



## **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 consult your stockbroker, bank manager, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000 immediately.

If you have sold or otherwise transferred all of your shares in IG Group Holdings plc, please send this document, together with the accompanying documents, at once to the purchaser or transferee, or to the stockbroker, bank or other agent who arranged the sale or transfer for you, for transmission to the purchaser or transferee.

### **IG Group Holdings plc**

(Incorporated in England and Wales with registered number 04677092)

## **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE OF THE 2014 ANNUAL GENERAL MEETING AND A LETTER FROM YOUR CHAIRMAN, INCLUDING AN EXPLANATION OF THE BUSINESS TO BE CONDUCTED AT THAT MEETING, WHICH IS TO BE HELD ON THURSDAY 16 OCTOBER 2014 AT 10.30AM AT THE OFFICES OF IG GROUP HOLDINGS PLC, LOCATED AT CANNON BRIDGE HOUSE, 25 DOWGATE HILL, LONDON EC4R 2YA IS SET OUT ON PAGES 3 TO 9 OF THIS DOCUMENT.**

Whether or not you propose to attend the Annual General Meeting, please complete and submit the enclosed Form of Proxy in accordance with the instructions printed on it. The Form of Proxy must be completed, signed and returned so as to reach the Company's Registrars by no later than 10.30am on Tuesday 14 October 2014. Completion and return of a Form of Proxy will not prevent members from attending and voting in person should they wish to do so.





## **IG Group Holdings plc**

(Incorporated in England and Wales with registered number 04677092)

### **Directors:**

Jonathan Davie (Chairman)  
Andy Green (Deputy Chairman)  
Tim Howkins (Chief Executive Officer)  
Peter Hetherington  
Christopher Hill  
Stephen Hill  
Martin Jackson  
Jim Newman  
Samantha Tymms  
Roger Yates

### **Registered Office:**

Cannon Bridge House  
25 Dowgate Hill  
London  
EC4R 2YA

10 September 2014

Dear Shareholder

### **Notice of 2014 Annual General Meeting of IG Group Holdings plc ('the Company')**

I am writing to inform you that the Annual General Meeting ('AGM') of the Company will be held at the Company's offices located at Cannon Bridge House, 25 Dowgate Hill, London EC4R 2YA, on Thursday 16 October 2014 at 10:30am. The formal notice of the AGM and the resolutions to be proposed are set out on pages 8 to 9 of this document.

The notes on the following pages give an explanation of the proposed resolutions. Resolutions 1 to 16 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 17 to 19 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

### **Annual Report and Accounts (resolution 1)**

The Directors present to the shareholders at the AGM the annual report and accounts for the year ended 31 May 2014, together with the Directors' and auditors' reports on the annual report and accounts.

### **Directors' Remuneration Report (resolution 2)**

Shareholders will be asked to receive and approve as an ordinary resolution the Directors' Remuneration Report for the year ended 31 May 2014 (other than the Directors' Remuneration Policy which is contained on pages 62 to 74 of the annual report and accounts and which is dealt with in resolution 3 below). The Directors' Remuneration Report is set out in the annual report and accounts and details the pay and benefits received by each of the directors during the year ended 31 May 2014. This vote is advisory and therefore will not affect the remuneration or benefits received by any director.

### **Directors' Remuneration Policy (resolution 3)**

Resolution 3 is an ordinary resolution to approve the Directors' Remuneration Policy, which is set out on pages 62 to 74 of the annual report and accounts. The Companies Act 2006 ('the 2006 Act') requires quoted companies to present to their shareholders for approval, a Directors' Remuneration Policy, which sets out the company's future policy on remuneration and potential payments to its directors. The new regulation, which came into force on 1 October 2013, requires the Company to offer its shareholders a binding vote on its forward-looking remuneration policy at least every three years. As the vote on this resolution is binding, payments cannot be made under the policy until the policy has been approved by the shareholders. If the Directors' Remuneration Policy is approved, all payments by the Company to Directors and former Directors must be made in accordance with the Policy unless a payment has separately been

# NOTICE OF 2014 ANNUAL GENERAL MEETING

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## **Directors' Remuneration Policy (resolution 3) (continued)**

approved by a shareholder resolution. Furthermore, if the policy is approved and remains unchanged, it will be valid for three years beginning on the date of the approval. Therefore, shareholders will next be required to approve the policy at the 2017 AGM, unless the Company wishes to change the policy at which point the Directors will seek shareholders' approval for the revised policy.

## **Dividends (resolution 4)**

A final dividend of 22.40 pence per ordinary share is recommended by the Directors for payment to shareholders on the register of members at the close of business on 24 October 2014. Subject to the approval of shareholders at the AGM, this dividend will be paid on 18 November 2014.

