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## Morgan Advanced Materials plc

### NOTICE OF ANNUAL GENERAL MEETING 2016

A letter from the Chairman of Morgan Advanced Materials plc is set out on page 1 of this document.

Notice of the Annual General Meeting of Morgan Advanced Materials plc to be held at The Lincoln Centre, 18 Lincoln's Inn Fields, London WC2A 3ED on Friday 6 May 2016 at 10.30am is set out on pages 2 and 3 of this document.

Whether or not you propose to attend the Annual General Meeting, please complete and submit a proxy form in accordance with the Notes to the Notice of the Annual General Meeting set out on pages 6 and 7. To be valid, the proxy form must be received at the address for delivery specified in the Notes by 10.30am on Wednesday 4 May 2016.

# Morgan Advanced Materials plc

(Registered in England No. 286773)

Registered Office:  
Quadrant  
55-57 High Street  
Windsor  
Berkshire SL4 1LP

6 April 2016

To holders of Ordinary shares of 25p each ('Ordinary shares') and for information only to holders of 5.5% Cumulative First Preference shares of £1 each ('First Preference shares') and 5.0% Cumulative Second Preference shares of £1 each ('Second Preference shares').

Dear Shareholder

## THE 2016 ANNUAL GENERAL MEETING

I am pleased to be writing to you with details of our 2016 Annual General Meeting which we are holding at The Lincoln Centre, 18 Lincoln's Inn Fields, London WC2A 3ED at 10.30am on Friday 6 May 2016.

Our Chief Executive Officer, Pete Raby, will give a presentation on the Group's business and performance over the last 12 months, together with an overview of the Group's new strategy. Shareholders will then have the opportunity to ask questions before moving onto the formal business of the Annual General Meeting.

Notice of the Annual General Meeting can be found on pages 2 and 3 of this document and contains the resolutions dealing with the business of the meeting. The Explanatory notes for all business of the Annual General Meeting are given on pages 4 to 6 of this document.

Only holders of Ordinary shares or their proxies or duly authorised representatives may vote at the Annual General Meeting.

All your votes are important to us and, once again this year, you will be asked to vote on each of the resolutions on a poll, as permitted by the Articles of Association. This is in line with practice adopted by many UK public companies, primarily as a result of the complexities of the law around voting on a show of hands. It also means that the voting results will be a more representative reflection of the views of our shareholder base.

### Action to be taken

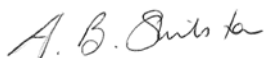
You are requested (whether or not you intend to be present at the meeting) to complete and submit a proxy form in accordance with the Notes to the Notice of the Annual General Meeting set out on pages 6 and 7. To be valid, the proxy form must be received at the address for delivery specified in the Notes by 10.30am on Wednesday 4 May 2016. Completion and return of a proxy form will not preclude a shareholder from attending and voting at the meeting.

### Recommendation

Your Directors consider that all the resolutions to be put to the meeting will promote the success of and are in the best interests of the Company and its shareholders as a whole, and accordingly, unanimously recommend you to vote in favour of them as they intend to do so in respect of their own beneficial shareholdings (other than in respect of resolutions in which they hold an interest).

Thank you for your continued support.

Yours faithfully



ANDREW SHILSTON  
CHAIRMAN

# Morgan Advanced Materials plc

(Registered in England No. 286773)

('the Company')

## NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the eighty-second Annual General Meeting of the Company will be held at The Lincoln Centre, 18 Lincoln's Inn Fields, London WC2A 3ED on Friday 6 May 2016 at 10.30am to transact the business set out below. Resolutions 1 to 14 will be proposed as ordinary resolutions and resolutions 15 and 16 will be proposed as special resolutions.

