



FENNER PLC

(Registered in England No. 329377)

This document is important and requires your immediate attention. If you are in any doubt about its content or the action you should take, you should consult immediately your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all your shares in Fenner PLC, please send this document and the accompanying documents to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee.

Directors:

* M. S. Abrahams (Chairman)
N. M. Hobson (Chief Executive Officer)
W. J. Pratt (Group Finance Director)
* V. Murray
* J. N. Sheldrick
* A. J. Wood
* *Non-Executive Directors*

Registered Office:

Hesslewood Country Office Park,
Ferriby Road,
Hessle, East Yorkshire,
HU13 0PW

9 December 2015

Dear Shareholder,

Annual General Meeting

The Annual General Meeting of the Company is to be held at 10.30 a.m. on Wednesday, 13 January 2016 at City of London Club, 19 Old Broad Street, London, EC2N 1DS (the "Meeting"). A short presentation will be given by the Directors followed by the opportunity to ask questions before the commencement of the formal business of the Meeting. The Notice of the Meeting is on pages 5 to 8.

Resolutions 1 to 13 are ordinary resolutions which will be passed if more than 50% of the votes cast are in favour of the resolutions. Resolutions 14 to 17 are special resolutions which will be passed if at least 75% of the votes cast are in favour of the resolutions.

Receipt of the Reports of the Directors and Auditors and the Financial Statements, and approval of the Board Remuneration Policy and Remuneration Report.

Ordinary resolution 1 provides for the reports of the Directors and Auditors and the financial statements for the year ended 31 August 2015 ('Annual Report 2015'), to be received.

Shareholders are also asked to approve a revised Board Remuneration Policy, details of which are set out in full in the Remuneration Report and appear on pages 50 to 54 of the Annual Report 2015 (ordinary resolution 2). Once the revised Board Remuneration Policy is approved the Company will be able to include the executive directors in the proposed Sharesave Plan and implement a slight revision to their annual incentive targets. The other revision is a clarification of pension provision rather than a change of policy. If the proposed revised Board Remuneration Policy is not approved by shareholders the Company will, in line with applicable legislation, continue to operate its current remuneration policy as approved by shareholders at last year's annual general meeting.

The Remuneration Report, included in the Annual Report 2015 on pages 49 to 58, excluding the proposed new Board Remuneration Policy on pages 50 to 54 of the Annual Report 2015, will also be put to shareholders for approval at the Meeting (ordinary resolution 3). This vote is advisory, and the Directors' entitlement to remuneration is not conditional on it.

Directors

With the exception of John Pratt, who will be offering himself up for election for the first time and Alan Wood who will retire at the end of the Meeting after almost six years as a non-executive director, all of the Directors will offer themselves for re-election. Separate resolutions will be proposed at the Meeting for the election and each of the re-elections.

In proposing the election and re-election of the Directors, I, as Chairman confirm that, following formal external performance evaluations, each of the Directors seeking election and re-election continues to make an effective and valuable contribution to the Board and the committees on which they sit and each continues to demonstrate commitment to their role.

The Board is satisfied that each non-executive director remains independent in character and judgement and that there are no relationships or circumstances which are likely to affect, or could appear to affect, such Directors' judgement.

Biographical details of all Directors are contained on page 33 of the Annual Report 2015.

Auditors

A motion will be proposed to re-appoint PricewaterhouseCoopers LLP as auditors of the Company (ordinary resolution 10) in line with the resolution numbered 10 in the Notice of the Meeting. Resolution 11 authorises the Directors, in accordance with standard practice, to determine the auditors' remuneration.

Special Business

As you will see from the Notice of the Meeting, in addition to the ordinary business contained in resolutions 1 to 11, there are items of special business contained in resolutions 12 to 17 and these are explained and summarised below.

Resolution 12 – Fenner 2016 Sharesave Plan

During the year, we have reviewed the remuneration arrangements for our wider employee population to ensure pay is fair and competitive and that we reward our people appropriately for their continued contribution to the growth and success of the Group. Following this review we have decided to implement an all-employee share plan that will seek to reward our people for their loyalty to the business and to reflect the value we place on our employees. Shareholders will have the opportunity to approve the Fenner 2016 Sharesave Plan under which eligible employees will be able to purchase shares in the future at a discount using savings made on a monthly basis over a period of two or three years (depending on the country in which they are based).

Resolution 13 - Authority to allot shares

The proposed authority will allow the Directors to allot shares up to a nominal amount of £16,166,895 (which equates to 64,667,580 ordinary shares of 25p each in the capital of the Company, which is one third of the Company's existing issued share capital as at 23 November 2015 (being the latest practicable date before the printing of this document)).

