAV per share	723.6p	777.7p	-7.0%
Total dividend	13.55p	13.16p	3.0%

### FULL YEAR 2018 PERFORMANCE HIGHLIGHTS

- The Trust's Total Shareholder Return<sup>1</sup> for 2018 was -6.1% (2017: 19.2%) and its share price at 31 December 2018 was 688.0p, down 7.8% compared to 746.5p at 31 December 2017
- The Trust's NAV Total Return<sup>1</sup> for 2018 was -5.4% (2017: 18.5%) and its Net Asset Value (NAV)<sup>2</sup> per share at 31 December 2018 was 723.6p, down 7.0% from 777.7p at 31 December 2017
- The Trust's Equity Portfolio Total Return<sup>1</sup> remains ahead of its benchmark since the adoption of the current investment approach on 1 April 2017, outperforming the MSCI All Country World Index (MSCI ACWI) by a cumulative 1% (5.1%\* compared to 4.1% by the MSCI ACWI). Its performance in 2018 was -4.2%\* against the MSCI ACWI at -3.3%
- Ongoing Charges Ratio (OCR)<sup>1</sup> for 2018 was 0.65%. The increase versus the previous year reflects a full year of WTW's fees and fixed costs rising as a proportion of a smaller asset base
- The Trust bought back 14.0m shares in 2018. This compares to 145.1m shares in 2017 (which included the purchase of 95.5m shares from Elliott)
- The year began with the Trust's shares trading at a discount of 4.0% and ended at a discount of 4.9%
- The Trust raised its total ordinary dividend<sup>2</sup> for 2018 by 3.0% to 13.55p, compared with a total ordinary dividend for 2017 of 13.16p, marking the 52nd consecutive annual increase

#### Lord Smith of Kelvin, Chairman of Alliance Trust PLC commented:

"2018 was a challenging year for global equities with most markets falling and many active managers struggling to outperform. Like others, we trailed our benchmark, partly due to market returns during much of the year having been driven by a narrow group of very large companies.

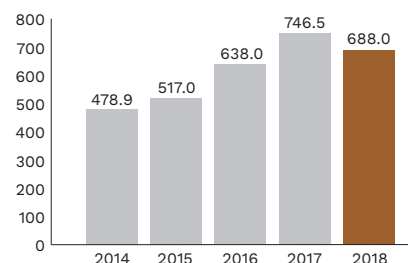
"Our strategy of appointing a number of managers with different styles and approaches to select their best stocks means we will never have a very concentrated exposure to one segment of the market. By investing more broadly across companies, countries and sectors, we should avoid the short-term performance highs and lows driven by particular market factors. In the long run, though, we expect our portfolio to outperform the market.

"Meanwhile, we continued to provide investors with income by increasing our dividend, which has now risen every year for 52 consecutive years.

"During the year, we made further progress towards simplifying our business by disposing of many of our remaining non-core investments, and we are in the process of selling, subject to regulatory approval, our subsidiary, Alliance Trust Savings, to Interactive Investor Limited. The rationalisation of our holdings will enable us to focus on global equities which at year-end represented over 97% of our assets. We are clear on the direction of the Trust and that it will continue to prove a wise choice as a core investment for the long term."

#### SHARE PRICE (PENCE)

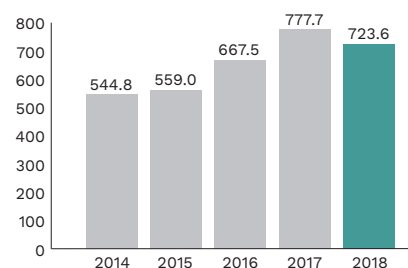
688.0p ↓ 7.8%



Source: FactSet.

#### NET ASSET VALUE (PENCE)<sup>2</sup>

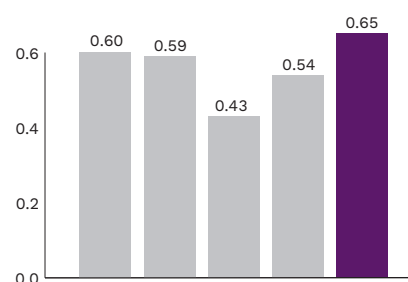
723.6p ↓ 7.0%



Source: FactSet and WTW.

#### ONGOING CHARGES RATIO (%)<sup>1</sup>

0.65%



Source: Alliance Trust and FactSet.

1. Alternative Performance Measure (refer to Glossary on page 97 of Annual Report).

2. UK GAAP Measure.

\*Before managers' fees and including the effect of managers' cash holdings.



## THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the action you should take, please take advice immediately from an independent financial adviser authorised under the Financial Services and Markets Act 2000 or the Financial Services Act 2012. If you have sold or otherwise transferred all of your shares please send this document, together with the accompanying documents, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

8 March 2019

Dear Shareholder

### INTRODUCTION

The purpose of this letter is to give you an explanation of the Resolutions to be proposed at the 131st Annual General Meeting ('AGM') of the Company which will be held at the Apex City Quay Hotel, 1 West Victoria Dock Road, Dundee DD1 3JP on Thursday 25 April 2019 at 11.00am and to seek your approval of them. After the conclusion of the AGM I hope that you will be able to join the Board for a light lunch. After lunch, shareholders will have the opportunity to receive presentations from two of our stock pickers, Andrew Wellington of Lyrical Asset Management and Rob Rohn of Sustainable Growth Advisers. The Notice of AGM is set out on page 8 of this document.

In addition to the ordinary business of the AGM (Resolutions 1 and 2 and 5 to 12 inclusive) shareholders will be asked to approve the following resolutions; our Directors Remuneration Policy (Resolution 3) which was approved in 2016, to which we have introduced some small changes; the maximum level of Directors' ordinary remuneration (Resolution 4), which we are proposing to increase from £224,000 per annum to £300,000 per annum to give us the flexibility to appoint additional Board members should we wish to do so; the new Investment Objective and Policy (Resolution 13), the renewal of the share buyback authority first given in 2006 but with the additional authority to hold shares in treasury and to sell them into the market at a later date (Resolution 14), to approve the sale of treasury shares without the Company having to offer them first to existing shareholders in proportion to their existing holdings (Resolution 15) and to permit a general meeting, other than an AGM, to be held on 14 days notice (Resolution 16). Each resolution is described below.

I received a number of queries as to whether there will be a resolution put to shareholders to approve the sale of Alliance Trust Savings at this AGM. There is no requirement for us to do this and the sale was not made conditional on shareholders' approval. The Directors did take into account the wide range of views expressed by shareholders before taking their decision to sell Alliance Trust Savings which they believed was in the best interests of our shareholders and the customers and staff of Alliance Trust Savings.

### RESOLUTION 1

The Directors must present the accounts, Directors' report and Auditor's report for the previous financial period to shareholders at the AGM.

### RESOLUTION 2

The shareholders are asked to approve the Remuneration report as set out on pages 52 to 55 of the Annual Report (excluding the Directors' Remuneration Policy). Although no changes were made to the Directors' remuneration during the year the report details the reductions in fees that will apply to the Chairman, Deputy Chairman, Senior Independent Director and Chairman of the Remuneration Committee from 1 July 2019.

### RESOLUTION 3

We are required to submit our Directors' Remuneration Policy for the approval of shareholders every three years. Our current policy was approved on 6 May 2016. This year we have reviewed the Company's Directors' Remuneration Policy to ensure that they continue to reflect the needs of the Company. This has led to a number of small and minor changes in our Remuneration Policy. The changes which are proposed will be:

- To include the word 'designed' in the first sentence so it will read: 'The Board's Remuneration Policy is designed to ensure that the remuneration of Directors is set at a reasonable level...'
- Changing the word 'Company' to 'Trust'.

The purpose of these changes is to improve the clarity of the intent of the Policy and to be consistent in the way in which the Company is described. The proposed Policy can be found on page 5 of this document. We are therefore seeking your approval of this Policy at the AGM this year.

### RESOLUTION 4

Our Articles of Association currently restrict the maximum amount that can be paid by way of ordinary remuneration of the Directors to £224,000 in aggregate per annum unless shareholders approve a higher amount. This limit does not include additional payments which may be made for Directors assuming additional responsibilities such as chairing or membership of Board Committees or for the roles of Chairman or Deputy Chairman. We are not increasing the level of remuneration currently paid to our Directors. The proposed increase in the limit for ordinary remuneration will provide flexibility to allow the Board to make additional appointments should it feel this is appropriate.

### RESOLUTIONS 5 TO 10

Our Articles of Association require that all Directors stand for re-election on the third anniversary of their election or previous re-election. The Board has decided that every Director should stand for annual re-election. The Board recommends that all of the Directors be re-elected as Directors. This follows a formal performance evaluation which concluded that each Director who is being proposed for re-election continues to provide an effective contribution to the performance of the Board and is committed to his or her role as a Director of your Company. Their biographies can be found on pages 38 and 39 of the Annual Report and on our website, an extract can be found on page 7 of this document.

