



**SOFTCAT PLC**

(incorporated and registered in England and Wales under number 02174990)

**NOTICE OF ANNUAL GENERAL MEETING 2019**

Solar House, Fieldhouse Lane, Marlow, Buckinghamshire SL7 1LW, United Kingdom

Thursday 5 December 2019 at 11.30am (UK time)

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

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor/attorney, accountant, banker or other appropriate independent professional adviser immediately.

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

Your attention is drawn to the letter from the Chair of the Company which is set out on page 3 of this document and which recommends you to vote in favour of the resolutions to be proposed at the Annual General Meeting.

The Notice of the Annual General Meeting of the Company to be held at 11.30am (UK time) at Solar House, Fieldhouse Lane, Marlow, Buckinghamshire SL7 1LW, United Kingdom on Thursday 5 December 2019 is set out in this document. You will be able to vote by proxy electronically using the link [www.purpletrader.com](http://www.purpletrader.com) and following the instructions. To be valid, your proxy votes must be received no later than 11.30am (UK time) on Tuesday 3 December 2019. Appointing a proxy will not preclude ordinary shareholders from attending and voting at the Annual General Meeting should they choose to do so.

Further instructions on appointing a proxy are set out in this document.

## Notice of Annual General Meeting 2019

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Solar House  
Fieldhouse Lane  
Marlow, Buckinghamshire  
SL7 1LW

To the ordinary shareholders

Dear shareholder

### **ANNUAL GENERAL MEETING: 5 December 2019**

I am pleased to invite you to the 2019 Annual General Meeting (the 'Meeting') of Softcat plc (the 'Company'). The Meeting will be held at our head office at Solar House, Fieldhouse Lane, Marlow, Buckinghamshire SL7 1LW, United Kingdom, on Thursday 5 December 2019 at 11.30am (UK time).

### **Resolutions and explanatory notes**

The formal notice convening the Meeting (the 'Notice') is set out on pages 4 to 6 of this document. Explanatory notes to each of the resolutions to be proposed at the Meeting can be found on pages 7 to 11.

There will be an opportunity for you to raise questions at the Meeting about the resolutions set out in the Notice and about the business of the Company.

In accordance with the UK Corporate Governance Code (the 'Code'), all of the Directors of the Company will stand for election or re-election. Biographies for all of the Directors are provided on pages 12 to 13. The Board considers that the contribution and skills of each of the Directors is, and continues to be, important to the long-term sustainable success of the Company.

### **Attendance and voting in person or by proxy**

All resolutions for consideration at the Meeting will be voted on by way of a poll, rather than a show of hands. This means that ordinary shareholders will have one vote for each ordinary share held. The Company believes this will result in a more accurate reflection of the views of ordinary shareholders by ensuring that every vote is recognised, including the votes of all ordinary shareholders who are unable to attend the Meeting but who have appointed a proxy for the Meeting.

If you are entitled to, but are unable to attend and vote at the Meeting, you may appoint a proxy to vote on your behalf. Please read the section 'Additional Notes' set out on pages 14 to 15 regarding the actions required by ordinary shareholders. If you are in any doubt as to the action you should take, please consult your stockbroker, solicitor/attorney, accountant, banker or other appropriate independent professional adviser immediately.

### **Further information**

Further information relating to the Company and its financial information can be found in the Company's Annual Report and Accounts for the year ended 31 July 2019, which was circulated at the same time as this Notice and is also available on our Company website at [www.softcat.com/investors](http://www.softcat.com/investors). The Company's website contains a variety of other information, including previous Annual Reports, Company announcements, investor presentations and share price data, as well as information regarding the Company's corporate governance practices.

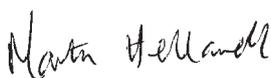
### **Recommendation**

Your Board believes that the resolutions contained in the Notice are in the best interests of the Company and its shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of all the proposed resolutions, as they intend to do in respect of their own beneficial shareholdings.

The voting results on the resolutions will be announced via the UK Regulatory News Service and published on our website as soon as possible after the AGM.

On behalf of the Board I thank you for your continued support.

Yours faithfully



**Martin Hellowell**

Non-Executive Chair

4 November 2019

# Notice of Annual General Meeting

Notice is hereby given that the 2019 Annual General Meeting (the 'Meeting') of Softcat plc (the 'Company') will be held at Solar House, Fieldhouse Lane, Marlow, Buckinghamshire SL7 1LW, United Kingdom, on Thursday 5 December 2019 at 11.30am (UK time).

You will be asked to consider and, if thought fit, pass the resolutions below. Resolutions 1 to 16 inclusive will be proposed as ordinary resolutions and resolutions 17 to 20 inclusive will be proposed as special resolutions.

### Resolutions

**Resolution 1:** To receive the Company's annual accounts for the financial year ended 31 July 2019 together with the Directors' Report and the Auditor's Report on those accounts.

**Resolution 2:** To approve the Directors' Remuneration Report set out on pages 56 to 85 inclusive of the Company's Annual Report and Accounts for the financial year ended 31 July 2019 (apart from the Directors' Remuneration Policy set out on pages 72 to 85 inclusive of the Company's 2019 Annual Report).