As at 23 November 2015 (being the latest practicable date before the printing of this document), no shares in the Company were held as treasury shares. The proposed new authority will last until the end of the next annual general meeting of the Company or 28 February 2017 if earlier. In accordance with normal practice, the Directors intend to seek annual renewal of this authority. The Directors have no present intention of exercising this authority except in connection with the issue of ordinary shares in respect of the Company's share option plans.

Resolution 14 - Authority to allot shares for cash and disapplication of pre-emption rights

If equity securities are to be allotted for cash and treasury shares are to be sold for cash, the Companies Act 2006 requires that those equity securities and treasury shares are offered first to existing shareholders on a pro rata basis, i.e. in proportion to the number of equity securities they each hold at that time. Equity securities include the Company's ordinary shares.

There may be circumstances, however, when it is in the interests of the Company to be able to allot equity securities for cash and to sell treasury shares for cash without first offering them to existing shareholders.

Resolution 14 gives the Directors power to allot equity securities for cash (pursuant to the authority obtained in resolution 13) and to sell treasury shares for cash as if the pre-emption provisions of section 561(1) of the Companies Act 2006 do not apply. Other than in connection with a rights issue or other similar issue, the power contained in this resolution will be limited to an aggregate nominal amount of £2,425,034. This represents 9,700,137 ordinary shares of 25p each in the capital of the Company, which is approximately 5% of the Company's issued share capital as at 23 November 2015 (being the latest practicable date before the printing of this document).

This power will last until the end of the next annual general meeting of the Company or 28 February 2017 if earlier. This resolution complies with guidelines issued by investor bodies and, in accordance with normal practice, the Directors will seek annual renewal of this power.

The Company intends to comply with the principle on disapplying pre-emption rights set out by the Pre-emption Group that (in the absence of suitable advance consultation and explanation or the matter having been specifically highlighted at the time at which the request for disapplication was made) a company should not issue more than 7.5% of its ordinary share capital for cash other than to existing shareholders in any rolling three year period.

Resolution 15 - Authority to buy own ordinary shares

Resolution 15 authorises the Company to buy its own ordinary shares in the market.

This authority allows the Company to purchase a maximum of 19,400,274 ordinary shares (which is approximately 10% of the Company's issued share capital as at 23 November 2015).

The price to be paid for any shares must not be less than 25p, being the nominal value of a share, and must not exceed 105 per cent of the average middle market quotations for the ordinary shares of the Company as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the ordinary shares are contracted to be purchased.

This authority will last until the end of the next annual general meeting of the Company or 28 February 2017 if earlier.

As at 23 November 2015 (the latest practicable date before the printing of this document) options over 2,506,806 ordinary shares in the Company were outstanding under the Company's employee share schemes, representing 1.29% of the Company's issued share capital (excluding treasury shares) at that date. If the existing authority to purchase shares granted at the Company's last annual general meeting and the proposed authority now being sought were to be exercised in full and if the shares purchased were cancelled, such options would represent 1.60% of the Company's issued share capital (excluding treasury shares) as at 23 November 2015. As at 23 November 2015 the Company did not hold any treasury shares.

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

Shares will only be repurchased 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 market

conditions prevailing at the time, other investment opportunities, appropriate gearing levels and the overall financial position of the Company. Shares held as treasury shares will not automatically be cancelled and will not be taken into account in future calculations of earnings per share (unless they are subsequently resold or transferred out of treasury).

If any shares repurchased by the Company are held in treasury and used for the purposes of its employee share schemes, so long as required under the guidelines of the IA, the Company will count those shares towards the limits on the number of new shares which may be issued under such schemes.

Resolution 15 follows investor protection guidelines that are more restrictive than the Companies Act 2006 and applicable regulation and, in accordance with normal practice, the Directors will seek annual renewal of this authority. There is no current intention to exercise this authority.

Resolution 16 - Capitalisation and Capital Reduction

Introduction

The Company may only pay a dividend to shareholders from distributable reserves. It has sufficient distributable reserves to pay its current level of dividends. However, because of a change to UK accounting standards from 1 September 2015 the Company will, for the first time, recognise its UK pension scheme deficit in its own balance sheet. This will adversely affect the Company's distributable reserves. The impact of this in future years will depend on changes to the pension scheme deficit and in some years could result in a significant impact on distributable reserves. To counteract this and to maintain flexibility for future dividend payments, the Company is proposing to undertake a capital reduction exercise approved by the High Court of Justice of England and Wales (the "Court"). This will create approximately £128 million of additional distributable reserves out of the Company's existing share premium account and merger reserve.