### Ordinary resolutions:

1. To receive the audited accounts and the Auditor's and Directors' Reports for the year ended 31 December 2015.
2. To approve the Directors' remuneration policy (as contained in the Directors' Remuneration Report for the year ended 31 December 2015).
3. To approve the Directors' Remuneration Report (other than the part containing the Directors' remuneration policy) for the year ended 31 December 2015.
4. That the amendment to the rules of the Morgan Advanced Materials plc Long-Term Incentive Plan (the 'LTIP') as shown in the marked-up version of the rules of the LTIP produced to the meeting and initialled by the Chairman for the purposes of identification be and is approved and the Directors be and are authorised to adopt the amendment and do all such acts and things as they may consider appropriate to give effect to it.
5. To declare a final dividend of 7.0 pence per Ordinary share.
6. To re-elect Andrew Shilston as a Director.
7. To re-elect Douglas Caster as a Director.
8. To elect Pete Raby as a Director.
9. To elect Helen Bunch as a Director.
10. To re-elect Rob Rowley as a Director.
11. To reappoint KPMG LLP as auditor of the Company.
12. To authorise the Audit Committee of the Board of Directors to determine the auditor's remuneration.
13. That, from the date of this resolution until the earlier of 30 June 2017 and the conclusion of the Company's next Annual General Meeting, the Company and all companies which are its subsidiaries at any time during such period are authorised:
  - a) to make donations to political parties and/or independent election candidates;
  - b) to make donations to political organisations other than political parties; and
  - c) to incur political expenditure,up to an aggregate total amount of £100,000, with the amount authorised for each of paragraphs (a) to (c) above being limited to the same total.

Any such amounts may comprise sums paid or incurred in one or more currencies. Any sum paid or incurred in a currency other than sterling shall be converted into sterling at such rate as the Board may decide is appropriate.

Terms used in this resolution have, where applicable, the meanings that they have in Part 14 of the Companies Act 2006 on 'Control of political donations and expenditure'.

14. That the Directors are generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares in the Company:
- a) up to an aggregate nominal amount of £23,780,832, (such amount to be reduced by the aggregate nominal amount of any equity securities that may be allotted pursuant to paragraph (b) below in excess of £23,780,832); and
  - b) comprising equity securities (as defined in section 560(1) of the Companies Act 2006), up to an aggregate nominal amount of £47,561,664 (such amount to be reduced by the aggregate nominal amount of shares allotted or rights granted pursuant to paragraph (a) above) in connection with a rights issue (as defined in the Listing Rules published by the Financial Conduct Authority):
    - i) to holders of Ordinary shares in the capital of the Company in proportion (as nearly as practicable) to the respective numbers of Ordinary shares held by them; and
    - ii) to holders of other equity securities in the capital of the Company, as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange, provided that (unless previously revoked, varied or renewed), this authority shall expire on 30 June 2017 or, if earlier, at the conclusion of the Company's next Annual General Meeting, save that the Company may make any offer or agreement before such expiry which would or might require shares to be allotted or rights to be granted after such expiry. All authorities vested in the Directors on the date of the notice of this meeting to allot shares or to grant rights that remain unexercised at the commencement of this meeting are revoked.

**Special resolutions:**

15. That the Directors are empowered pursuant to section 570 of the Companies Act 2006 to allot equity securities, as defined in section 560(1) of that Act, pursuant to the authority conferred on them by resolution 14 in the notice of this meeting or by way of a sale of treasury shares as if section 561 of the Act did not apply to any such allotment, provided that this power is limited to:
- a) the allotment of equity securities in connection with any rights issue or open offer (each as referred to in the Financial Conduct Authority's Listing Rules) or any other pre-emptive offer that is open for acceptance for a period determined by the Directors to the holders of Ordinary shares on the register on any fixed record date in proportion to their holdings of Ordinary shares (and, if applicable, to the holders of any other class of equity security in accordance with the rights attached to such class), subject in each case to such exclusions or other arrangements as the Directors may deem necessary or appropriate in relation to fractions of such securities, the use of more than one currency for making payments in respect of such offer, treasury shares, any legal or practical problems in relation to any territory or the requirements of any regulatory body or any stock exchange; and
  - b) the allotment of equity securities (other than pursuant to paragraph (a) above) with an aggregate nominal amount of £7,134,249, and shall expire when the authority conferred on the Directors by resolution 14 in the notice of this meeting expires, save that, before the expiry of this power, the Company may make any offer or agreement which would or might require equity securities to be allotted after such expiry.
16. That a general meeting of the Company, other than an Annual General Meeting, may be called on not less than 14 clear days' notice.