## **Re-election of Directors (resolutions 5 to 11)**

The UK Corporate Governance Code recommends that all Directors of FTSE 350 companies should be subject to annual reappointment by shareholders. In accordance with this, all of the Directors will voluntarily retire and submit themselves for re-election by shareholders at the forthcoming AGM.

Having considered the performance of and contribution made by each of the Directors standing for re-election, the Board remains satisfied that each of the relevant Directors performs effectively and demonstrates full commitment to their individual role, including the appropriate commitment of time for Board and Committee meetings and other duties required.

Each Director will be offered for re-election by separate resolution (resolutions 5 to 11). The biographical details of each of the Directors standing for re-election are as follows:

## **Peter Hetherington, Chief Operating Officer (resolution 5)**

Peter was an officer in the Royal Navy prior to joining IG Group as a graduate trainee in 1994. In 1999 he became Head of Financial Dealing, and in 2002 he joined the Board following his appointment as Chief Operating Officer. Peter's considerable experience, built over 20 years in the business, is invaluable in his role as Chief Operating Officer. Peter graduated from Nottingham University with a degree in Economics, and from the London Business School with a Masters in Finance.

## **Christopher Hill, Chief Financial Officer (resolution 6)**

Christopher joined the IG Board in April 2011 from Travelex, a group providing cross-border payment and foreign exchange services to corporate and retail customers, where he served as Chief Financial Officer. A Chartered Accountant, Christopher has extensive finance and accounting experience from a number of different business sectors. He has previously held roles at VWR International, a global laboratory-supply company (2005-2007), General Electric (2000-2005) and Arthur Andersen (1992-2000). Christopher graduated from Oxford University with a degree in Modern History and is an associate member of the Association of Corporate Treasurers.

## **Stephen Hill, Non-Executive Director (resolution 7)**

Stephen joined the IG Board in April 2011, bringing significant and extensive board experience across a wide range of businesses. He was the CEO of Betfair plc from 2003 to 2005, and prior to this he spent 15 years at Pearson plc in various managerial roles, including serving as CEO of the Financial Times Group from 1996 to 2002 and on Pearson's management board. He has been a member of the boards for Royal Sun Alliance Insurance Group plc, Psion plc and Channel 4. He was also Chairman of Interactive Data Corporation in the US from 1998 to 2002. Currently he is Chairman and CEO of D'Aval Limited, his family's private investment company, and Trustee and Chairman of the Royal National Institute for Deaf People – Action on Hearing Loss. He is also a member of the Advisory Board of the Cambridge Judge Business School and a Non-Executive Director of Applerigg Limited and Aztec Limited, a fund administration business, and of Ofcom, the independent regulator for the UK communications industries.

## **Tim Howkins, Chief Executive Officer (resolution 8)**

Tim was appointed Chief Executive Officer of IG in 2006, having served as the Group's Finance Director since joining the company in 1999. Tim qualified as a Chartered Accountant with Ernst & Young, and is also a member of the Chartered Institute of Taxation. In 1990 he was one of a group of partners and staff who left Ernst & Young to form Rees Pollock, a firm of Chartered Accountants targeted at entrepreneurial, owner-managed businesses. He was a partner in Rees Pollock for seven years, and there developed a relationship with IG, taking responsibility for the Group's audit. With a strong finance background and a considerable number of years in the business, in his role as our Chief Executive Tim continues to work with the Board and lead IG to develop and implement our strategy. He is also a member of the Board and Executive Committee of FIA Europe, formerly known as the Futures and Options Association. Tim graduated from the University of Reading with a first-class degree in Mathematics and Computer Science.

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**Jim Newman, Non-Executive Director (resolution 9)**

Jim joined the Board as a Non-Executive Director in October 2013. He is currently Corporate Development Director for Friends Life Group, where his responsibilities have included overseeing the final separation and integration of the UK life businesses acquired by Resolution plc, as well as the delivery of the overall group change portfolio and strategic corporate development. Prior to this Jim, who is a qualified Chartered Accountant, was Finance Director for Resolution plc, having joined the company in 2005 as Group Financial Controller. Jim spent ten years at Aviva, where he was Group Integration Director for the CGU/Norwich Union merger and also Finance Director of Norwich Union Life, Aviva's UK life insurance business. His in-depth knowledge and experience of the financial services sector, as well as his considerable experience both as a CFO and in the implementation of transformation programmes, is proving invaluable to the Board.

**Sam Tymms, Non-Executive Director (resolution 10)**

Sam joined the Board as a Non-Executive Director in May 2013. She is currently a Managing Director at Promontory Financial Group, a leading strategy, risk-management and regulatory-compliance consulting firm, where she advises financial services businesses on a wide range of risk and regulatory matters. Sam began her career in 1987 at the London Stock Exchange's Surveillance Division, which over time became the Securities and Futures Authority and eventually the Financial Services Authority. During that time she held a range of supervisory roles and worked for two years in the Investigations and Enforcement Division. As a supervisor, she ran departments overseeing global investment firms, retail and investment banks and major insurance groups. Sam's extensive experience in the regulatory field and her knowledge of compliance matters provide a valuable contribution to the Board.