**Resolution 3:** To approve the Directors' Remuneration Policy set out on pages 72 to 85 inclusive of the Company's Annual Report and Accounts for the financial year ended 31 July 2019.

**Resolution 4:** To declare a final dividend for the financial year ended 31 July 2019 of 10.4p per ordinary share payable to the Company's ordinary shareholders who are registered as such at the close of business on the record date of 8 November 2019.

**Resolution 5:** To declare a special dividend of 16.0p per ordinary share payable to the Company's ordinary shareholders who are registered as such at the close of business on the record date of 8 November 2019.

**Resolution 6:** To re-elect Graeme Watt as a Director of the Company.

**Resolution 7:** To re-elect Martin Hellowell as a Director of the Company.

**Resolution 8:** To re-elect Graham Charlton as a Director of the Company.

**Resolution 9:** To re-elect Vin Murria OBE as a Director of the Company.

**Resolution 10:** To re-elect Peter Ventress as a Director of the Company.

**Resolution 11:** To elect Robyn Perriss as a Director of the Company.

**Resolution 12:** To elect Karen Slatford as a Director of the Company.

**Resolution 13:** To authorise the Audit Committee of the Company to reappoint Ernst & Young LLP as auditor of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company at which accounts are laid.

**Resolution 14:** To authorise the Audit Committee of the Company (for and on behalf of the Board) to determine the remuneration of the auditor of the Company.

**Resolution 15:** That, in accordance with Sections 366 and 367 of the Companies Act 2006 (the 'Act'), the Company, and all companies that are its subsidiaries at any time during the period for which this resolution has effect, are authorised to:

- a) make political donations to political parties or to independent election candidates not exceeding £50,000 in total;
- b) make political donations to political organisations (other than political parties) not exceeding £50,000 in total; and
- c) incur any political expenditure not exceeding £50,000 in total.

This authority exists for the period beginning with the date of the passing of this resolution and expires at the conclusion of the next Annual General Meeting of the Company. For the purpose of this resolution, 'political donation', 'political party', 'political organisation', 'independent election candidate' and 'political expenditure' are to be construed in accordance with Sections 363, 364 and 365 of the Act.

**Resolution 16:** That the Directors be generally and unconditionally authorised, in substitution for any existing authority, but without prejudice to the exercise of any such authority prior to the date of the passing of this resolution, pursuant to and in accordance with Section 551 of the Companies Act 2006 (the 'Act'), to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for, or to convert any security into, shares:

- a) up to an aggregate nominal amount (within the meaning of Sections 551(3) and (6) of the Act) of £33,041 (such amount to be reduced by the nominal amount allotted or granted under paragraph (b) below in excess of such sum); and
- b) comprising equity securities (as defined in Sections 560 of the Act) up to an aggregate nominal amount (within the meaning of Sections 551(3) and (6) of the Act) of £66,083 (such amount to be reduced by any allotments or grants made under paragraph (a) above) in connection with or pursuant to an offer by way of a rights issue in favour of ordinary shareholders in proportion (as nearly as may be practicable) to the respective number of ordinary shares held by them on the record date for such allotment (and holders of any other class of equity securities entitled to participate therein or if the Directors consider it necessary, as permitted by the rights of those securities), but subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of any regulatory body or stock exchange in, any territory or any other matter whatsoever,

provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2020, or at close of business on 31 December 2020 (whichever occurs first) save that the Company may before such expiry make an offer or enter into an agreement which would or might require shares to be allotted, or rights to subscribe for or to convert securities into shares to be granted, after such expiry and the Directors may allot shares or grant such rights in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

**Resolution 17:** That, subject to the passing of resolution 16 above, but without prejudice to the exercise of any such power prior to the date of the passing of this resolution, the Directors be generally empowered pursuant to Sections 570 and 573 of the Companies Act 2006 (the 'Act') to allot equity securities (within the meaning of Section 560 of the Act) of the Company for cash pursuant to the authority conferred by such resolution 16 and to sell ordinary shares (as defined in Section 560(1) of the Act) held by the Company as treasury shares for cash, as if Section 561 of the Act did not apply to any such allotment or sale, provided that this power shall be limited to the allotment of equity securities for cash and sale of treasury shares:

- a) in connection with or pursuant to an offer of, or invitation to acquire, equity securities (but in the case of the authority granted under paragraph (b) of resolution 16, by way of a rights issue only) in favour of holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment or sale (and holders of any other class of equity securities entitled to participate therein or if the Directors consider it necessary, as permitted by the rights of those securities) but subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever; and
- b) in the case of the authority granted under paragraph (a) of resolution 16 and/or in the case of any sale of treasury shares, (and otherwise than under paragraph (a) of this resolution) up to an aggregate nominal amount of £4,956,

provided that this power shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2020 or at close of business on 31 December 2020 (whichever occurs first), save that the Company may before such expiry make an offer or enter into an agreement which would or might require equity securities to be allotted, or treasury shares to be sold, after such expiry and the Directors may allot equity securities or sell treasury shares in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