### RESOLUTION 11

The shareholders are required to appoint auditors at each general meeting at which accounts are presented. This resolution proposes the re-appointment of the Company's existing auditor, Deloitte LLP, and is made with the recommendation of the Audit and Risk Committee.

## RESOLUTION 12

This resolution gives authority to the Directors to determine the remuneration of the auditor.

## RESOLUTION 13

Last year we announced that we intended to review our Investment Objective and Policy to see whether it should be reworded to better align with our current investment approach which was approved by shareholders in February 2017.

Following completion of its review, the Board is proposing the following principal changes are made to the Investment Objective and Policy.

- To explain that the Trust will continue to primarily invest in global equities and to have as its objective that it shall be a core investment delivering a real return over the long term through capital growth and a rising dividend.
- To explain that through our investment manager we appoint a number of stock pickers with different styles and approaches who each select and invest in equities across a wide range of different sectors and industries for our portfolio.
- To make clear that we will continue to achieve an appropriate spread of risk by holding a diversified portfolio with no single investment exceeding 10% at the time of initial investment of the Trust's total assets.
- To confirm no change to our use of gearing which will be a maximum of 30% of the Trust's net assets and that derivatives can be used to hedge, enhance and protect positions.

As the changes being proposed to the wording of our Investment Objective and Policy are material, shareholder approval is required for the changes. The resolution to approve the changes requires to be passed by a simple majority of shareholders voting at the AGM. The proposed change to the Investment Objective and Policy will not change the way that the Trust is managed – it only makes changes to the wording which are necessary to align it with the current investment approach.

A version of the Company's Investment Objective and Investment Policy, showing the proposed changes, is set out on page 6 of this document.

## RESOLUTION 14

This resolution seeks authority for the Company to make market purchases of its ordinary shares and is proposed as a special resolution. If passed, the resolution will give authority for the Company to purchase up to 49,886,423 of its ordinary shares, representing 14.99% of the Company's issued ordinary share capital as at 28 February 2019.

The resolution specifies the minimum and maximum prices which may be paid for any ordinary shares purchased under this authority. The authority will expire on the earlier of 15 months after the passing of this resolution and the Company's AGM that will be held in 2020.

The Directors will only exercise the authority to purchase ordinary shares where they consider that such purchases will be in the best interests of shareholders generally and consider the effect will be to increase the net asset value per share.

This year we are again asking shareholders to authorise the Company to hold the shares which it has purchased as treasury shares and then have the option to either cancel the shares or resell them for cash into the market at a later date. We did not make use of this authority in 2018. However, it gives the Company more flexibility to manage any discount or premium and to balance supply and demand.

As at 28 February 2019 (being the latest practicable date prior to the publication of this Notice) there were no outstanding warrants or options to subscribe.

## RESOLUTION 15

If the Directors wish to sell treasury shares for cash, company law requires that these shares are offered first to shareholders in proportion to their existing holdings. The purpose of this resolution is to authorise the Directors to sell treasury shares for cash either in connection with a pre-emptive offer or rights issue or otherwise up to a nominal value of £415,997, equivalent to five per cent of the total issued ordinary share capital of the Company, excluding treasury shares, as at 28 February 2019, in each case without the shares first being offered to existing shareholders in proportion to their existing holdings. The Board does not intend to sell treasury shares for cash on a non pre-emptive basis in excess of an amount equal to 7.5 per cent of the total issued ordinary share capital of the Company excluding treasury shares within a rolling three-year period, without prior consultation with shareholders.

The Directors will only sell shares held in treasury at a premium to the net asset value and where it is in the best interests of shareholders generally. In no circumstances would the Directors use the authority to dilute the interests of existing investors by selling shares at a price which would result in the dilution of the net asset value per share.

The Directors do not require authority pursuant to section 551 of the Companies Act 2006 to sell treasury shares.

## RESOLUTION 16

Our Articles of Association permit general meetings other than AGMs to be held on 14 days' notice. However, under the Companies (Shareholders' Rights) Regulations 2009 companies are only able to opt for a notice period of 14 days in respect of general meetings other than the AGM if it is annually authorised at the AGM each year. The shareholders approved this resolution at previous AGMs and the renewal of this authority is proposed. The Company will not use this power to enable us to hold meetings at short notice as a matter of routine but only where the circumstances justify it and it is thought to be in shareholders' interests to do so.

## RECOMMENDATION

Your Directors believe that the proposed resolutions are in the best interests of the Company and its shareholders and unanimously recommend that you vote in favour of them. The Directors intend to vote in favour of all of the resolutions.