**Roger Yates, Senior Independent Non-Executive Director (resolution 11)**

Roger joined the Board as Senior Independent Non-Executive Director in February 2006, and has over 28 years' experience in the fund management industry, both as an investment professional and a business manager. Roger brings a broad knowledge and understanding of investor issues and the financial services sector. He previously served as Chief Investment Officer of Invesco Global, and has held senior roles at fund management firms LGT and Morgan Grenfell. He joined Henderson Global Investors as Chief Executive in 1999, and in 2003 went on to lead its de-merger from its then parent AMP. He became Chief Executive of the resulting listed entity (now Henderson Group plc) until November 2008. He has previously served as a Non-Executive Director for F&C Asset Management plc, and is currently a Non-Executive Director of St James's Place plc and JPMorgan Elect plc, as well as Chairman of Electra Private Equity plc and Pioneer Global Asset Management SpA.

**Election of Andy Green, Non-Executive Director (resolution 12)**

In accordance with the articles of association of the Company, and the recommendations of the UK Corporate Governance Code, a director appointed by the Board shall retire, and be subject to election by shareholders at the first AGM of the Company following his or her appointment. Andy Green was appointed to the Board as Non-Executive Deputy Chairman on 9 June 2014 and is eligible for election by shareholders at the forthcoming AGM.

Andy is currently a Non-Executive Director of ARM Holdings Plc. He served as Group Chief Executive of Logica from 2008 until 2012, when it was acquired by CGI. Prior to this, he was a member of the board of BT Group, where he held several senior roles, most latterly CEO of group strategy and operations. Andy holds a number of other roles including chairing npGroup UK and DockOn AG. He advises the UK Department for Business, Innovation and Skills (BIS) as co-chairman of the Space Leadership Council and a member of the Information Economy Council. The Board is of the view that his in-depth experience and knowledge of major listed companies and IT and marketing led businesses will prove invaluable to the Company. The Board therefore supports the election.

**Auditors (resolutions 13 and 14)**

The Company is required at each general meeting at which accounts are presented to appoint auditors to hold office until the next such meeting. PricewaterhouseCoopers LLP have indicated their willingness to continue in office, and the Board, on the unanimous recommendation of the Audit Committee, which evaluated the effectiveness and independence of the external auditors, is proposing the re-appointment of PricewaterhouseCoopers LLP as the Company's auditors for the financial year ending 31 May 2015.

Accordingly, resolution 13 re-appoints PricewaterhouseCoopers LLP as auditors to the Company, and resolution 14 authorises the Audit Committee to determine their remuneration.

**Approval of the IG Group Long Term Incentive Plan (resolution 15)**

The Company currently operates the IG Group Long Term Incentive Plan (the 'Plan') for the benefit of selected senior employees of the Company below Executive Director level.

The Plan provides for annual share-based awards ordinarily vesting three years from grant, subject to continued service and to the extent to which performance criteria are met over a three-year measurement period.

The Company's Executive Directors are ineligible to participate in the Plan. The Plan is for the time being restricted to operating over existing shares (not being treasury shares) and/or cash.



# NOTICE OF 2014 ANNUAL GENERAL MEETING

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## **Approval of the IG Group Long Term Incentive Plan (resolution 15) (continued)**

The Remuneration Committee of the Company's Board of Directors is seeking, through resolution 15, shareholder authority to operate the Plan on a shareholder-approved basis to provide flexibility to use newly issued shares and/or treasury shares as an alternative to market purchased shares.

A summary of the principal terms of the Plan is set out in the Appendix to this Notice of AGM including provisions to provide flexibility for the use of new issue and/or treasury shares as noted above.

## **Authority of Directors to allot shares (resolution 16)**

The authority given to the Directors to allot further shares in the capital of the Company requires the prior authorisation of the shareholders in a general meeting under section 551 of the 2006 Act. This authority was given at the 2013 AGM, and this resolution seeks to renew that authority. Upon the passing of resolution 16, the Directors will have authority to allot new shares and grant rights to subscribe for or convert other securities into, shares up to a maximum nominal value of £6,000 which is approximately 33 per cent of the total issued share capital, exclusive of treasury shares, as at 10 September 2014, being the latest practicable date before the publication of this Notice. This authority will expire at the conclusion of the next AGM of the Company or 30 November 2015, whichever is earlier. The Directors intend to seek to renew such authority at successive AGMs of the Company.

As at 10 September 2014 being the latest practicable date before the publication of this Notice, the Company held no equity securities in treasury.