Registered office:  
Quadrant  
55-57 High Street  
Windsor  
Berkshire SL4 1LP

By Order of the Board  
Paul Boulton  
Company Secretary  
6 April 2016

## EXPLANATORY NOTES TO THE BUSINESS OF THE ANNUAL GENERAL MEETING

### **Resolution 1 – Receipt of the Annual Report and Accounts**

The Companies Act 2006 requires the Directors of a public company to lay before the Company in general meeting copies of the Directors' Reports, the Independent Auditor's Report and the audited accounts of the Company in respect of each financial year. In accordance with the UK Corporate Governance Code, the Company proposes a resolution on its 2015 Annual Report and Accounts.

### **Resolutions 2 and 3 – Approval of the Directors' Remuneration Report and Directors' remuneration policy**

Resolutions 2 and 3 deal with the statutory requirements under the Companies Act 2006 that apply to the Company for the financial year ended 31 December 2015 in relation to the content and approval of the Directors' Remuneration Report.

The Company will propose at the Annual General Meeting a resolution (resolution 3) to seek shareholder approval of the Directors' Remuneration Report for the financial year ended 31 December 2015 (other than the part containing the Directors' remuneration policy which will be covered by resolution 2). The Directors' Remuneration Report can be found on pages 66 to 88 of the 2015 Annual Report and Accounts. The vote on resolution 3 is advisory in nature and the Directors' entitlement to remuneration is not conditional on it being passed.

The Company will also propose at the Annual General Meeting a resolution (resolution 2) to seek shareholder approval of a revised Directors' remuneration policy, as set out on pages 67 to 75 of the Directors' Remuneration Report for the financial year ended 31 December 2015.

The Company reviewed its remuneration policies and practices during 2015 and accordingly the policy presented to shareholders captures the outputs of the review. The key changes to the existing policy are: removal of the Bonus Deferral Share Matching Plan; the implementation of malus and clawback in the Company's cash component of the annual bonus plan; an increase in the maximum bonus opportunity; the introduction of a mandatory deferral of a proportion of bonus into shares for three years; an increase in the award opportunity under the LTIP; and an increase in the minimum shareholding guideline for executive Directors. If approved by shareholders, the Directors' remuneration policy will take effect from the conclusion of the Annual General Meeting and, unless changed, will be subject to a shareholder vote at least every three years. The vote on resolution 2 is binding and, if passed, any remuneration payments made to a current or future director or a payment for loss of office to a current or former director will be consistent with the Directors' remuneration policy in force unless approved by a separate shareholder resolution.

### **Resolution 4 – Amendment to the Long-Term Incentive Plan**

The Company is proposing amendments to its Directors' remuneration policy and shareholder approval for a revised policy is being sought at the Annual General Meeting (resolution 2). To reflect the revised Directors' remuneration policy, it is proposed that an amendment is made to the rules of the LTIP relating to the individual limit on participation. The sole amendment is to increase the maximum aggregate market value of shares at the time of grant over which awards may be granted to a participant in any financial year from 200% to 250% of salary. It is not presently proposed to grant awards up to the maximum level and the change is being made to reflect the revised Directors' remuneration policy.

The rules of the LTIP marked-up to show the proposed amendment will be available for inspection during normal business hours on Monday to Friday (excluding bank holidays) at the Company's registered office at Quadrant, 55-57 High Street, Windsor, Berkshire SL4 1LP and at the offices of Addleshaw Goddard LLP, 60 Chiswell Street, London, EC1Y 4AG from the date of this document 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.

### **Resolution 5 – Final dividend**

The Directors are recommending the payment of a final dividend of 7.0 pence per share on the Ordinary shares in respect of the year ended 31 December 2015 which, if approved, will be payable on 27 May 2016 to shareholders on the register at the close of business on 6 May 2016. The Company is not offering a scrip alternative to the cash dividend.

### **Resolutions 6 to 10 – Election/Re-election of Directors**

In accordance with the Company's Articles of Association and the provisions of the UK Corporate Governance Code, Pete Raby and Helen Bunch, who were appointed as Directors by the Board since the last Annual General Meeting, will retire from office at the 2016 Annual General Meeting and will seek election by shareholders for the first time.