## Notice of Annual General Meeting continued

### Resolutions continued

**Resolution 18:** That, subject to the passing of resolutions 16 and 17 above and in addition to the power granted under resolution 17, the Directors be generally empowered pursuant to Sections 570(1) and 573 of the Companies Act 2006 (the 'Act') to allot equity securities (within the meaning of Section 560 of the Act) of the Company for cash pursuant to the authority conferred by paragraph (a) of such resolution 16 and to sell ordinary shares (within the meaning of Section 560(1) of the Act) held by the Company as treasury shares for cash, as if Section 561 of the Act did not apply to any such allotment or sale, provided that this power shall be:

- a) limited to the allotment of equity securities for cash and sale of treasury shares up to an aggregate nominal amount of £4,956; and
- b) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors have determined to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice, or for any other purposes as the Company in general meeting may at any time by special resolution determine,

provided that this power shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2020 or at close of business on 31 December 2020 (whichever occurs first), save that the Company may before such expiry make an offer or enter into an agreement which would or might require equity securities to be allotted, or treasury shares to be sold, after such expiry and the Directors may allot equity securities or sell treasury shares in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

**Resolution 19:** To authorise the Company generally and unconditionally for the purposes of Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of any of its ordinary shares of £0.0005 each on such terms and in such manner as the Directors may from time to time determine, provided that:

- a) the maximum number of ordinary shares which may be purchased is 19,825,047;
- b) the minimum price which may be paid for each ordinary share is £0.0005 (being the nominal value of an ordinary share) which amount shall be exclusive of expenses, if any;
- c) the maximum price (exclusive of expenses, if any) which may be paid for each ordinary share is an amount equal to the higher of:
  - i. 105% of the average of the middle market quotations of the ordinary shares of the Company as derived from the Daily Official List of the London Stock Exchange plc for the five business days immediately preceding the day on which such ordinary share is contracted to be purchased; and
  - ii. the higher of the price of the last independent trade and the highest current independent bid for an ordinary share on the trading venues where the purchase is carried out;
- d) if given, this power will expire at the conclusion of the Annual General Meeting of the Company to be held in 2020 (or on 31 December 2020, whichever occurs first); and
- e) under the authority the Company may make a contract to purchase ordinary shares which would or might be executed wholly or partly after the expiry of this authority and may make purchases of ordinary shares pursuant to it as if this authority had not expired.

**Resolution 20:** That a general meeting (other than an Annual General Meeting) of the Company may be called on not less than 14 clear days' notice.

By order of the Board.



**Luke Thomas**

Company Secretary  
Softcat plc  
4 November 2019

Registered in England and Wales No. 02174990  
Solar House, Fieldhouse Lane, Marlow, Buckinghamshire SL7 1LW, United Kingdom

## Explanatory notes to the resolutions

### Resolution 1: Annual financial statements and Directors' Report

Under the Companies Act 2006, the Directors are required to present the annual accounts, Directors' Report and Auditor's Report to the Annual General Meeting ('AGM'). These are contained in the Company's 2019 Annual Report and Accounts for the year ended 31 July 2019 and are available on the Company's website at [www.softcat.com/investors](http://www.softcat.com/investors).

### Resolution 2: Directors' Remuneration Report

This resolution deals with the remuneration paid to the Directors during the year under review. Ordinary shareholders are invited to vote on the Directors' Remuneration Report, which appears on pages 56 to 71 in the 2019 Annual Report and Accounts. The Directors' Remuneration Report includes an annual statement from the Chair of the Remuneration Committee. In accordance with the Companies Act 2006, this resolution is an advisory vote only and the Directors' entitlement to receive remuneration is not conditional on it. The resolution and vote are a means of providing shareholder feedback to the Board.

### Resolution 3: Directors' Remuneration Policy

Ordinary shareholders are invited to vote on the Directors' Remuneration Policy, which appears on pages 72 to 85 in the 2019 Annual Report and Accounts, and which, if approved by ordinary shareholders, will take effect immediately after the conclusion of the AGM on 5 December 2019. This resolution is a binding vote.

### Resolution 4: Final dividend

The Board proposes a final dividend of 10.4p per ordinary share for the financial year ended 31 July 2019. If approved, the final dividend will be payable on 13 December 2019 to all ordinary shareholders who are registered as such at the close of business on the record date of 8 November 2019.

### Resolution 5: Special dividend

The Board proposes a special dividend of 16.0p per ordinary share. In light of the continued strong performance and cash generation and the robustness of the Company's balance sheet, the Directors consider it appropriate to propose a cash return to ordinary shareholders of approximately £31.7m (in addition to the final dividend proposed under resolution 4), which is structured as a special dividend of 16.0p per ordinary share. The approval of this resolution is not dependent on the approval of resolution 4, nor is the approval of resolution 4 dependent on the approval of this resolution. If approved, the special dividend will be payable on 13 December 2019 to all ordinary shareholders who are registered as such at the close of business on the record date of 8 November 2019.

### Resolutions 6–12: Election of Directors

In accordance with the provisions of the UK Corporate Governance Code, all members of the Board wishing to continue their appointments are seeking re-election by the Company's ordinary shareholders. The Directors retiring and seeking re-election are Martin Hellowell, Graeme Watt, Graham Charlton, Vin Murria, Peter Ventress, Robyn Perriss and Karen Slatford. Under the terms of the Company's Articles of Association, any Director appointed by the Board shall retire at the following AGM and shall be eligible for election. Robyn Perriss and Karen Slatford were appointed by the Board since the last AGM and shall therefore retire and seek election by the Company's ordinary shareholders at the 2019 AGM.