In addition, in accordance with the guidance from the Association of British Insurers ('ABI') on the expectations of institutional investors in relation to the authority of directors to allot shares, upon the passing of resolution 16 (ii), the Directors will have authority to allot an additional number of ordinary shares up to a maximum of £6,000, which is approximately a further 33 per cent of the total issued share capital as at 10 September 2014, being the latest practicable date before the publication of this Notice. However, the Directors will only be able to allot those shares for the purposes of a rights issue in which the new shares are offered to existing shareholders in proportion to their existing shareholdings and to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary. This authority will also expire at the conclusion of the next AGM of the Company or 30 November 2015, whichever is earlier. The Directors intend to seek to renew such authority at successive AGMs of the Company.

As a result, if resolution 16 is passed, the Directors could allot shares representing up to two-thirds of the total issued share capital pursuant to a rights issue. There are no current plans to use such an authority. However, if the Directors do conduct a rights issue and the number of shares issued exceeds one-third of the total issued share capital and the monetary proceeds from the

rights issue exceed one-third of the Company's pre-issue market capitalisation, then, in accordance with the ABI's guidance, the Directors will all offer themselves for re-election at the AGM of the Company following the decision to make the rights issue.

The Directors have no current plans to undertake a rights issue or to allot shares, except in connection with the Company's employee share schemes. The Directors consider it desirable to have the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place to finance business opportunities as they arise.

## **Disapplication of pre-emption rights (resolution 17)**

Resolution 17 renews the authority provided at the 2013 AGM and would authorise the Directors to disapply rights of pre-emption by allowing the Directors to allot new shares or sell treasury shares for cash (i) by way of a pre-emptive offer or rights issue (subject to certain exclusions), (ii) by way of an open offer or other offer of securities (not being a rights issue) in favour of existing Shareholders (subject to certain exclusions) and (iii) to persons other than existing Shareholders up to an aggregate nominal value of £900 which is equivalent to approximately 5 per cent of the total issued share capital of the Company as at 10 September 2014, being the latest practicable date before the publication of this Notice, in each case, without the shares first being offered to existing shareholders in proportion to their existing holdings.

If given, the authority will expire at the conclusion of the next AGM of the Company or 30 November 2015, whichever is earlier. The Directors intend to seek to renew such power at successive AGMs of the Company.

The Directors consider the authority in resolution 17 to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a pre-emptive offer or rights issue without the need to comply with the strict requirements of the statutory pre-emption provisions. The Directors have no current plans to undertake a rights issue or to allot shares, except in connection with the Company's employee share schemes.

In accordance with institutional investor guidelines, the Directors confirm their intention not to allot shares for cash on a non pre-emptive basis (other than pursuant to a rights issue or pre-emptive offer) in excess of 7.5% of the total issued share capital issued for cash on a non-pre-emptive basis during any rolling three year period without prior consultation with shareholders.

## **Authority for the Company to purchase its own shares (resolution 18)**

The Company's articles of association permit the purchase by the Company of its own shares subject to shareholders' prior approval being obtained. This resolution also renews the authority provided at the 2013 AGM and would authorise the Company to purchase up to 36,606,154 ordinary shares. If given, the authority will expire at the conclusion of the next AGM of the

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Company or 30 November 2015, whichever is earlier. The Directors intend to seek to renew this power at subsequent AGMs of the Company.

The resolution specifies the maximum number of ordinary shares which may be purchased (representing 10 per cent of the Company's total issued ordinary share capital (excluding treasury shares) as at 10 September 2014, being the latest practicable date before the publication of this Notice) and the maximum and minimum prices at which they may be bought, exclusive of expenses, reflecting the requirements of the 2006 Act and the Listing Rules. Any buy-back would only be made on the London Stock Exchange. The Board has no present intention of exercising this power, and the granting of this authority should not be taken to imply that any ordinary shares will be purchased. No purchase of ordinary shares will be made unless it is for the purpose of employee share schemes or it is expected that the effect will be to increase earnings per share, and the Board considers it to be in the best interests of all shareholders.

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 be taken into account in future calculations of earnings per share (unless they are subsequently resold or transferred out of treasury).

Under the 2006 Act, the Company is permitted to hold its own shares in treasury following a buy-back, instead of cancelling them. This gives the Company the ability to re-issue treasury shares quickly and cost-effectively (including pursuant to the authority under resolution 17 and provides the Company with additional flexibility in the management of its capital base. Such shares may be resold for cash but all rights attaching to them, including voting rights and any right to receive dividends, are suspended whilst they are held in treasury. If the Board exercises the authority conferred by resolution 18, the Company will have the option of either holding in treasury or of cancelling any of its own shares purchased pursuant to this authority and will decide at the time of purchase which option to pursue.

As at 10 September 2014 being the latest practicable date before the publication of this Notice, the Company held no equity securities in treasury.