In accordance with the provisions of the UK Corporate Governance Code and as permitted by the Company's Articles of Association, the Board has decided that all other Directors, with the exception of Kevin Dangerfield and Andrew Reynolds Smith whose departures from the Board have been announced, will retire from office at the 2016 Annual General Meeting and each of them will seek re-election by shareholders.

The Chairman confirms that, following a performance evaluation, each Director continues to be effective, demonstrating significant commitment to their roles. The Board believes that the considerable and wide-ranging experience of these Directors will continue to be invaluable to the Company, and recommends their election/re-election.

Biographies of all Directors, with the exception of Helen Bunch, are set out on pages 50 and 51 of the 2015 Annual Report and Accounts.

The biography of Helen Bunch is set out below.

**HELEN BUNCH**

NON-EXECUTIVE DIRECTOR (Aged 50)

**Appointed:** February 2016

**Career history:** At the start of her career, Helen Bunch spent 17 years working in global businesses serving a wide variety of industries from automotive to household products, 11 years with ICI and the remainder with a successor company, Lucite International Ltd. In 2006, Helen joined Wates Group, the privately-owned construction and property services company, as Group Strategy Director and became Managing Director of Wates Retail in January 2011. Since 2015, Helen has been Managing Director of Wates Smartspace, the enlarged business following a merger with another Wates company and the acquisition of a facilities management business.

**Additional appointments:** Managing Director of Wates Smartspace, Governor of The Westminster Academy (Westbourne Green).

**Committees:** Audit, Nomination and Remuneration.

**Resolutions 11 and 12 – Auditor appointment and remuneration**

At each meeting at which the Annual Report and Accounts are laid, the Company is required to appoint an auditor to serve until the next such meeting. KPMG LLP have indicated their willingness to continue as auditor to the Company. Resolution 11 is a resolution to reappoint them. Resolution 12 is a resolution giving the Audit Committee the discretion to determine the auditor's remuneration.

**Resolution 13 – Political donations and expenditure**

This renews a similar authority given at last year's Annual General Meeting, which is due to lapse at the 2016 Annual General Meeting. This ordinary resolution seeks approval from shareholders to enable the Company, and all companies which are, or which become, subsidiaries of the Company, to make donations or incur expenditure which it would otherwise be prohibited from making or incurring by the Companies Act 2006. The Company's policy is not to make donations to political parties and there is no intention to change that policy. However, the Companies Act 2006 defines political expenditure, political donations and political organisations very widely, such that normal business activities, which might not be thought to be political expenditure or a political donation to a political organisation in the usual sense, may be included. For example, sponsorship of industry forums, funding of seminars and other functions to which politicians are invited, matching employees' donations to certain charities, expenditure on organisations concerned with matters of public policy, law reform and representation of the business community and communicating with the Government and political parties at local, national and European level, may fall under the terms of the Companies Act 2006.

Accordingly, the Company, in common with many other companies, seeks an authority to incur a level of political donations to political parties, independent election candidates and political organisations as well as political expenditure, to cover these kinds of activities on a precautionary basis, in order to avoid possible inadvertent contravention of the Companies Act 2006. The authority does not purport to authorise any particular donation or expenditure but is expressed in general terms, as required by the Companies Act 2006. Furthermore, as permitted under that Act, the authority has been extended to cover any political donations made or political expenditure incurred by any subsidiaries of the Company. Therefore, as a precautionary measure, you will be asked to give the Company and each of its subsidiaries authority to make political donations to political parties or independent election candidates, to make political donations to political organisations (other than political parties) and to incur political expenditure. These authorities are limited to a maximum aggregate amount of £100,000.

If given, this authority will expire at the conclusion of the Company's next Annual General Meeting or on 30 June 2017 (whichever is earlier). It is the Directors' intention to renew this authority each year.