The biographical details of all the Directors seeking election and re-election at the AGM are set out on pages 12 and 13 of this Notice. The Company previously announced that Peter Ventress will step down from the Board on 31 December 2019 and hence he is seeking re-election until this date.

Following recommendation from the Nomination Committee, the Chair is satisfied that each of the Directors standing for election or re-election continues to be effective and demonstrates a commitment to the role and that each of the Directors continues to be able to dedicate sufficient time to their duties. The Directors believe that the Board continues to include an appropriate balance of skills and experience and provides effective leadership for the Company. The Board has a variety of skills which include significant financial and commercial experience, extensive knowledge of the information technology industry and listed company experience. The Board therefore recommends the election or re-election of all Directors.

Resolutions 9 to 12 (inclusive) relate to the re-election or election of Vin Murria, Peter Ventress, Robyn Perriss and Karen Slatford, who are the Directors that the Board has determined are Independent Non-Executive Directors for the purposes of the UK Corporate Governance Code (the 'Independent Non-Executive Directors').

Under the Listing Rules Peter Kelly is a controlling shareholder of the Company. A controlling shareholder means any person who exercises or controls on their own or together with any person with whom they are acting in concert 30% or more of the votes able to be cast on all or substantially all matters at general meetings of the Company. The Listing Rules require that the election or re-election of any Independent Non-Executive Director by shareholders must be approved by a majority vote of not only all ordinary shareholders of the Company but also of the independent shareholders of the Company (that is, the ordinary shareholders of the Company entitled to vote on the election of Directors who are not controlling shareholders of the Company).

### Explanatory notes to the resolutions continued

#### Resolutions 6–12: Election of Directors continued

Resolutions 9 to 12 (inclusive) are being proposed as ordinary resolutions which all ordinary shareholders may vote on in the usual way. However, in addition the Company will separately count the number of votes cast by independent shareholders in favour of each of the resolutions (as a proportion of the total votes cast by independent shareholders). The Company, when announcing the results of the AGM in respect of resolutions 9 to 12 (inclusive), will announce the results of both the vote of all ordinary shareholders of the Company and also the vote of the independent shareholders of the Company.

Under the Listing Rules, if a resolution to elect or re-elect an Independent Non-Executive Director is not approved by a majority vote of both the ordinary shareholders as a whole and the independent shareholders of the Company at the AGM, a further resolution may be put forward to be approved by the ordinary shareholders as a whole at a meeting which must be held more than 90 days after, but within 120 days of, the meeting when the first vote was held.

Accordingly, if any of resolutions 9 to 12 (inclusive) is not approved by a majority vote of the Company's independent shareholders at the AGM, the relevant Independent Non-Executive Director(s) will be treated as having been elected or re-elected only for the period from the date of the AGM until the earlier of: (i) the close of any general meeting of the Company, convened for a date more than 90 days after, but within 120 days of, the AGM, to propose a further resolution to re-elect him or her; (ii) the date which is 120 days after the AGM; and (iii) the date of any announcement by the Board that it does not intend to hold a second vote. In the event that the relevant Independent Non-Executive Director's election or re-election is then approved by a majority vote of all ordinary shareholders at such second general meeting, he or she will then be treated as elected or re-elected until the next AGM of the Company.

The Board has assessed whether the Independent Non-Executive Directors remain independent in accordance with the criteria contained in the UK Corporate Governance Code and is content that each of the Independent Non-Executive Directors offering themselves for election or re-election is independent in character. None of the Independent Non-Executive Directors seeking re-election at the Meeting has or had any existing or previous relationship, transaction or arrangement with the Company, nor with any of its Directors, the controlling shareholder of the Company or any associate of a controlling shareholder of the Company within the meaning of Listing Rule 13.8.17R(1). All of the Independent Non-Executive Directors are experienced and have a broad knowledge of the sector, and, as a result of their experience, the Board considers that each Independent Non-Executive Director provides a valuable contribution and an impartial perspective to the Board's discussions.

#### Resolution 13: Reappointment of auditor

At each general meeting at which the Company's Annual Report and Accounts are presented to its ordinary shareholders, the shareholders are required to appoint an auditor to serve until the next such meeting. The Board, following a recommendation to that effect made by the Audit Committee, is proposing the reappointment of Ernst & Young LLP ('EY') as auditor of the Company. EY has agreed to continue in office as auditor of the Company and, accordingly, Resolution 13 authorises the Audit Committee to reappoint EY as auditor of the Company.

#### Resolution 14: Remuneration of auditor

The remuneration of the Company's auditor must be fixed by the Company in general meeting or in such manner as the shareholders may determine in general meeting. The Audit Committee of Softcat plc has responsibility for overseeing the relationship with the external auditor. This responsibility includes approving the external auditor's engagement letter and the audit fee. This resolution seeks shareholder approval to authorise the Audit Committee to determine the remuneration of the auditor of the Company.