#### **Notice Period for meetings (resolution 19)**

The 2006 Act requires listed companies to give a minimum notice period of 21 clear days for general meetings (other than an AGM) unless shareholders have approved the calling of general meetings on 14 clear days' notice and the Company offers the facility for shareholders to vote by electronic means. Resolution 20 seeks to renew the approval given by shareholders at the 2013 AGM to allow the Company to call general meetings (other than an AGM of the Company) on 14 clear days' notice. The approval will be effective until the Company's next AGM, 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 such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole.

#### **Action to be taken**

You will find enclosed a Form of Proxy for use at the AGM. Please complete, sign and return the enclosed form as soon as possible in accordance with the instructions printed thereon, whether or not you intend to be present at the AGM.

Forms of Proxy should be returned in the enclosed business reply envelope to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible and in any event no later than 48 hours before the time appointed for holding the AGM.

#### **Recommendation**

Your Directors consider that all the resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole, and unanimously recommend shareholders to vote in favour of all the resolutions, as they intend to do in respect of their own beneficial holdings.

Yours sincerely



**Jonathan Davie**  
Chairman

# NOTICE OF 2014 ANNUAL GENERAL MEETING

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## IG GROUP HOLDINGS PLC NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of IG Group Holdings plc (the 'Company') will be held at the Company's offices located at Cannon Bridge House, 25 Dowgate Hill, London EC4R 2YA, on Thursday 16 October 2014 at 10:30am.

The business of the Annual General Meeting will be to consider and, if thought fit, to pass resolutions 1 to 16 inclusive as ordinary resolutions and resolutions 17 to 19 inclusive as special resolutions.

### Ordinary resolutions

1. To receive the Company's accounts and the reports of the Directors and the auditors for the year ended 31 May 2014
2. To approve the Directors' Remuneration Report for the year ended 31 May 2014
3. To approve the Directors' Remuneration Policy
4. To declare a final dividend on the ordinary shares of the Company for the year ended 31 May 2014 of 22.40 pence per ordinary share
5. To re-elect Peter Hetherington (Executive Director) as a Director of the Company
6. To re-elect Christopher Hill (Executive Director) as a Director of the Company
7. To re-elect Stephen Hill (Non-Executive Director) as a Director of the Company
8. To re-elect Tim Howkins (Executive Director) as a Director of the Company
9. To re-elect Jim Newman (Non-Executive Director) as a Director of the Company
10. To re-elect Sam Tymms (Non-Executive Director) as a Director of the Company
11. To re-elect Roger Yates (Non-Executive Director) as a Director of the Company
12. To elect Andy Green (Non-Executive Director) as a Director of the Company
13. To re-appoint PricewaterhouseCoopers LLP as the auditors of the Company to hold office until the conclusion of the next general meeting at which accounts are laid
14. To authorise the Audit Committee to determine the auditors' remuneration
15. That the rules of the IG Group Long Term Incentive Plan (the 'Plan') referred to in the Appendix to the Notice of AGM and the Chairman of the Board's letter to shareholders dated 10 September 2014 and produced in draft to this meeting and, for the purposes of identification, initialled by the Chairman, be approved and the Directors be authorised to:
  - (i) make such modifications to the Plan as they may consider appropriate to take account of the requirements of best practice and for the implementation of the Plan and to adopt the Plan as so modified and to do all such other acts and things as they may consider appropriate to implement the Plan; and
  - (ii) establish further plans based on the 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 the limits on individual or overall participation in the Plan.
16. That the Directors be and are generally and unconditionally authorised pursuant to and in accordance with Section 551 of the Companies Act 2006 (the '2006 Act') to exercise all the powers of the Company to allot shares or grant rights to subscribe for or to convert any security into shares:
  - (i) up to a nominal amount of £6,000; and
  - (ii) comprising equity securities (as defined in Section 560(1) of the 2006 Act) up to a further nominal amount of £6,000 in connection with an offer by way of a rights issue;such authorities to apply in substitution for all previous authorities pursuant to Section 551 of the 2006 Act and to expire at the end of the next annual general meeting or on 30 November 2015, whichever is earlier but, in each case, so that the Company may make offers and enter into agreements during the relevant period which would, or might, require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authority ends.

For the purposes of this resolution, 'rights issue' means an offer to:

- (i) ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- (ii) people who are holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities,

to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable document) which may be traded for a period before payment for the securities is due, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory.



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## Special resolutions

17. That subject to the passing of resolution 16 above, the Directors be empowered to allot equity securities (as defined in Section 560(1) of the 2006 Act) wholly for cash:

- (i) pursuant to the authority given by paragraph (i) of resolution 16 above or where the allotment constitutes an allotment of equity securities by virtue of Section 560(2)(b) of the 2006 Act in each case:
  - (I) in connection with a pre-emptive offer; and
  - (II) otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount of £900; and
- (ii) pursuant to the authority given by paragraph (ii) of resolution 16 above in connection with a rights issue,

as if Section 561(1) of the 2006 Act did not apply to any such allotment;

such power to expire at the end of the next annual general meeting or on 30 November 2015, whichever is earlier but so that the Company may make offers and enter into agreements during this period which would, or might, require equity securities to be allotted after the power ends.