**Resolution 14 – Authority to allot shares**

The Directors currently have an authority to allot shares in the Company and to grant rights to subscribe for or convert any securities into shares in the Company. This authority is due to lapse at the 2016 Annual General Meeting. The Board is seeking to renew that authority over Ordinary shares having an aggregate nominal amount of £23,780,832, representing one third of the issued Ordinary share capital of the Company as at 23 March 2016 and also to give the Directors authority to allot Ordinary shares having an aggregate nominal amount of £47,561,664, representing two thirds of the issued Ordinary share capital of the Company as at 23 March 2016 by way of a rights issue. For the avoidance of doubt, the authority sought pursuant to this resolution will give the Directors the ability to allot shares (or grant rights to shares) up to a maximum aggregate nominal amount of £47,561,664. The authority will lapse on 30 June 2017 or at the next Annual General Meeting, whichever shall first occur. The authority sought under this resolution is standard for most UK companies and is consistent with The Investment Association's 'Share Capital Management Guidelines'. The Directors have no present intention to issue any shares under the authority being sought. The Company held no treasury shares as at 23 March 2016.

**Resolution 15 – Disapplication of statutory pre-emption rights**

This is a special resolution which renews a similar power given at last year's Annual General Meeting and, if approved, would enable the Board to allot Ordinary shares for cash other than to existing shareholders in proportion to their existing holdings. Otherwise than in connection with a rights or similar issue or scrip dividend (where difficulties arise in offering shares to certain overseas shareholders and in relation to fractional entitlements), the power contained in this resolution will be limited to new Ordinary shares having an aggregate nominal amount of £7,134,249, representing just less than 10% of the Company's issued Ordinary share capital as at 23 March 2016.

This disapplication authority is in line with institutional shareholder guidance, and in particular with the Pre-emption Group's Statement of Principles (the 'Pre-emption Principles'). The Pre-emption Principles were revised in 2015 to allow the authority for an issue of shares for cash otherwise than in connection with a pre-emptive offer to be increased from 5% to 10% of the company's issued Ordinary share capital, provided that the Company confirms that it intends to use the additional 5% authority only in connection with an acquisition or specified capital investment.

The Board confirms, in accordance with the Pre-emption Principles, that to the extent the authority in paragraph (b) of resolution 15 is used for an issue of Ordinary shares with a nominal value in excess of £3,567,124 (that is 5% of the Company's issued Ordinary share capital as at 23 March 2016), it intends that this will only be used in connection with an acquisition or specified capital investment which is announced contemporaneously with the issue, or which has taken place in the preceding six month period and is disclosed in the announcement of the issue.

Further, in accordance with the Pre-emption Principles, the Directors also confirm their intention that no more than 7.5% of the Company's issued Ordinary share capital will be issued for cash on a non pre-emptive basis during any three-year period, save as permitted in connection with an acquisition or specified capital investment as described above, without appropriate consultation.

The Directors have no present intention to exercise this power.

The power will expire when the authority granted under resolution 14 expires, being on 30 June 2017 or at the next Annual General Meeting, whichever shall first occur.

#### **Resolution 16 – Enabling the Company to call a general meeting on 14 days' notice**

This resolution renews an authority given at last year's Annual General Meeting and is required as a result of section 307A of the Companies Act 2006. The Company currently has power under its Articles of Association to call general meetings (other than an Annual General Meeting) on at least 14 clear days' notice and would like to preserve this ability. In order to be able to do so, shareholders must first approve the calling of meetings on at least 14 days' notice. This resolution seeks such approval. The approval will be effective until the Company's next Annual General Meeting, when it is intended that a similar resolution will be proposed. The shorter notice period would not be used as a matter of routine for general meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of the shareholders as a whole.

#### **NOTES**

1. A member of the Company entitled to attend, speak and vote at the Annual General Meeting ('the meeting') is also entitled to appoint a proxy or proxies to attend, speak and vote on their behalf provided that if more than one proxy is appointed, each proxy is appointed to exercise rights attaching to different shares. A proxy need not be a member of the Company.
2. All resolutions to be proposed at the meeting will be put to vote on a poll. This will result in a more accurate reflection of the views of shareholders by ensuring that every vote is recognised, including the votes of those shareholders who are unable to attend but who have appointed a proxy for the meeting. On a poll, each shareholder has one vote for every share held.
3. Members (and any proxies or representatives they appoint) agree, by attending the meeting, that they are expressly requesting and that they are willing to receive any communications (including any communications relating to the Company's securities) made at the meeting.
4. A pre-paid proxy form is enclosed with this document. The proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, should be sent to the Company's registrar, Capita Asset Services, PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF so as to arrive not later than 10.30am on Wednesday 4 May 2016 or, if the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time of the adjourned meeting.