Proposal

UK companies may only make a distribution to shareholders from distributable reserves. Share premium arises where a company issues shares at a premium to their nominal value. The premium (less any directly attributable transaction costs) is credited to a company's share premium account. Under certain circumstances, such as where shares are issued by the company in consideration of the acquisition of shares in another company, instead of creating share premium, a merger reserve may be created. Both the Company's share premium account and merger reserve are treated as non-distributable reserves and part of the permanent capital of the Company. As at 31 August 2015, the Company balance sheet included a share premium account of £51,737,864 and a merger reserve of £76,218,622 of non-distributable reserves.

The Company is therefore proposing to undertake a reduction of capital approved by the Court to create distributable reserves and to provide the Company with flexibility in the future.

To create distributable reserves it is therefore proposed to take the following steps:

- to capitalise a sum of up to £76,218,622 standing to the credit of the merger reserve by way of a bonus issue of newly created B ordinary shares (the "Capitalisation"); and
- to reduce the share capital of the Company by cancelling the B ordinary shares, once issued, and by cancelling the balance standing to the credit of the share premium account of the Company as at 5 p.m. on the day immediately preceding the day on which the Court makes an order confirming the reduction of capital (the "Capital Reduction").

It is proposed in part (a) of resolution 16 to capitalise a sum up to £76,218,622 standing to the credit of the merger reserve by applying that sum in paying up in full new B ordinary shares and, on the day prior to the day of the Court hearing to approve the Capital Reduction, allotting and issuing such shares by way of a bonus issue to an Employee Benefit Trust of the Company (the "EBT"). Part (b) of resolution 16 gives the Directors power to allot such B ordinary shares and part (c) of resolution 16 gives the Directors power to allot such shares as if the pre-emption provisions of section 561(1) of the Companies Act 2006 did not apply.

No share certificates will be issued in respect of the B ordinary shares and the B ordinary shares will have extremely limited rights. In particular, they will not carry any rights to participate in the profits of the Company or to participate in the Company's assets, save on a winding up, and they will not be transferable. It is intended that the Court will confirm the cancellation of the B ordinary shares the day after they are issued.

It is proposed in part (d) of resolution 16 that, in accordance with section 641(1)(b) of the Companies Act 2006, the Company will cancel and extinguish the B ordinary shares created by the Capitalisation and that the Company cancel its share premium account.

The Capital Reduction, if approved by shareholders and confirmed by the Court, will create additional distributable reserves of approximately £128 million. These distributable reserves will (subject to approval of the Court and the protection of the creditors of the Company), be available to form part of distributions to shareholders, as the Directors consider appropriate, or for any other corporate purposes the Directors may consider appropriate, in the future.

If resolution 16 is duly passed at the Meeting, the Company intends to apply to the Court for confirmation of the Capital Reduction. The cancellation of the B ordinary shares and of the share premium account will not become effective until the order of the Court confirming the Capital Reduction and a statement of capital of the Company approved by the Court have been registered with the Registrar of Companies.

The Company will notify Shareholders of the date of the hearing at which the Capital Reduction is confirmed by the Court and the anticipated effective date by issuing an announcement through a Regulatory Information Service.

The Directors reserve the right (where necessary by application to the Court) to abandon, discontinue or adjourn any application to the Court for confirmation of the Capital Reduction if the Directors believe that the terms required to obtain confirmation are unsatisfactory to the Company or if, as the result of a material unforeseen event, the Directors consider that to continue with the Capital Reduction would be inappropriate or inadvisable.

Following the Capital Reduction, there will no longer be any B ordinary shares in issue in the capital of the Company and there will be no change in the number of ordinary shares in issue. Accordingly, the number of ordinary shares held by the Company's shareholders will not change.

Resolution 17 - Notice of General Meetings

Under the Companies Act 2006, the notice period required for general meetings of the Company is 21 clear days unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days. [Annual general meetings will continue to be held on at least 21 clear days' notice].

In order to call general meetings (other than annual general meetings) on 14 clear days' notice, resolution 17 seeks such approval. The shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility offered by the shorter notice period is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole and the matter to be considered is time sensitive. The approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed.

In order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting. This requirement will be satisfied if the Company offers a facility allowing shareholders to appoint a proxy by means of a website.