For the purposes of this resolution:

- (i) 'rights issue' has the same meaning as in resolution 16 above;
- (ii) 'pre-emptive offer' means an offer of equity securities open for acceptance for a period fixed by the Directors to holders (other than the Company) on the register on a record date fixed by the Directors of ordinary shares in proportion to their respective holdings but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory;
- (iii) references to an allotment of equity securities shall include a sale of treasury shares; and
- (iv) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.

18. That the Company be and is hereby unconditionally and generally authorised for the purpose of Section 701 of the 2006 Act to make market purchases (as defined in Section 693 of the 2006 Act) of ordinary shares of 0.005p each in the capital of the Company provided that:

- (i) the maximum number of shares which may be purchased is 36,606,154 (representing an amount equal to 10 per cent of the Company's total issued ordinary share capital as at 10 September 2014);
- (ii) the minimum price which may be paid for each share is 0.005 pence;
- (iii) the maximum price which may be paid for a share is an amount equal to the higher of:
  - (i) 105 per cent of the average of the closing price of the Company's ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such share is contracted to be purchased or (ii) the higher of the price of the last independent trade and the highest current bid as stipulated by article 5(1) of the Commission Regulation (EC) 22 December 2003 implementing the Market Abuse Directive as regards exemptions for buy-back programmes and stabilisation of financial instruments (No 2273/2003); and
- (iv) this authority shall expire at the conclusion of the next annual general meeting of the Company or on 30 November 2015, whichever is earlier (except in relation to the purchase of shares, the contract for which was concluded before the expiry of such authority and which might be executed wholly or partly after such expiry) unless such authority is renewed prior to such time.

19. 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

### Bridget Messer

Company Secretary  
IG Group Holdings plc  
Cannon Bridge House  
25 Dowgate Hill  
London EC4R 2YA

10 September 2014

# NOTICE OF 2014 ANNUAL GENERAL MEETING

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## NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

1. A member entitled to attend and vote at the Annual General Meeting ('AGM') may appoint one or more proxies to exercise all or any of his rights to attend, speak and vote at the AGM. A member can appoint more than one proxy in relation to the AGM, provided that each proxy is appointed to exercise the rights attaching to different shares held by him. A proxy need not be a member of the Company. Completion and submission of an instrument appointing a proxy will not preclude a member from attending and voting in person at the AGM. A Form of Proxy is enclosed.

In order to be valid an appointment of proxy must be returned by one of the following methods:

- in hard copy form by post, by courier or by hand to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY
- all shareholders can vote online at [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) by following the instructions provided; 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 instructions must be received not less than 48 hours before the time of the meeting.

The proxy appointment and any power of attorney or other authority under which the proxy appointment is made must be received by Computershare Investor Services PLC not less than 48 hours before the time for holding the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used. Please note that any electronic communication sent to the Company or to Computershare Investor Services PLC that is found to contain a computer virus will not be accepted. The use of the internet service in connection with the AGM is governed by Computershare Investor Services PLC's conditions of use set out on the website, [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) and may be read by logging on to that site. If you want to make more than one proxy appointment please complete and submit a hard copy proxy form to Computershare Investor Services PLC at the address set out above, attaching a schedule of appointees and the number of shares they are representing.

If a member wishes to appoint more than one proxy and so requires additional Forms of Proxy, the member should contact Computershare Investor Services PLC on the Shareholder Helpline +44 (0)871 495 2032 or members may photocopy the form of proxy. (Calls to this number are charged at 8p per minute from a BT landline. Other telephony provider costs may vary. These prices are for indication

purposes only, if in doubt you should check with your phone line provider as to the exact cost involved for you to call this number. Lines are open 9.30am – 5.30pm, Monday-Friday).

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 thereof by using the procedures described in the CREST Manual on the Euroclear website ([www.euroclear.com/CREST](http://www.euroclear.com/CREST)). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

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 CREST Co's specifications and must contain the information required for such instructions, as described in the CREST Manual. 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 number 3RA50) by the latest time(s) for receipt of proxy appointments specified in the Notice of Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp 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 a proxy appointed through CREST should be communicated to him by other means. 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 CREST Co 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 (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that their CREST sponsor or voting service provider(s) to take 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.

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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 communications from the Company in accordance with section 146 of the Companies Act 2006 ('Nominated Persons'). Nominated Persons may have a right under an agreement with the registered Shareholder who holds the 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.

Nominated Persons should also remember that their main point of contact in terms of their investment in the Company remains the member who nominated the Nominated Person to enjoy information rights (or, perhaps the custodian or broker who administers the investment on their behalf). Nominated Persons should continue to contact that member, custodian or broker (and not the Company) regarding any changes or queries relating to the Nominated Person's personal details and interest in the Company (including any administrative matter). The only exception to this is where the Company expressly requests a response from a Nominated Person.