Yours sincerely,



**Lord Smith of Kelvin**  
Chairman

## PROPOSED DIRECTORS' REMUNERATION POLICY

The current Directors' Remuneration Policy is set out in the Company's Annual Report and Accounts on page 52. We set out below the current Directors' Remuneration Policy showing the changes which are proposed together with the Directors' Remuneration Policy which is proposed for approval.

### CURRENT DIRECTORS' REMUNERATION POLICY INCORPORATING PROPOSED CHANGES

The Board's Remuneration Policy is designed to ensure that the remuneration of Directors is set at a reasonable level commensurate with the duties and responsibilities of each Director and the time commitment required to carry out their roles effectively. Remuneration will be such that the Company Trust is able to attract and retain Directors of appropriate experience and quality. The fees paid to Directors will reflect the experience of the Board as a whole, will be fair, and will take account of the responsibilities attaching to each role given the nature of the Company Trust's interests, as well as the level of fees paid by comparable investment trusts. Secretarial assistance will be provided to the Chairman to assist in the execution of his duties. Additional payments may be made to Directors for time expended over and above that envisaged on appointment and for serving on or chairing committees or for service as directors of subsidiary boards, or other additional responsibilities. The level of such fees and payments will be subject to periodic review. Directors will be reimbursed for travel and subsistence expenses incurred in attending meetings or in carrying out any other duties incumbent upon them as Directors of the Company Trust. In the event that any such payments are regarded as taxable, Directors may receive additional payments to ensure that they suffer no net cost in carrying out their duties. The level of Directors' fees paid will not exceed the limit set out in the Company's Trust's Articles of Association.

The Committee also reserves the right to make payments outside the Policy in exceptional circumstances. The Committee would only use this right where it believes that this is in the best interests of the Company Trust, and when it would be disproportionate to seek specific approval from a General Meeting. Any such payments would be fully disclosed on a timely basis.

### REMUNERATION POLICY PROPOSED FOR SHAREHOLDER APPROVAL (ORDINARY RESOLUTION 3)

The Board's Remuneration Policy is designed to ensure that the remuneration of Directors is set at a reasonable level commensurate with the duties and responsibilities of each Director and the time commitment required to carry out their roles effectively. Remuneration will be such that the Trust is able to attract and retain Directors of appropriate experience and quality. The fees paid to Directors will reflect the experience of the Board as a whole, will be fair, and will take account of the responsibilities attaching to each role given the nature of the Trust's interests, as well as the level of fees paid by comparable investment trusts. Secretarial assistance will be provided to the Chairman to assist in the execution of his duties. Additional payments may be made to Directors for time expended over and above that envisaged on appointment and for serving on or chairing committees or for service as directors of subsidiary boards, or other additional responsibilities. The level of such fees and payments will be subject to periodic review. Directors will be reimbursed for travel and subsistence expenses incurred in attending meetings or in carrying out any other duties incumbent upon them as Directors of the Trust. In the event that any such payments are regarded as taxable, Directors may receive additional payments to ensure that they suffer no net cost in carrying out their duties. The level of Directors' fees paid will not exceed the limit set out in the Trust's Articles of Association.

The Committee also reserves the right to make payments outside the Policy in exceptional circumstances. The Committee would only use this right where it believes that this is in the best interests of the Trust, and when it would be disproportionate to seek specific approval from a General Meeting. Any such payments would be fully disclosed on a timely basis.

## INVESTMENT OBJECTIVE AND POLICY

The current Investment Objective and Policy is set out in the Company's Annual Report and Accounts on page 6. We set out below the current Investment Objective and Policy showing the changes which are proposed together with the Investment Objective and Policy which is proposed for approval.

### CURRENT INVESTMENT OBJECTIVE AND POLICY INCORPORATING PROPOSED CHANGES

~~Alliance Trust is an investment company with investment trust status. The Trust's objective is to be a core investment for investors that delivers seeking increasing value over the long term. The Trust has no fixed asset allocation benchmark and it invests in a wide range of asset classes throughout the world to achieve its objective. The Trust's focus is to generate a real return for shareholders over the medium to long term by a combination of through a combination of capital growth and a rising dividend. The Trust invests primarily in global equities across a wide range of different sectors and industries to achieve its objective.~~

~~The Trust pursues its objective by investing in both quoted and unquoted equities across the globe in different sectors and industries; investing internationally in fixed income securities; investing in other asset classes and financial instruments, either directly or through investment vehicles and investing in subsidiaries and associated businesses which allow us to expand into other related activities.~~

~~The Trust, through its investment manager, appoints a number of stock pickers with different styles and approaches each of which will select and invest in stocks for the Trust's single investment portfolio; it will achieve an appropriate spread of risk by holding a diversified portfolio in which no single investment may exceed 10% of the Trust's total assets at the time of investment.~~