Action to be taken in relation to the Meeting

Whether or not you are able to attend the Meeting, you are requested to complete the enclosed form of proxy which should be returned to the Registrars of the Company as soon as possible and, in any event, so as to be received by 10.30 a.m. on 11 January 2016.

Completion of a form of proxy will not preclude you from attending and voting in person at the Meeting.

You may also vote on-line at www.capitashareportal.com. If you have not previously registered to use the portal, you will require your investor code which can be found on your proxy form.

The Directors consider that all the resolutions, which are to be proposed at the Meeting, are in the best interests of the Company and its shareholders as a whole and they unanimously recommend shareholders to vote in favour of them, as the Directors so intend in respect of their own beneficial shareholdings.

Adoption of Financial Reporting Standards (FRS) 101 - Reduced Disclosure Framework

Following the publication of FRS 100 Application of Financial Reporting Requirements by the Financial Reporting Council, the Company is required to change its accounting framework for its individual entity financial statements, for its financial year commencing 1 September 2015.

The Board considers that it is in the best interests of the Group for the Company to adopt FRS 101 Reduced Disclosure Framework. No disclosures in the previous UK GAAP financial statements would be omitted on adoption of FRS 101. A shareholder or shareholders holding in aggregate 5% or more of the total allotted shares in the Company may serve objections to the use of the disclosure exemptions on the Company, in writing, addressed to the Group Company Secretary at its registered office (Hesslewood Country Office Park, Ferriby Road, Hessle, East Yorkshire, HU13 0PW) not later than 8 January 2016

Yours sincerely,

MARK ABRAHAMS

Chairman



FENNER PLC

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the seventy-ninth Annual General Meeting of Fenner PLC will be held at City of London Club, 19 Old Broad Street, London, EC2N 1DS on Wednesday, 13 January 2016 at 10.30 a.m. (the "Meeting") for the following purposes:

Ordinary business

1. To receive the reports of the Directors and Auditors and the financial statements for the financial year ended 31 August 2015.
2. To approve the Board Remuneration Policy.
3. To approve the Board Annual Remuneration Report for the financial year ended 31 August 2015.
4. To declare a dividend.
5. To re-elect Mark Abrahams.
6. To re-elect Nicholas Hobson.
7. To re-elect Vanda Murray.
8. To re-elect John Sheldrick.
9. To elect John Pratt.
10. To re-appoint PricewaterhouseCoopers LLP as auditors of the Company.
11. To authorise the Directors to determine the auditors' remuneration.

Special business

12. To propose as an Ordinary Resolution:

That the rules of the Fenner 2016 Sharesave Plan in the form produced to the meeting and initialled by the Chairman of the meeting for the purposes of identification (the "Sharesave Plan"), the principal terms of which are summarised in the Appendix to this Notice of the Meeting, be approved and the Directors of the Company be authorised to:

- (a) adopt the Sharesave Plan and do all acts and things which they may, in their absolute discretion, consider necessary or expedient to give effect to the Sharesave Plan; and
- (b) the Directors of the Company be and are hereby authorised to adopt further plans based on the Sharesave Plan but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against any limits on individual or overall participation in the Sharesave Plan.

13. To propose as an Ordinary Resolution:

That the Directors be and they are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 ("the Act") to allot shares in the Company and to grant rights to subscribe for, or convert any security into, shares in the Company up to an aggregate nominal amount of £16,166,895.

Such authority shall (unless previously revoked, varied or renewed) expire at the end of the next annual general meeting of the Company after the date on which this Resolution is passed or, if earlier, on 28 February 2017, save that the Company may before the expiry of this authority make an offer or enter into an agreement which would or might require shares in the Company to be allotted or rights to subscribe for, or convert any security into, shares in the Company to be granted after its expiry and the Directors may allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company pursuant to such an offer or agreement as if the authority in this Resolution had not expired, and provided further that the authority hereby conferred shall be in substitution for all previous authorities to allot shares in the Company and to grant rights to subscribe for, or convert any security into, shares in the Company conferred upon the Directors (save to the extent relied upon prior to the passing of this Resolution).