2. 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. Pursuant to Regulation 41(1) of the Uncertificated Securities Regulations 2001 and for the purposes of section 360B of the Companies Act 2006, in order to be able to attend and vote at the AGM or any adjourned meeting, (and also for the purposes of calculating how many votes a person may cast), a person must have his/her name entered on the register of members of the Company by 6.00pm on 14 October 2014 (or 6.00pm on the date two days before any adjourned meeting). Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
3. As at 10 September 2014, being the last practicable date before the publication of this Notice, the Company's total issued capital consisted of 366,061,545 ordinary shares carrying one vote each. Therefore, the total voting rights in the Company as at 10 September 2014 are 366,061,545.
4. Under section 527 of the 2006 Act, 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 2006 Act.

The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the 2006 Act. Where the Company is required to place a statement on a website under section 527 of the 2006 Act, 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 2006 Act to publish on a website.

5. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any question relating to the business being dealt with at the meeting put by a member attending the meeting. However, members should note that no answer need be given in the following circumstances:
  - (i) if to do so would interfere unduly with the preparation of the meeting or would involve a disclosure of confidential information;
  - (ii) if the answer has already been given on a website in the form of an answer to a question; or
  - (iii) if it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
6. As soon as practicable following the meeting, the results of the voting at the meeting and the number of proxy votes cast for and against and the number of votes actively withheld in respect of each of the resolutions proposed at the meeting will be announced via a Regulatory Information Service and also placed on the Company's website [www.iggroup.com](http://www.iggroup.com).
7. This Notice, together with information about the total numbers of shares in the Company in respect of which members are entitled to exercise voting rights at the meeting as at 10 September 2014, being the last practicable date before the publication of this Notice 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.iggroup.com](http://www.iggroup.com).
8. Any electronic address provided either in this Notice or in any related documents (including the Form of Proxy) may not be used to communicate with the Company for any purposes other than those expressly stated.

# NOTICE OF 2014 ANNUAL GENERAL MEETING

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## NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING (continued)

9. Members should note that the doors to the AGM will be open at 10am.
10. Mobile phones may not be used in the meeting room, and cameras, tape or video recorders are not allowed in the meeting.
11. The register of interests of the Directors in the share capital of the Company, copies of contracts of service of Directors with the Company or with any of its subsidiary undertakings, and, the letters of appointment of Non-Executive Directors will be available for inspection at the registered offices of the Company at Cannon Bridge House, 25 Dowgate Hill, London EC4R 2YA during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted). These documents will also be available at least 15 minutes prior to and during the AGM.
12. A copy of the draft rules of the IG Group Long Term Incentive Plan will be available for inspection at the Company's registered offices and at the office of New Bridge Street (an Aon Hewitt company) at 10 Devonshire Square, London EC2M 4YP during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) until the close of the Annual General Meeting and at the place of the AGM for at least 15 minutes prior to and during the AGM.

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## APPENDIX

### Summary of the Principal Terms of the IG Group Long Term Incentive Plan (the '2014 Plan')

#### Operation

The Remuneration Committee of the Board of Directors (the '**Committee**') will supervise the operation of the Plan.

#### Eligibility

Any employee of the Company (other than an executive director) and its subsidiaries is eligible to participate in the Plan at the discretion of the Committee.

Participation in the Plan is currently limited to selected senior management.

#### Grant of awards

The Committee may grant awards to acquire ordinary shares in the Company ('**Shares**') within six weeks following the Company's announcement of its results for any period. The Committee may also grant awards within six weeks of shareholder approval of the Plan or at any other time when the Committee considers there are sufficiently exceptional circumstances which justify the granting of awards.

The Committee may grant awards as conditional share awards or nil (or nominal) cost options. The Committee may also decide to grant cash-based awards of an equivalent value to share-based awards or to satisfy share-based awards in cash, although it does not currently intend to do so.

An award may not be granted more than 10 years after shareholder approval of the Plan.

No payment is required for the grant of an award. Awards are not transferable, except on death. Awards are not pensionable.

#### Individual limit

An employee may not receive awards in any financial year over Shares having a market value in excess of 100% of their annual rate of salary in that financial year. In exceptional circumstances such as recruitment or retention, this limit is increased to 150% of an employee's annual rate of salary.

#### Performance conditions

The vesting of an award will be subject to such performance condition(s) (if any) as determined appropriate by the Committee for the award.

The Committee may vary the performance conditions applying to existing awards if an event has occurred which causes the Committee to consider that it would be appropriate to amend the performance conditions.

#### Vesting of awards

Awards normally vest three years after grant to the extent that any applicable performance conditions have been satisfied and provided the participant is still employed in the Company's group. Options granted to individuals who are tax resident in the UK are then exercisable up until the day before the tenth anniversary of grant, unless they lapse earlier.