#### Resolution 15: Authority to make political donations

The definition of donation or expenditure in this context is very wide and may extend to bodies concerned with policy review, law reform and the representation of the business community. Sponsorship, subscriptions, payment of expenses and paid leave for employees fulfilling public duties may also fall within the scope of this definition. It could also include special interest groups, such as those involved with the environment, which the Company might wish to support, even though these activities are not designed to support or influence support for a particular political party.

It is not the policy of the Company to make political donations or to incur other political expenditure as those expressions are normally understood and the Directors have no intention of changing that policy. However, the Directors consider that it is in the best interests of the shareholders for the Company to participate in public debate and opinion-forming on matters which affect its business.

The existing authority for these payments expires at the end of the Company's 2019 AGM. To avoid inadvertently infringing the Companies Act through the Company's normal business activities, the Directors are seeking authority for the Company to make political donations and to incur political expenditure during the period from the date of the AGM in 2019 to the end of the AGM in 2020.

### **Resolution 16: Authority to allot ordinary shares**

The purpose of this resolution 16 is to give the Directors authority to allot shares in place of the existing authority approved at the AGM of the Company held on 6 December 2018, which expires at this year's AGM.

The authority in paragraph (a) of the resolution will allow the Directors to allot new shares and grant rights to subscribe for, or convert other securities into, shares up to an aggregate nominal value of £33,041 (representing approximately one-third of the total issued ordinary share capital of the Company as at 29 October 2019, the latest practicable date prior to publication of this Notice).

The authority in paragraph (b) of the resolution will allow the Directors to allot new shares and grant rights to subscribe for, or convert other securities into, shares only in connection with a rights issue up to an aggregate nominal value of £66,083 (representing approximately two-thirds of the total issued ordinary share capital of the Company as at 29 October 2019, the latest practicable date prior to publication of this Notice) (such amount to be reduced by the amount of any relevant securities issued under the authority conferred by paragraph (a) of resolution 16).

The Company does not currently hold any shares in treasury.

The Board has no present intention of exercising these authorities other than in relation to the Company's employee share schemes, but the Board believes it is in the best interests of the Company to have these authorities so that the Board can allot securities at short notice and without the need to hold a general meeting of the Company if the need arises. However, if they do exercise these authorities, the Directors intend to take note of relevant corporate governance guidelines on the use of such powers.

The authorities sought in paragraphs (a) and (b) of resolution 16 are without prejudice to previous allotments made under such existing authorities.

The authorities will only be valid until the conclusion of the next AGM of the Company in 2020 or on 31 December 2020, whichever occurs first.

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

The purpose of this resolution 17 is to give the Directors the power to allot equity securities or sell treasury shares for cash otherwise than to existing shareholders pro rata to their holdings. The power granted at the AGM of the Company held on 6 December 2018 is due to expire at this year's AGM. Accordingly, this resolution will be proposed as a special resolution to grant such a power. Apart from offers or invitations in proportion to the respective number of shares held, the power will be limited to the allotment of equity securities and sales of treasury shares for cash up to an aggregate nominal value of £4,956 (being approximately 5% of the Company's issued ordinary share capital as at 29 October 2019, the latest practicable date prior to publication of this Notice). If given, this power will expire at the conclusion of the AGM of the Company to be held in 2020 or on 31 December 2020, whichever occurs first.

The Directors believe this resolution should be proposed as they consider it prudent to maintain the flexibility that it provides. The Directors do not currently intend to make use of the power and anticipate only making use of it where the specific circumstances of the Company require. The figure of 5% reflects the Pre-Emption Group's most recent Statement of Principles for the disapplication of pre-emption rights (the 'Statement of Principles'). The Board will have due regard to the Statement of Principles in relation to any exercise of this power; in particular it does not intend to allot shares for cash on a non-pre-emptive basis pursuant to this power in excess of an amount equal to 7.5% of the total issued ordinary share capital of the Company (excluding any treasury shares) in any rolling three-year period without prior consultation with shareholders.

### **Resolution 18: Additional authority to disapply pre-emption rights for purposes of acquisitions or capital investments**

The purpose of this resolution 18 is to seek a further power from shareholders to allot equity securities or sell treasury shares for cash otherwise than to existing shareholders pro rata to their holdings to reflect the Statement of Principles.

Accordingly, resolution 18 will be proposed as a special resolution to grant such a power. The power will be limited to the allotment of equity securities and sales of treasury shares for cash up to an aggregate nominal value of £4,956, being approximately 5% of the Company's issued ordinary share capital as at 29 October 2019, the latest practicable date prior to publication of this Notice. This is in addition to the 5% referred to in resolution 17. If given, this power will expire at the conclusion of the AGM of the Company to be held in 2020 or on 31 December 2020, whichever occurs first.

The Directors will have due regard to the Statement of Principles in relation to any exercise of this power and in particular they confirm that they intend to use this power only in connection with an acquisition or other capital investment (of a kind contemplated by the Statement of Principles from time to time) which is announced contemporaneously with the announcement of the issue, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue.

The Directors have no present intention of exercising these powers but believe that this resolution will assist them in taking advantage of business opportunities as they arise.