14. To propose as a Special Resolution:

That the Directors be and they are hereby empowered to allot equity securities (as defined by section 560 of the Companies Act 2006) pursuant to the authority for the purposes of section 551 of the Act conferred by resolution 13 and to sell equity securities which immediately before the sale are held by the Company as treasury shares (as defined in section 724 of the Act) in each case as if section 561(1) of the Act did not apply to such allotment or sale, provided that this power shall be limited to:

- (a) the allotment of equity securities and the sale of treasury shares (otherwise than pursuant to paragraph (b) of this Resolution) up to an aggregate nominal amount of £2,425,034; and
- (b) the allotment of equity securities and the sale of treasury shares in connection with a rights issue or other issue in favour of holders of ordinary shares (not being treasury shares) where the equity securities respectively attributable to the interests of all holders of ordinary shares (not being treasury shares) are proportionate (or as nearly as may be) to the respective numbers of ordinary shares (not being treasury shares) held by them, but subject to such exclusions or other arrangements as the Directors may deem necessary or desirable to deal with fractional entitlements or problems which may arise in any overseas territory or under the requirements of any regulatory body or any stock exchange or otherwise howsoever;

and that this power shall (unless previously revoked, varied or renewed) expire at the end of the next annual general meeting of the Company after the date on which this resolution is passed or, if earlier, on 28 February 2017, save that the Company may before the expiry of this power 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 its expiry and the Directors may allot equity securities and sell treasury shares pursuant to such an offer or agreement as if the power in this Resolution had not expired.

15. To propose as a Special Resolution:

That the Company be and is hereby unconditionally and generally authorised for the purpose of section 701 of the Companies Act 2006 to make market purchases (as defined in section 693 of that Act) of Ordinary Shares of 25p each in the capital of the Company ("Ordinary Shares") provided that:-

- (a) the maximum number of Ordinary Shares hereby authorised to be purchased is 19,400,274;
- (b) the minimum price, exclusive of any expenses, which may be paid for an Ordinary Share is 25p, being the nominal value;
- (c) the maximum price, exclusive of any expenses, which may be paid for an Ordinary Share is an amount equal to 105 per cent of the average of the middle market quotations for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the 5 business days immediately preceding the day on which the Ordinary Share is contracted to be purchased;
- (d) unless previously revoked or varied, this authority shall expire at the end of the next annual general meeting of the Company after the date on which this Resolution is passed or, if earlier, on 28 February 2017; and
- (e) the Company may enter into a contract to purchase Ordinary Shares under this authority before the expiry of such authority, which will or may be completed or executed wholly or partly after the expiry of such authority.

16. To propose as a Special Resolution

That:

- (a) notwithstanding article 142(b) of the Company's articles of association, the Directors be authorised (in their sole discretion) to capitalise any part of the amount standing to the credit of the Company's merger reserve account at the time of such capitalisation, and to appropriate such sum to any existing shareholder or shareholders, as determined by the Directors, and to apply such sum on his or their behalf in paying up in full at nominal value such number of B ordinary shares of £0.01 each as the Directors shall determine in their sole discretion and to allot and distribute such shares to such person(s) and to authorise the Directors to take all such other steps as they may deem necessary or desirable to implement such capitalisation. This authority is to expire at the end of the next annual general meeting of the Company after the date on which this resolution is passed or, if earlier, on 28 February 2017;
- (b) in addition to all other authorities under section 551 of the Act, the Directors be generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise all the powers of the Company to allot up to an aggregate nominal amount (within the meaning of section 551(3) and (6) of the Act) of £76,218,622 B ordinary shares of £0.01 each in connection with the capitalisation authorised by part (a) of this resolution, such B ordinary shares having the following rights and restrictions:

(i) Income

The holders of B ordinary shares shall have no rights to any participation in the profits of the Company.

(ii) Capital

The holders of B ordinary shares shall have no rights to any participation in the assets of the Company save upon the winding up of the Company whereupon the holders of B ordinary shares shall have the right to repayment of the nominal capital paid up or credited as paid up on the B ordinary shares held by him. If on a winding up the amounts available for payment are insufficient to cover in full the amounts payable on the B ordinary shares, the holders of such shares will share pro rata in the distribution of assets (if any) in proportion to the full amounts to which he would otherwise be entitled.

(iii) Voting

The holders of B ordinary shares will not be entitled, in respect of his holding of such shares to receive notice of any general meeting of the Company or to attend, speak or vote at any such general meeting.

(iv) Class Rights

A reduction by the Company of the capital paid up or credited as paid up on the B ordinary shares and the cancellation of such shares will be treated as being in accordance with the rights attaching to the B ordinary shares and will not involve a variation of such rights for any purpose. The Company will be authorised at any time without obtaining the consent of the holder of the B ordinary shares to reduce its capital (in accordance with the Act).

(v) Transfers

The B ordinary shares shall not be transferable.