~~The Trust is prepared to invest any proportion of the total corporate capital in any of the above asset classes, subject only to the restrictions imposed on the Trust by the regulatory or fiscal regime within which we operate. However, the Trust would expect equities to comprise at least 50% of its portfolio. Changes to the asset allocation will be dependent upon attractive investment opportunities being available.~~

~~Where market conditions permit, the Trust will use gearing of not more than 30% of its net assets at any given time. The Trust can use derivative instruments to hedge, enhance and protect positions, including currency exposures. While the primary focus of the Trust is investment in global equities, the Trust may also invest from time to time in fixed interest securities, convertible securities and other assets.~~

### INVESTMENT OBJECTIVE AND POLICY PROPOSED FOR SHAREHOLDER APPROVAL (ORDINARY RESOLUTION 13)

The Trust's objective is to be a core investment for investors that delivers a real return over the long term through a combination of capital growth and a rising dividend. The Trust invests primarily in global equities across a wide range of different sectors and industries to achieve its objective.

The Trust, through its investment manager, appoints a number of stock pickers with different styles and approaches each of which will select and invest in stocks for the Trust's single investment portfolio; it will achieve an appropriate spread of risk by holding a diversified portfolio in which no single investment may exceed 10% of the Trust's total assets at the time of investment.

Where market conditions permit, the Trust will use gearing of not more than 30% of its net assets at any given time. The Trust can use derivative instruments to hedge, enhance and protect positions, including currency exposures. While the primary focus of the Trust is investment in global equities, the Trust may also invest from time to time in fixed interest securities, convertible securities and other assets.

## BOARD OF DIRECTORS



### **Lord Smith**

Chairman

Lord Smith joined the Board in 2016. He was Chief Executive Officer of Deutsche Asset Management, Chairman of The Weir Group, SSE PLC and the UK Green Investment Bank and Non-Executive Director of Standard Bank Group Limited.

Lord Smith was formerly President of the Institute of Chartered Accountants of Scotland. He has also been a Governor of the BBC, and a member of the Financial Services Authority and the Financial Reporting Council.



### **Gregor Stewart**

Deputy Chairman and Non-Executive Director

Chair of Audit and Risk Committee and member of Remuneration Committee

Gregor is the Trust's designated financial expert on the Audit and Risk Committee and is the Director responsible for engagement with the Trust's employees.

Gregor joined the Board in 2014 and chairs Alliance Trust's Audit and Risk Committee. He is also a Non-Executive Director of Alliance Trust Savings Limited.

Gregor was Finance Director for the insurance division of Lloyds Banking Group, including Scottish Widows, and a member of the Group's Finance Board. He brings over 20 years' experience at Ernst & Young, with ten years as a partner in the firm's Financial Services practice.



### **Karl Sternberg**

Senior Independent Director

Member of Audit and Risk Committee and of Remuneration Committee

Karl has been a member of the Board since 2015.

Karl was a founding partner of Oxford Investment Partners. He has had an executive career in fund management at Deutsche Asset Management, latterly as both its Global Head of Equities and Chief Investment Officer for Europe and Asia Pacific.



### **Anthony Brooke**

Non-Executive Director

Chair of Remuneration Committee and member of Audit and Risk Committee

Anthony joined the Board in 2015 and chairs Alliance Trust's Remuneration Committee.

Anthony was a Vice Chairman of S.G. Warburg & Co. Ltd and until 2010 was a Non-Executive Director of the PR consultancy, Huntsworth PLC.



### **Clare Dobie**

Non-Executive Director

Member of Audit and Risk Committee and of Remuneration Committee

Clare joined the Board in 2016.

Clare ran a marketing consultancy from 2005-2015. Before that she was Group Head of Marketing at GAM (formerly Global Asset Management) and served on its Executive Business Committee. Prior to that, Clare held a number of roles at Barclays Global Investors, including Head of Marketing.



### **Chris Samuel**

Non-Executive Director

Member of Audit and Risk Committee and of Remuneration Committee

Chris joined the Board in 2015.

Chris was Chief Executive of Ignis Asset Management from 2009-2014 and was previously a Director and Chief Operating Officer of Gartmore and Hill Samuel Asset Management and a partner at Cambridge Place Investment Management. He is a Chartered Accountant.



## NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 131st Annual General Meeting of Alliance Trust PLC will be held at the Apex City Quay Hotel, 1 West Victoria Dock Road, Dundee DD1 3JP on Thursday 25 April 2019 at 11.00am to consider and, if thought fit, pass the following resolutions of which resolutions 1 to 13 will be proposed as Ordinary Resolutions and resolutions 14 to 16 as Special Resolutions, all as set out below:

### ORDINARY RESOLUTIONS

- 1 THAT the report of the Directors and the accounts for the year ended 31 December 2018 be received.
- 2 THAT the Directors' remuneration report, excluding the Directors' Remuneration Policy, set out on pages 52 to 55 of the accounts for the year ended 31 December 2018 be approved.
- 3 THAT the Directors' Remuneration Policy be amended and restated with effect from the date of the passing of this resolution in the form set out on page 5 of this document dated 8 March 2019 to the exclusion of any other Directors' Remuneration Policy of the Company.
- 4 THAT the maximum ordinary remuneration of the Directors, as specified in Article 65.1 of the Trust's Articles of Association as approved by shareholders on 20 May 2015, be changed from £224,000 per annum in aggregate or such higher amount as may from time to time be determined by ordinary resolution to £300,000 per annum in aggregate or such higher amount as may from time to time be determined by ordinary resolution.
- 5 THAT Lord Smith of Kelvin be re-elected as a Director.
- 6 THAT Mr Anthony Brooke be re-elected as a Director.
- 7 THAT Mrs Clare Dobie be re-elected as a Director.
- 8 THAT Mr Christopher Samuel be re-elected as a Director.
- 9 THAT Mr Karl Sternberg be re-elected as a Director.
- 10 THAT Mr Gregor Stewart be re-elected as a Director.
- 11 THAT Deloitte LLP be re-appointed as auditor of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
- 12 THAT the Directors be authorised to determine the remuneration of the auditor.
- 13 THAT the Investment Objective and Policy of the Company be amended and restated with effect from the date of the passing of this resolution in the form set out on page 6 of this document dated 8 March 2019 to the exclusion of any other Investment Objective and Policy of the Company.

### SPECIAL RESOLUTIONS

- 14 THAT the Company be authorised generally and unconditionally to make market purchases (within the meaning of section 693 of the Companies Act 2006) of ordinary shares of 2.5p each provided that:
  - 1 The maximum aggregate number of ordinary shares that may be purchased is 49,886,423 or 14.99% of the issued share capital at the date of the passing of this resolution, whichever is the lesser.
  - 2 The minimum price (excluding expenses) which may be paid for each ordinary share is 2.5p.
  - 3 The maximum price (excluding expenses) which may be paid for each ordinary share is the higher of:
    - i) 105% of the average market value of an ordinary share in the Company for the five business days prior to the day the purchase is made; and
    - ii) the value of an ordinary share calculated on the basis of the higher of the price quoted for:
      - a) the last independent trade of; and
      - b) the highest current independent bid for any number of the Company's ordinary shares on the trading venue where the purchase is carried out.

The authority conferred by this resolution shall expire on the date occurring 15 months after the passing of this resolution or, if earlier, at the conclusion of the Company's next annual general meeting save that the Company may, before the expiry of the authority granted by this resolution, enter into a contract to purchase ordinary shares which will or may be executed wholly or partly after the expiry of such authority.

- 15 THAT the Directors be empowered to sell treasury shares that constitute an allotment of equity securities by virtue of section 560(3) of the Companies Act 2006:
  - (i) in connection with a pre-emptive offer; and
  - (ii) otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount of £415,997 as if Section 561(1) of the Companies Act 2006 did not apply to any such allotment;

such power to expire at the end of the Company's next annual general meeting or the date occurring 15 months after the passing of this resolution, whichever is the earlier, but so that the Company may, before such expiry, make offers and enter into agreements which would, or might, require equity securities to be allotted after the power given by this resolution has expired.

For the purposes of this Resolution:

"pre-emptive offer" means an offer of equity securities open for acceptance for a period fixed by the Directors to holders (other than the Company) on the register on a record date fixed by the Directors of ordinary shares in proportion to their respective holdings but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory.