### Explanatory notes to the resolutions continued

#### Resolution 19: Authority for the Company to purchase its ordinary shares

Under Section 701 of the Act the directors of a company may make market purchases of that company's shares if authorised to do so by its shareholders. The Directors of Softcat plc believe that granting such approval would be in the best interest of shareholders in allowing the flexibility to react promptly to circumstances requiring market purchases and resolution 19 seeks to grant that authority to the Directors.

Resolution 19 will, if passed, give the Directors authority to make one or more market purchases of the Company's ordinary shares up to a limit of 19,825,047 ordinary shares having an aggregate nominal value of £0.0005 which represents 10% of the total issued ordinary share capital of the Company as at 29 October 2019, the latest practicable date prior to publication of this Notice. Since the Company listed on the London Stock Exchange in 2015, no ordinary shares of the Company have been repurchased.

Shares will only be purchased if the Directors consider such purchases to be in the best interests of shareholders generally and that they can be expected to result in an increase in earnings per share. The authority will only be used after careful consideration, taking into account prevailing market conditions, other investment opportunities, appropriate gearing levels, the overall benefit for shareholders and the overall financial position of the Company.

Companies purchasing their own shares are allowed to hold them in treasury as an alternative to cancelling them. Should this authority be exercised, the Directors would consider the treatment of any shares as and when purchased under this authority and, if they consider it appropriate to do so, the Company may hold in treasury any of its shares that it purchases as an alternative to cancelling them. The Directors may subsequently use any purchased treasury shares in connection with the Company's share plans. No dividends are paid on shares whilst held in treasury and no voting rights attach to treasury shares. Any purchases would be by means of market purchases through the London Stock Exchange.

The total number of options to subscribe for shares outstanding as at 29 October 2019, being the latest practicable date prior to publication of this Notice, was 1.57m which, if exercised, would represent 0.79% of the ordinary issued share capital as at that date. In the event the Company were to buy back the maximum number of shares permitted pursuant to the authority granted in this resolution, the total number of options to subscribe for shares as at 29 October 2019 would represent 0.88% of the reduced ordinary issued share capital.

If given, this power will expire at the conclusion of the AGM of the Company to be held in 2020 or on 31 December 2020, whichever occurs first.

The Company is subject to the City Code on Takeovers and Mergers (the 'Takeover Code'). Under Rule 9 of the Takeover Code ('Rule 9') when:

- any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which, taken together with shares in which persons acting in concert with them are interested, carry 30% or more of the voting rights of a company to which the Takeover Code applies; or
- any person who, together with persons acting in concert with them, is interested in shares which in aggregate carry not less than 30% of the voting rights of a company, but does not hold shares carrying more than 50% of such voting rights and such person, or any person acting in concert with them, acquires an interest in any other shares which increases the percentage of the shares carrying voting rights in which they are interested,

then, in either case, that person is normally required to make a general offer in cash at not less than the highest price paid by them for any interest in shares of that company during the last twelve months, for all the remaining equity share capital of that company (whether voting or non-voting), and also to the holders of any class of transferable securities carrying voting rights issued by that company to acquire their shares or other securities (a 'Rule 9 offer').

Under Rule 37.1 of the Takeover Code ('Rule 37.1'), when a company redeems or purchases its own voting shares, any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purpose of Rule 9. However, note 1 of Rule 37.1 states that a person who comes to exceed the percentage limits set out in Rule 9.1 in consequence of a company's redemption or purchase of its own shares will not normally incur an obligation to make a mandatory offer unless that person is a director, or the relationship of the person with any one or more of the directors is such that the person is, or is presumed to be, acting in concert with any of the directors. The exception in note 1 of Rule 37.1 will not apply, and an obligation to make a mandatory offer may therefore be imposed, if a person (or any relevant member of a group of persons acting in concert) has acquired an interest in shares at a time when he had reason to believe that such a redemption or purchase of its own shares by the company would take place.

Peter Kelly and his close relatives (together the 'Kelly Family') currently control voting rights over 64,976,058 ordinary shares representing approximately 32.8% of the Company's issued ordinary share capital.

If the Company were to repurchase from persons other than members of the Kelly Family all the ordinary shares for which it is seeking authority to make market purchases, the interest in ordinary shares of members of the Kelly Family would (assuming that the Company does not make any other allotments of ordinary shares, and members of the Kelly Family do not acquire any more ordinary shares) increase to approximately 36.4% of the issued ordinary share capital of the Company by virtue of such a repurchase.

In addition, on 13 November 2015, the Company and Peter Kelly entered into a relationship agreement (the 'Relationship Agreement'). The principal purpose of the Relationship Agreement is to ensure that the Company will be capable of carrying on its business independently of Peter Kelly and certain persons deemed to be connected with him ('Connected Persons'). Pursuant to the Relationship Agreement, the Company and Peter Kelly have agreed that for so long as Peter Kelly (together with any of his Connected Persons) holds 10% of the Company's issued ordinary share capital, he shall be entitled to appoint one Non-Executive Director of the Company, although no such Director has been appointed as at the date of this Notice.