#### Dividend equivalents

The Committee may decide that participants will receive a payment (in cash and/or Shares) on or shortly following the vesting of their awards, of an amount equivalent to the dividends payable on vested shares between the date of grant and the vesting of an award. This amount may assume the reinvestment of dividends.

#### Leaving employment

As a general rule, an award will lapse upon a participant ceasing to hold employment or office within the Company's group. However, if a participant ceases to be an employee or officeholder because of death, injury or disability, retirement, his employing company or the business for which he works being sold out of the Company's group or in other circumstances at the discretion of the Committee, then his award will normally vest on the date when it would have vested if he had not ceased such employment or office. Alternatively, in such 'good leaver' circumstances, the Committee may permit an award to vest early.

The extent to which an award will vest in such circumstances will depend upon two factors: (i) the extent to which any performance conditions have, in the opinion of the Committee, been satisfied over the original three year performance measurement period (or curtailed period as relevant), and (ii) pro rating of the award to reflect the reduced period of time between its grant and the time of the participant's cessation of service, although the Committee can decide not to pro-rate an award if it regards it as inappropriate to do so in the particular circumstances.

#### Corporate events

In the event of a takeover or winding up of the Company (not being an internal corporate reorganisation) all awards will vest early subject to: (i) the extent that the performance conditions have been satisfied at that time; and (ii) the pro-rating of the awards to reflect the reduced period of time between their grant and vesting, although the Committee can decide not to pro-rate an award if it regards it as inappropriate to do so in the particular circumstances.



# NOTICE OF 2014 ANNUAL GENERAL MEETING

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## **APPENDIX (continued)**

In the event of an internal corporate reorganisation awards will be replaced by equivalent new awards over shares in a new holding company unless the Committee decides that awards should vest on the basis which would apply in the case of a takeover.

If a demerger, special dividend or other similar event is proposed which, in the opinion of the Committee, would affect the market price of Shares to a material extent, then the Committee may decide that awards will vest on such basis as it decides.

### **Participants' rights**

Awards settled in Shares will not confer any shareholder rights until the awards have vested or the options have been exercised as relevant and the participants have received their Shares.

### **Rights attaching to Shares**

Any Shares allotted when an award vests or is exercised will rank equally with Shares then in issue (except for rights arising by reference to a record date prior to their allotment).

### **Variation of capital**

In the event of any variation of the Company's share capital or in the event of a demerger, payment of a special dividend or similar event which materially affects the market price of the Shares, the Committee may make such adjustment as it considers appropriate to the number of Shares subject to an award and/or the exercise price payable (if any).

### **Overall Plan limits**

The Plan may operate over new issue Shares, treasury Shares or Shares purchased in the market.

In any ten calendar year period, the Company may not issue (or grant rights to issue) more than 10 per cent of the issued ordinary share capital of the Company under the Plan and any other employee share plan adopted by the Company.

Treasury Shares will count as new issue Shares for the purposes of the above list unless institutional investors decide that they need not count.

### **Alterations to the Plan**

The Committee may, at any time, amend the Plan in any respect, provided that the prior approval of shareholders is obtained for any amendments that are to the advantage of participants in respect of the rules governing eligibility, limits on participation, the

overall limits on the issue of Shares or the transfer of treasury Shares, the basis for determining a participant's entitlement to, and the terms of, the Shares or cash to be acquired and the adjustment of awards.

The requirement to obtain the prior approval of shareholders will not, however, apply to any minor alteration made to benefit the administration of the Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any company in the Company's group. Shareholder approval will also not be required for any amendments to any performance condition applying to an award.

### **Clawback and malus**

The Committee may decide within three years of the vesting of an award that the award will be subject to clawback where there has been a material misstatement in the Company's financial results, an error in assessing any applicable performance condition, a substantial failure of risk management, cessation of service resulting from serious misconduct or in response to such other events as the Committee considers appropriate.

The clawback may be satisfied by way of a reduction in the amount of any subsisting award and/or a requirement to make cash payment.

Separately, prior to the vesting of an award, the Committee may decide to reduce (including, if appropriate, reducing to zero) the number of shares subject to an award by way of a malus adjustment.

Such malus adjustments may arise if (i) the Committee considers that the Company's performance for any relevant measurement period for the purposes of the applicable performance condition does not warrant the level of vesting that may otherwise result by reference to the performance condition alone and/or (ii) to take account of such other factors as the Committee considers appropriate (which may include having regard to any deterioration in performance of the Company and/or any member of the Company's group and/or of the relevant participant or other material negative events).

### **Overseas plans**

The shareholder resolution to approve the Plan will allow the Board to establish further plans for overseas territories, any such plan to be similar to the Plan, but modified to take account of local tax, exchange control or securities laws, provided that any Shares made available under such further plans are treated as counting against the limits on individual and overall participation in the Plan.