- 16 THAT a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

By order of the Board

**Lisa Brown, Company Secretary**  
**Dundee, 8 March 2019**



## NOTES:

1. Holders of Ordinary Shares are entitled to attend and vote at General Meetings of the Company. The total number of issued Ordinary Shares in the Company on 28 February 2019, which is the latest practicable date before the publication of this Notice, is 332,798,020 Ordinary Shares. On a vote by show of hands every member who is present has one vote and every proxy present who has been duly appointed by a member entitled to vote has one vote. On a poll vote every member who is present in person or by proxy has one vote for every share of which they are the holder. All votes will be taken on a poll.
2. All members entitled to attend and vote have the right to appoint a proxy to attend and vote at the meeting instead of them. A Form of Proxy is enclosed with this Notice. A proxy need not be a member of the Company. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different Ordinary Share or Ordinary Shares held by the shareholder. The appointment of a proxy will not prevent a member from subsequently attending and voting at the meeting in person.
3. Holders of Ordinary Shares through Alliance Trust Savings Limited are not members of the Company, as the Ordinary Shares are registered in the name of Alliance Trust Savings Nominees Limited, but may attend and vote at the meeting by being appointed a proxy for their own shareholding. Unless a Form of Direction is returned nominating the chairman of the meeting or another person as the person to be appointed as a proxy in respect of your Ordinary Shares Alliance Trust Savings Nominees Limited will appoint the holder of the Ordinary Shares as proxy for those Ordinary Shares. A Form of Direction is enclosed with this Notice and should only be returned if appointing the chairman or another person to be your proxy. If the chairman or another person is appointed as a proxy the holder of Ordinary Shares may attend the Annual General Meeting but will not be able to vote at the meeting.
4. To be effective the instrument appointing a proxy, and any power of attorney or other authority under which it is signed (or a notarially certified copy of any such power or authority), must be sent to the Company's registrars at the address shown on the Form of Proxy or lodged electronically at [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) or by CREST members using the CREST proxy voting service (see note 6 on the Form of Proxy) in each case, not less than 48 hours before the time for holding the meeting or adjourned meeting. Forms of Direction must be received by the Company's registrars no later than 11.00am on 17 April 2019 or lodged electronically at [www.eproxyappointment.com](http://www.eproxyappointment.com) by that time.
5. A member of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the Annual General Meeting. In accordance with the provisions of the Companies Act 2006, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same Ordinary Shares. It is no longer necessary to nominate a designated corporate representative.
6. The right to appoint a proxy does not apply to persons whose Ordinary Shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with section 146 of the Companies Act 2006 ("Nominated Persons"). Nominated Persons may have a right under an agreement with the member who holds the Ordinary Shares on their behalf to be appointed or to have someone else appointed) as a proxy. Alternatively, if Nominated Persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the Ordinary Shares as to the exercise of voting rights. Any statement of the rights of shareholders in relation to the appointment of proxies does not apply to Nominated Persons as these rights can only be exercised by shareholders of the Company.
7. Copies of the terms and conditions of appointment of all Directors are available for inspection at the Company's registered office during business hours on any weekday (public holidays excluded) and will also be available for inspection at the place of the meeting for 15 minutes before and during the meeting.
8. The Company must cause to be answered at the Annual General Meeting any question relating to the business being dealt with at the Annual General Meeting which is put by a member attending the meeting, except in certain circumstances, including if it is undesirable, in the interests of the Company or the good order of the meeting, that the question be answered or if to do so would involve the disclosure of confidential information.
9. The following information is, or will be, available on the Company's website ([www.alliancetrust.co.uk](http://www.alliancetrust.co.uk)): (i) the contents of this notice of the Annual General Meeting; (ii) the total numbers of (a) shares in the Company, and (b) shares of each class, in respect of which members are entitled to exercise voting rights at the Annual General Meeting; (iii) the totals of the voting rights that members are entitled to exercise at the meeting in respect of the shares of each class; and (iv) any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual and by logging on to the registrar's website [www.euroclear.com/](http://www.euroclear.com/) CREST. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
11. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's registrar (ID 3RA50) no later than 48 hours (excluding non-working days) before the time of the meeting or any adjournment. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
12. CREST members and, where applicable, their CREST sponsors, or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
13. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
14. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 and Section 311 of the Companies Act 2006, the Company specifies that to be entitled to attend and vote at the General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company no later than close of business on 23 April 2019 or, in the event that the meeting is adjourned, 6.00p.m. on the day two business days prior to any adjourned meeting. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
15. Any person holding 3 per cent. or more of the total voting rights of the Company who appoints a person other than the Chairman of the meeting as their proxy will need to ensure that both they and their proxy comply with their respective disclosure obligations under the UK Disclosure and Transparency Rules.