The Panel on Takeovers and Mergers (the 'Panel') must be consulted in advance in any case where Rule 9 of the Takeover Code might be relevant. Pursuant to Note 4 on Rule 37.1 of the Takeover Code, the Company has consulted with the Panel in relation to the proposed authority to make market purchases. The Panel has confirmed on an ex-parte basis to the Company that, provided that:

- Peter Kelly is not, nor is presumed to be, acting in concert with any of the Company's Directors (such that he should be treated as an 'innocent bystander' in relation to any increase in the Kelly Family's holding of ordinary shares in the Company as a result of a share buyback); and
- Peter Kelly does not exercise his right (pursuant to the Relationship Agreement) to appoint a Director to the Board,

the Panel will not require members of the Kelly Family, nor any person acting in concert with them, to make a mandatory offer under Rule 9 of the Takeover Code on the grounds that its or their interests in the ordinary share capital of the Company has increased as a result of the redemption or purchase by the Company of its own shares pursuant to the authority conferred by resolution 19.

### **Resolution 20: Notice of general meetings, other than Annual General Meetings**

Under the Companies Act 2006, the notice period required for all general meetings of listed companies is 21 days; however, it is possible to reduce this period to 14 days (other than for AGMs), provided that the following two conditions are met: (i) that a company offers facilities for shareholders to submit proxy appointments by electronic means; and (ii) that there is an annual resolution of shareholders approving the reduction in the minimum notice period from 21 days to 14 days.

This resolution would, if passed, allow the Company flexibility to call general meetings, other than AGMs, on not less than 14 clear days' notice. This additional flexibility would not be used as a matter of routine for such meetings but would only be used where the Board considers it appropriate in the circumstances merited by the business of the meeting and is thought to be in the interests of the Company and shareholders as a whole. The approval will be effective until the Company's next AGM, when it is intended to propose a similar resolution for approval.

### Biographies of Directors

#### Resolution 6 – Graeme Watt

Role: Chief Executive

Appointment to the Board: 1 April 2018

Committee membership: Disclosure Committee

Graeme joined Softcat in April 2018. With 30 years of experience in the IT distribution industry, Graeme was most recently senior vice president EMEA, Advanced and Specialist Solutions, Tech Data Corporation ('Tech Data'), a position he held from March 2017. Prior to that, he was president for Avnet Technology Solutions, EMEA for almost seven years and a member of Avnet's global executive committee. He previously spent six years at Bell Micro (as President of Global Distribution). His earlier career included roles at Computer 2000 (managing director UK and Ireland). Graeme is a qualified accountant (ICAEW).

#### Resolution 7 – Martin Hellowell

Role: Non-Executive Chair

Appointment to the Board: 24 March 2006

Committee membership: Nomination Committee (Chair), Disclosure Committee

Martin joined Softcat in 2006 as Managing Director, was appointed Chief Executive in 2014 and Chair in April 2018. He is also chair of Raspberry Pi Trading Limited and a non-executive director of Team17 Group plc. Previously, Martin spent 13 years at Computacenter plc, where he was responsible for the marketing function, ran Computacenter's French subsidiary and led acquisitions in the United Kingdom, Belgium and Germany. He was part of Computacenter's initial public offering team in 1998, ran operations, chaired Computacenter's international joint venture, ICG, and was chief operating officer of the dot-com spin-off Biomni Limited. Martin has also worked for Specialist Computer Centres PLC and for Canalys.com Limited as an independent consultant. Martin started his career at Miles 33, a software solutions provider for the publishing industry.

#### Resolution 8 – Graham Charlton

Role: Chief Financial Officer

Appointment to the Board: 19 March 2015

Committee membership: Disclosure Committee

Graham joined Softcat in January 2015. Previously, he spent four years as finance director at comparethemarket.com (a trading name of BISL Limited). Prior to that, Graham spent one year as finance director at See Tickets (the trading name of See Group Limited) and over five years in various roles, including group financial accountant, finance manager and finance director, decision analytics, at Experian Ltd. Graham is a chartered accountant and began his career with Andersen.

#### Resolution 9 – Vin Murria OBE

Role: Independent Non-Executive Director and Designated Director for workforce engagement

Appointment to the Board: 3 November 2015

Committee membership: Audit Committee, Nomination Committee, Remuneration Committee

Vin joined Softcat in November 2015. She is also a non-executive director at Sophos Group plc, DWF Group plc and finnCap Group plc, a partner at Elderstreet Investments and a director at Pythagoras Communications Limited. Prior to joining Softcat, Vin spent seven years as the founder and chief executive officer at Advanced Computer Software plc prior to its acquisition by Vista Equity Partners in 2015, and five years as chief executive officer of Computer Software Group plc prior to its acquisition by HG Capital and then Hellman & Friedman in 2007. Previously, Vin was also a non-executive director at ZPG plc and Chime Communications plc and chief operating officer at Kewill Systems plc. Named Entrepreneur of the Year in 2014 at the Grant Thornton Quoted Company Awards and Woman of the Year at the 2012 Cisco Everywoman Technology Awards, Vin is a successful entrepreneur with a strong background in technology-based businesses.