This authority is to expire at the end of the next annual general meeting of the Company after the date on which this resolution is passed or, if earlier, on 28 February 2017;

- (c) in addition to all other authorities under sections 570 and 573 of the Act, the Directors be given power pursuant to sections 570(1) and 573 of the Act to allot equity securities (as defined in section 560 of the Act) of the Company for cash pursuant to the authorisation conferred by part (b) of this resolution as if section 561 of the Act did not apply to any such allotment; and

(d) following the capitalisation of the Company's merger reserve, approved pursuant to part (a) of this resolution and the issue of the B ordinary shares of £0.01 each, the share capital of the Company be reduced by cancelling and extinguishing all of the B ordinary shares of £0.01 each in issue in the capital of the Company and by cancelling the entire amount standing to the credit of the share premium account of the Company as at 5 p.m. on the day immediately preceding the day on which the High Court of Justice of England and Wales makes an order confirming the reduction of capital set out in this resolution.

17. To propose as a Special Resolution:

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
Debra Bradbury
Group Company Secretary
10 December 2014

Registered Office:
Hesslewood Country Office Park
Ferriby Road, Hessle
East Yorkshire, HU13 0PW

Notes

(1) Voting will be conducted on a show of hands at the Meeting unless a poll is duly demanded. On a show of hands every shareholder who is present in person has one vote. Also, every proxy present who has been duly appointed by one or more shareholders entitled to vote on the resolution has one vote.

A proxy has one vote for and one vote against the resolution if the proxy has been duly appointed by more than one shareholder entitled to vote on the resolution and the proxy has been instructed by one or more of those shareholders to vote for the resolution and by one or more other of those shareholders to vote against it or the proxy has been instructed by one or more of those shareholders to vote in one way and is given discretion as to how to vote by one or more other of those shareholders (and wishes to use that discretion to vote in the other way).

In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. Seniority is determined by the order in which the names of the shareholders stand in the register of members of the Company.

On a poll vote every shareholder who is present in person or by proxy has one vote for every share of which he is the holder.

A form of proxy is enclosed for use by shareholders. Appointment of a proxy does not preclude a shareholder from attending the Meeting and voting in person.

(2) A member entitled to attend and vote at the Meeting may appoint one or more proxies (who need not be a member of the Company) to attend and to speak and to vote on his or her behalf whether by show of hands or on a poll. A member can appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him. In order to be valid, an appointment of proxy (together with any authority under which it is executed or a copy of the authority certified notariably) must be returned by one of the following methods:

- in hard copy form by post, by courier or by hand to the Company's registrars, Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU;
- via www.capitashareportal.com; or
- in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below and in each case must be received by the Company no later than 10.30 a.m. on 11 January 2016.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting and any adjournment thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed (a) 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.

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 ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual available via www.euroclear.com/CREST. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA 10) by the latest time(s) for receipt of proxy appointments specified in the Notice of the Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) of the Uncertificated Securities Regulations 2001. CREST members and where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy instructions. It is therefore 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 or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(3) The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communication 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 registered shareholder who holds shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.

(4) Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

(5) Under section 527 of the Companies Act 2006, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

- (6) Only those shareholders entered on the register of members of the Company at 6.00 p.m. on 11 January 2016 (or, in the event that the Meeting is adjourned, in the register of members 48 hours before the time of any adjourned Meeting excluding non-working days) will be entitled to attend or vote at such Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register of members after the relevant deadline will be disregarded in determining the rights of any person to attend or vote (and the number of votes they may cast) at the Meeting or adjourned Meeting.
- (7) As at 23 November 2015 (the latest practicable date prior to the publication of this Notice) the Company's issued share capital consists of 194,002,741 Ordinary Shares, carrying one vote each. As at 23 November 2015 the Company did not hold any treasury shares. Therefore, the total voting rights in the Company as at 23 November 2015 are 194,002,741.
- (8) Any member attending the Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the Meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered.
- (9) The contents of this Notice, details of the total number of shares in respect of which members are entitled to exercise voting rights at the Meeting, the total voting rights that members are entitled to exercise at the Meeting and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website: www.fenner.com.
- (10) The Service Contracts of the Executive Directors and the Letters of Appointment of the Non-Executive Directors are available for inspection at the registered office of the Company during normal business hours Monday to Friday (public holidays excepted) until the conclusion of the Meeting. The documents will also be available for inspection during the Meeting and for at least fifteen minutes before it begins.
- (11) Subject to approval at the Meeting, the final dividend recommended by the Directors will be paid on 9 March 2016 to those ordinary shareholders entitled to receive the dividend and registered in the books of the Company on 29 January 2016.
- (12) Please note that the Company takes all reasonable precautions to ensure no viruses are present in any electronic communication it sends out but the Company cannot accept responsibility for loss or damage arising from the opening or use of any email or attachments from the Company and recommends that the members subject all messages to virus checking procedures prior to use. Any electronic communication received by the Company, including the lodgement of an electronic proxy form, that is found to contain any virus will not be accepted.
- (13) You may not use any electronic address provided either in this Notice or any related documents (including the chairman's letter and form of proxy) to communicate with the Company for any purposes other than those expressly stated.