## HOW TO ATTEND AND VOTE

### MAIN REGISTER SHAREHOLDERS

- As a member of the Company no formalities are required in order for you to attend and vote. (Corporate Representatives will however require a letter of representation in accordance with section 323 of the Companies Act 2006).
- If you cannot attend, you may appoint a proxy or proxies to attend and vote on your behalf. A proxy need not be a member of the Company.
- If the proxy is being appointed in relation to less than your full voting entitlement, please enter in the box where indicated the number of shares in relation to which the proxy is authorised to act as your proxy. If the box is left blank your proxy will be deemed to be authorised in respect of your full voting entitlement.
- Please use the accompanying 'Form of Proxy' and prepaid envelope to let us know if you are appointing a proxy to vote on your behalf. If you wish to appoint more than one proxy please use a photocopy of the Form or obtain an additional form(s) from our Registrars by contacting them on 0870 889 3187. Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
- Appointment of a proxy will not preclude you from attending and voting in person at the meeting. Voting in person will override the appointment of your proxy.
- Any joint holder may vote. However if both holders attend the meeting only one will be able to vote at the meeting. This will normally be the holder whose name appears first in the register of members.
- Where someone else signs the form on your behalf, the authority entitling them to do so, or a certified copy of it, must accompany the form.
- Where the member appointing a proxy is a corporation, the form must be under its common seal or signed by a duly authorised officer, attorney or other authorised person and a copy of the authority provided.

### HOW TO VOTE BY APPOINTING A PROXY ONLINE

- Additionally you can appoint a proxy or proxies electronically at [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy). If you use this option you can update your proxy online until 11.00am on Tuesday 23 April 2019 which is the latest time for lodging your proxy.
- In order to register your proxy electronically you will need the Control Number, PIN and Shareholder Reference Number, all of which you will find printed on the enclosed Form of Proxy or in your email notification.
- Should you make your appointment of a proxy electronically and by post, the Form of Proxy that arrives last will be the one counted. Please also see the Terms and Conditions of the electronic service on the website.

### TIME LIMITS

In order to establish who is entitled to attend and vote at the meeting, the Company takes the entries on the register of members at the close of business two days before the meeting or adjourned meeting. Changes to the register after the close of business on Tuesday 23 April 2019 are disregarded in establishing the right to attend and vote at the meeting.

### SHAREHOLDER COMMUNICATIONS

To receive a copy of this year's Annual Report please see our website or write to our Company Secretary at 8 West Marketgait, Dundee DD1 1QN. If you also wish to receive a printed copy of the Annual Report in future years please let our Company Secretary know.

## ALLIANCE TRUST SAVINGS CUSTOMERS

- If you wish to attend and vote yourself no action is necessary.
- If you wish the chairman to vote on your behalf or you wish to request Alliance Trust Savings Nominees Limited to appoint someone other than yourself as a proxy for your shares please use the accompanying 'Form of Direction' and prepaid envelope to let us know. If you request the appointment of the chairman or a third party as a proxy for your shares you will not be able to vote at the meeting but may be admitted as a guest.
- If you have elected someone else to attend and vote on your behalf, that person will be able to take part in the voting and ask questions.
- If you do not return the Form of Direction instructing the chairman or another person to vote on your behalf and you do not attend the meeting in person the votes attaching to your shares will not be cast.
- If more than one person is the holder of an Account we will only accept a Form of Direction completed by the first named account holder as supplied in your application form and only that individual will receive the Notice of Meeting and will be entitled to attend and vote at the meeting.

## HOW TO VOTE ONLINE

- In order to give directions electronically on how your vote be cast you can do this at [www.eproxyappointment.com](http://www.eproxyappointment.com) until 11.00am on Wednesday 17 April 2019. You will need the Control Number, PIN and ATS Voting Number, all of which you will find printed on the enclosed Form of Direction or in your email notification.
- Should you give your directions electronically and by post, the one which arrives last will be the one that counts.
- Please also see the Terms and Conditions of the electronic service on the website.

## TIME LIMITS

You should complete and return the Form of Direction in the prepaid envelope provided. The Form of Direction must be received by 11.00am on Wednesday 17 April 2019.

## SHAREHOLDER COMMUNICATIONS

To receive a copy of this year's Annual Report please see our website or write to our Company Secretary at 8 West Marketgait, Dundee DD1 1QN. If you also wish to receive a printed copy of the Annual Report in future years please let our Company Secretary know.

## DIRECTIONS TO AGM

**Directions to Apex City Quay Hotel, 1 West Victoria Dock Road, Dundee DD1 3JP**

**By Car** The hotel has a free car park where spaces are available on a first come first served basis. Shareholders can obtain a ticket to exit the car park which will be validated by reception.

**By Train** Exit onto the main A85 road that faces onto the waterfront and follow the main road around the bend. Cross the road and follow onto Dock Street where you'll see the hotel on your right.

**By Bus:** Dundee Bus Station is just a five minute walk to the hotel. Exit the station onto Trades Lane and follow the road down to West Victoria Dock Road where the hotel is on the right.







## CONTACT

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V & A Museum of Design (photograph courtesy of Ross Fraser McLean)