### **Resolution 10 – Peter Ventress**

Role: Independent Non-Executive Director

Appointment to the Board: 1 October 2015

Committee membership: Audit Committee, Nomination Committee, Remuneration Committee (Chair)

Peter joined Softcat in October 2015. He is also the chair of Galliford Try plc, a non-executive director of BBA Aviation and a non-executive director and chair designate of Bunzl plc. Prior to joining Softcat he spent five years as chief executive officer of Berendsen plc, held several senior executive roles, including international president, at Staples Inc. He was chief executive officer at Corporate Express NV prior to its acquisition by Staples Inc. Peter has held a number of other general management positions across a number of different businesses in a variety of industries, thus contributing significant business experience. As previously announced, Peter will step down from the Board on 31 December 2019.

### **Resolution 11 – Robyn Perriss**

Role: Independent Non-Executive Director

Appointment to the Board: 1 July 2019

Committee membership: Audit Committee (Chair), Nomination Committee, Remuneration Committee

Robyn joined Softcat in July 2019. Robyn has been finance director of Rightmove plc, the UK's largest property portal, since 2013 and before that previously held senior roles as financial controller and company secretary. Prior to joining Rightmove, Robyn was group financial controller at the online media business Auto Trader. She qualified as a chartered accountant in South Africa with KPMG and worked in both audit and transaction services. Robyn brings extensive and relevant experience in both finance and strategic roles within a dynamic, fast paced and progressive environment.

### **Resolution 12 – Karen Slatford**

Role: Independent Non-Executive Director

Appointment to the Board: 5 December 2019

Committee membership: Audit Committee, Nomination Committee, Remuneration Committee

The Company announced on 23 October that Karen will join the Board on 5 December. Karen will be the Senior Independent Director and will succeed Peter Ventress as Chair of the Remuneration Committee. Karen began her career at ICL, before spending 20 years in Hewlett Packard, where she headed up worldwide sales and marketing. Karen has held a variety of roles at Board level since 2001. Currently, Karen serves as Senior Independent non-executive Director at Micro Focus International plc. She also serves as Chair of Draper Esprit, an AIM-listed venture fund, and is Senior Independent non-executive Director of accesso technology group. Karen has good knowledge of both the UK and global technology sector and has extensive experience in public company governance.

### Additional notes

The following notes explain your general rights as a shareholder and your right to attend and vote at this AGM or to appoint someone else to vote on your behalf.

1. To be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the number of votes they may cast), shareholders must be registered in the Register of Members of the Company at close of trading on Tuesday 3 December 2019. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the AGM.
2. Shareholders, or their proxies, intending to attend the AGM in person are requested, if possible, to arrive at the AGM venue at least 30 minutes prior to the commencement of the AGM at 11.30am (UK time) on Thursday 5 December 2019 so that their shareholding may be checked against the Company's Register of Members and attendances recorded.
3. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the AGM. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different ordinary share or ordinary shares held by that shareholder. A proxy need not be a shareholder of the Company.
4. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first named being the most senior).
5. Any person to whom this Notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a 'Nominated Person') may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statement of the rights of shareholders in relation to the appointment of proxies in notes 3, 4, 7 and 10 do not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
6. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the AGM.
7. You can vote either:
  - by logging on to [www.purpletrader.com](http://www.purpletrader.com) and following the instructions. If you need help with voting online, please contact our Registrar, Link Asset Services on 0371 664 0391 if calling from the UK, or +44 (0) 371 664 0391 if calling from outside of the UK, or email Link at [shareholderenquiries@linkgroup.co.uk](mailto:shareholderenquiries@linkgroup.co.uk); or
  - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.

In order for a proxy appointment to be valid, it must be received by Link Asset Services at 34 Beckenham Road, Beckenham, Kent BR3 4ZF by 11.30am (UK time) on Tuesday 3 December 2019.
8. If you return more than one proxy appointment, the appointment received last by the registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
9. The return of a completed proxy will not prevent a shareholder from attending the AGM and voting in person if he/she wishes to do so.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM (and any adjournment of the AGM) by using the procedures described in the CREST Manual (available from [www.euroclear.com/site/public/EUI](http://www.euroclear.com/site/public/EUI)). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

11. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by 11.30am on Tuesday 3 December 2019. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
12. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(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 providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. 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.
13. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that no more than one corporate representative exercises powers in relation to the same shares.
14. As at 29 October 2019 (being the latest practicable business day prior to the publication of this Notice), the Company's ordinary issued share capital consists of 198,250,486 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 29 October 2019 are 198,250,486.
15. Under Section 527 of the Companies Act 2006, shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's financial statements (including the Auditor's Report and the conduct of the audit) that are to be laid before a general meeting; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous general meeting at which annual financial statements and reports were laid in accordance with Section 437 of the Companies Act 2006 (in each case) that the shareholders propose to raise at the relevant meeting. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM for the relevant financial year includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.
16. Any shareholder attending the AGM has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the AGM or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the AGM that the question be answered.
17. Copies of the Directors' letters of appointment or service contracts are available for inspection during normal business hours at the registered office of the Company on any business day from the date of this Notice until the time of the AGM and may also be inspected at the AGM venue, as specified in this Notice, from 10.30am on the day of the AGM until the conclusion of the AGM.
18. You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided in either this Notice or any related documents to communicate with the Company for any purposes other than those expressly stated.
19. A copy of this Notice, and other information required by Section 311A of the Companies Act 2006, can be found on the Company's website at [www.softcat.com/investors/shareholder-information](http://www.softcat.com/investors/shareholder-information).



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