APPENDIX TO NOTICE OF AGM
SUMMARY OF THE PRINCIPAL TERMS OF THE FENNER 2016 SHARESAVE PLAN (the "Plan")

Operation

The Board of Directors of the Company or a duly authorised committee appointed by the Board will supervise the operation of the Plan.

The Plan will be offered to employees based in Australia, the Netherlands, the United Kingdom (the "UK") and the United States (the "US") as a means to reward them for their contribution in the growth and success of the Company. The Plan may be made available to employees based in other jurisdictions in the future.

The Plan is structured to take advantage of the beneficial tax treatment available for certain all-employee share plans in the UK and the US. Whilst, no such beneficial tax treatment is available in Australia or the Netherlands, the Plan has been drafted to mirror the UK structure for participants in these jurisdictions for consistency. The Plan will operate on a slightly different basis in the US, to meet the requirements of the US legislation.

Operation of the Plan specific to employees based in the UK, Australia and the Netherlands

General

Whilst the rules of the Plan provide for employees to save up to £500 per month (or the local currency equivalent) (or such other amount permitted under the relevant UK legislation from time to time) over a three or five year period (a "Sharesave Contract"), it is currently envisaged that for the first operation of the Plan, maximum savings of £350 (or local equivalent) will be permitted in respect of a three year Savings Contract.

The proceeds of the Sharesave Contract can be used to exercise an option to acquire shares at an exercise price per Share which may not be less than 80% (or such other percentage as may be permitted by the relevant UK legislation) of the market value of a Share on the invitation date or such other date specified by the Board falling between the invitation date and the grant date of the option.

The Plan, as to be applied for employees based in the UK, satisfies the requirements of Schedule 3 to the Income Tax (Earnings and Pensions) Act 2003 ("Schedule 3") such that options granted under it will offer beneficial tax treatment to the participant and his employer.

Eligibility

Any UK, Australian or Netherlands employee (including a full-time executive director) of the Company and its subsidiaries will be eligible to participate in the Plan, subject to a minimum employment period determined by the Board (not exceeding five years). The Company currently intends to impose a minimum employment period of three months for the first operation.

Exercise of options

Ordinarily, an option may be exercised within six months of maturity of the Sharesave Contract by applying the proceeds of the Sharesave Contract in the purchase of shares. However, should the impact of the foreign exchange rate mean that the balance of the Sharesave Contract held by participants in Australia and the Netherlands be insufficient to purchase all the shares subject to their option, the Board may give such participants the opportunity to provide additional monies from their own funds to make up the shortfall.

Cessation of employment

Options may be exercised for a period of six months following the participant's cessation of employment if a participant leaves employment by reason of injury, disability, redundancy, retirement or the sale of the employing entity out of the Group.

If a participant dies, his option may be exercised for a period of 12 months from the bonus date of the Sharesave Contract if he dies within six months after the bonus date or 12 months from his death, if he dies before the bonus date.

If a participant ceases employment with the Group in any other circumstances, any option he holds will lapse on the date on which the participant ceases employment.

Cash alternative (for employees based in Australia and the Netherlands only)

The Board may, in its absolute discretion, determine that options granted to participants in Australia and/or the Netherlands shall be settled in cash (or a mixture of cash and shares) over an equivalent value to that which would have been delivered in shares.

Operation of the Plan specific to employees based in the US

General

Whilst the US legislation permits employees to acquire shares in a given calendar year worth up to \$25,000 (at the time of grant); the monthly savings limit for US participants will be set at the US\$ equivalent of the limit imposed for non-US employees. An individual's participation will also be restricted if it would mean he would hold or be entitled to acquire 5% of the capital of the Company or any subsidiary.

Participants will also make contributions to a savings account over a period not exceeding 24 months (normally two years, unless the Board determines otherwise).

The exact number of shares to be acquired is determined at the start of the savings period based on the projected savings proceeds and the option price. The price payable for each share will be determined by the Board, provided that it is not less than 85% of the fair market value of a share at the start of the savings period.