Alternatively, you may return the proxy form in an envelope to FREEPOST CAPITA PXS (this is the only address information required and no stamp is needed).

5. a) 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(s) 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.
- b) In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or 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 Capita Asset Services as the issuer's agent (ID RAI0) by the latest time for receipt of proxy appointments specified in Note 4 above. 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. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
- c) 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 messages. 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 service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- d) 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.

6. Members who have returned proxy forms in accordance with Note 4 or who register the appointment electronically in accordance with Note 5 are not thereby precluded from attending the meeting and voting in person if they so wish.
7. A shareholder that is a corporation may authorise one or more persons to act as its representative(s) at the meeting. Each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual shareholder, provided that (where there is more than one representative and the vote is otherwise than on a show of hands) they do not do so in relation to the same shares.
8. The Company specifies that only those holders of Ordinary shares registered in the register of members of the Company at 6.00pm on Wednesday 4 May 2016 (or, in the event that the meeting is adjourned, in the register of members at 6.00pm on the day that is two days (excluding any part of a day that is not a working day) before the day of the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of Ordinary shares registered in their names at that time. Changes to entries on the register of members after 6.00pm on Wednesday 4 May 2016 (or, in the event that the meeting is adjourned, in the register of members after 6.00pm on the day that is two days (excluding any part of a day that is not a working day) before the day of the adjourned meeting) shall be disregarded in determining the rights of any person to attend or vote at the meeting.
9. This Notice is sent for information only to holders of First Preference shares and Second Preference shares, such holders not being entitled to attend or vote at the meeting.
10. As at 23 March 2016 (being the last practicable date prior to the publication of this document) the Company's issued share capital consisted of 285,369,988 Ordinary shares carrying one vote each, 125,327 First Preference shares which do not carry voting rights and 311,954 Second Preference shares which also do not carry voting rights. The total voting rights in the Company as at 23 March 2016 were 285,369,988.
11. Your personal data includes all data provided by you, or on your behalf, that relates to you as a shareholder, including your name and contact details, the votes you cast and your Reference Number (attributed to you by the Company). The Company determines the purposes for which and the manner in which your personal data is to be processed. The Company and any third party to which it discloses the data (including the Company's registrar) may process your personal data for the purposes of compiling and updating the Company's records, fulfilling its legal obligations and processing the shareholder rights you exercise.
12. 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 have a right, under an agreement between him and the shareholder by whom he was nominated, to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he 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 Note 1 above does not apply to Nominated Persons. The rights described in that note can only be exercised by shareholders of the Company.
13. A shareholder or shareholders having a right to vote at the meeting and holding at least 5% of the total voting rights of the Company (see Note 10), or at least 100 shareholders having a right to vote at the meeting and holding, on average, at least £100 of paid up share capital, may require the Company to publish on its website a statement setting out any matter that such shareholders propose to raise at the meeting relating to the audit of the Company's latest accounts (including the auditor's report and the conduct of the audit). The Company cannot require the shareholders concerned to pay its expenses in complying with sections 527 and 528 of the Companies Act 2006. The Company must forward any such statement to its auditor by the time it makes the statement available on the website. The business which may be dealt with at the meeting includes any such statement.
14. Shareholders have the right to ask questions at the meeting relating to the business being dealt with at the meeting in accordance with section 319A of the Companies Act 2006. The Company must answer any such question unless:
  - a) to do so would interfere unduly with the preparation for the meeting or would 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.
15. The information required by section 311A of the Companies Act 2006 to be published in advance of the meeting, which includes the matters set out in this notice and information relating to the voting rights of shareholders, is available at [www.morganadvancedmaterials.com](http://www.morganadvancedmaterials.com). A shareholder may not use any electronic address provided by the Company in this document or with any proxy appointment form or in any website for communicating with the Company for any purpose in relation to the meeting other than expressly stated in it.



**Morgan Advanced Materials plc**

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