At the end of the savings period, shares can be purchased using the savings that have been made, converted into sterling at that time. US participants may, at the Board's discretion, be given the opportunity to provide additional monies from their own funds to exercise their option in full, should the impact of the foreign exchange rate result in there being insufficient funds to buy all of the shares.

The Plan, as it applies to employees based in the US, is an all-employee stock purchase plan designed to qualify under section 423 of the US Internal Revenue Code of 1986 (as amended) (the "Code") giving employees based in the US and their employer tax and social security benefits on any gains made under the Plan.

Eligibility

Any employee of any subsidiary of the Company nominated by the Board who works more than 20 hours a week at least 5 months a year (and who has been continuously employed for a period determined by the Board, not exceeding two years) is eligible to participate in the Plan. The Company currently intends to impose a minimum employment period of three months for the first operation.

Plan limit

The maximum number of shares which may be used in connection with the Plan will be 5,000,000. This limit, for US purposes, takes precedence over the Plan limits set out below.

Cessation of employment

Options may be exercised for a period of three months following the participant's cessation of employment if a participant leaves employment by reason of injury, disability, redundancy, retirement or the sale of the entity that employs him out of the Group.

If an individual dies, his option may be exercised for a period of 12 months from the normal exercise date if he dies within six months after the normal exercise date or 12 months from his death, if he dies before the normal exercise date.

If a participant ceases employment with the Group in any other circumstances, any option he holds will lapse on the date on which the participant ceases employment.

Provisions which are common to the Plan for all employees in the UK, Australia, the Netherlands and the US

Plan limits

In any 10 year period, the number of shares which may be issued under the Plan and under any other employee share plan adopted by the Company may not exceed 10 per cent of the issued ordinary share capital of the Company from time to time.

Treasury shares will be treated as newly issued for the purpose of these limits until such time as guidelines published by institutional investor representative bodies determine otherwise.

In addition, if valid applications to participate in the Plan are received in excess of a level determined in advance by the Board, the Board will scale down applications until the level determined by the Board is not exceeded.

Grant of options

The Board may grant options to acquire ordinary shares in the Company within six weeks following the Company's announcement of its results for any period. The Committee may also grant options within six weeks of shareholder approval of the Plan, any day on which changes to legislation affecting employee share schemes are proposed or made, any day on which a new savings contract is announced or comes into effect or on any day on which the Remuneration Committee determines that exceptional circumstances exist.

It is intended that the first grant of options under the Plan will be made following the announcement of the Company's preliminary results in November 2016 (although the Board may defer the first grant of options until a later date if considered appropriate by the Board).

Corporate events

Options may be exercised early in the event of a change of control or voluntary winding-up of the Company. Alternatively, options may be exchanged (with the agreement of the acquiring company and the participant) for equivalent options in the new holding company.

Termination

The Plan will usually terminate on the tenth anniversary of its approval by shareholders but the existing rights of participants will not be affected by any such termination.

Adjustments

In the event of a variation of the Company's share capital the number of shares subject to an option and/or the exercise price applying to an option may be adjusted, provided that any adjustment to an option for a participant based in the UK or the US may only be made in accordance with the requirements of the applicable tax legislation.

Terms of options

Options may be granted over newly issued shares, treasury shares or shares purchased in the market. Options are not transferable (other than on death). No payment will be required for the grant of an option. Options will not form part of pensionable earnings.

Amendment

The Board may amend the Plan at any time, provided that prior approval of the Company's shareholders will be required for amendments to the advantage of eligible employees or participants relating to eligibility, limits, the basis for determining a participant's entitlement to, and the terms of, the shares comprised in an option and the impact of any variation of capital.

However, any minor amendment to benefit the administration of the Plan, to take account of legislative changes, or to obtain or maintain favourable tax treatment, exchange control or regulatory treatment may be made by the Board without shareholder approval.

Rights attaching to shares

Options will not confer any shareholder rights until the options have been exercised and participants have received their shares. Any shares allotted when an option is exercised under the Plan will rank equally with shares then in issue (except for rights arising by reference to a record date prior to their allotment).

Documents available for inspection

The rules of the Plan will be available for inspection at the office of Deloitte LLP (Company Secretarial Department), 2 New Street Square, London EC4A 3BZ on any weekday (Saturdays, Sundays and public holidays excluded) until the close of the Annual General Meeting, and will also be available at the place of the Annual General Meeting for at least 15 minutes before and during the meeting.