

RSA Insurance Group plc  
(Registered in England and Wales,  
Company Number: 2339826)



# Notice of the 2017 Annual General Meeting

Friday, 5 May 2017 at 11.00am  
200 Aldersgate, St. Paul's, London EC1A 4HD

If you are unable to attend the AGM, but have a specific question you would like to ask, please write to the Chairman at the registered office address. Alternatively, you may send the Chairman an email via the Company's website at [www.rsagroup.com/agm2017](http://www.rsagroup.com/agm2017).

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

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from your independent financial adviser authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all of your shares in RSA Insurance Group plc, please pass this Notice of the 2017 Annual General Meeting together with the accompanying documents to the purchaser or transferee, or to the stockbroker or other agent through whom the sale or transfer was effected, so they can pass these documents to the person who now holds the shares.

Dear Shareholder

## 2017 ANNUAL GENERAL MEETING

I am pleased to invite you to the 2017 Annual General Meeting ('AGM') of RSA Insurance Group plc (the 'Company') which will be held at 200 Aldersgate, St. Paul's, London EC1A 4HD on Friday, 5 May 2017 at 11.00am. The formal notice of AGM is set out on pages 3 and 4 of this document (the 'Notice'), explanatory notes to the Resolutions on pages 7 to 9, shareholder notes on pages 10 and 11 and additional information on page 12. There is also an Appendix containing other information on page 13.

The AGM is your opportunity to meet the Board and to ask questions about the Company. In order to allow the voting preferences of all shareholders to be taken into account, a poll will be conducted on all Resolutions at the AGM. The results of the voting will be posted on the Company's website after the meeting.

## VOTING

If you are unable to attend the AGM but would like to exercise your right to vote on the Resolutions contained within this Notice, please complete a proxy form and return it to our Registrar, Equiniti, to arrive no later than 11.00am on Wednesday, 3 May 2017 to be valid. Alternatively, you can register your proxy appointment electronically by visiting Equiniti's website ([www.sharevote.co.uk](http://www.sharevote.co.uk)). Further instructions relating to the proxy form can be found on pages 10 and 11 of this Notice.

## BOARD CHANGES

In accordance with the UK Corporate Governance Code (the 'Code'), all Directors will stand for election or re-election at the AGM with the exception of Johanna Waterous, who will retire from the Board after 9 years with effect from the AGM on 5 May 2017.

Since the last AGM, Isabel Hudson has been appointed to the Board as an independent Non-Executive Director with effect from 1 August 2016. Isabel brings wide-ranging insurance, commercial, corporate finance and business development experience to the Board from the UK, Europe and internationally. With effect from 5 May 2017, Isabel will become the Company's Senior Independent Director. Isabel will stand for election at the forthcoming AGM and her biographical details, together with the other Directors' biographies, can be found on pages 5 and 6 of this Notice.

At our 2015 AGM, we committed to further strengthen our Board by commencing a search for two further independent non-executive directors. In addition to Isabel Hudson, Martin Strobel was elected to the Board by shareholders at our 2016 AGM. In accordance with the Code, the Board believes that it is of a size appropriate to the needs of the business and that it has the appropriate balance of skills, experience, independence and knowledge to enable it and its Committees to discharge their duties and responsibilities effectively.

All appointments are made on merit against agreed selection criteria. Following the annual Board evaluation, the Board is satisfied that each of the Directors continues to contribute effectively and devote sufficient time, demonstrating commitment to his or her roles.

## APPROVAL OF THE DIRECTORS' REMUNERATION POLICY

The Company's Remuneration Policy (the 'Policy') must be approved by shareholders (by means of a separate resolution) at least once every three years, unless the Policy requires amendment during that time. The Policy is contained within the Directors' Remuneration Report, which forms part of the 2016 Annual Report and Accounts. The Company's current Remuneration Policy was approved by shareholders at the AGM in 2014 and has not been amended since. We are therefore seeking your approval of the Company's proposed Remuneration Policy at the AGM.

## FINAL DIVIDEND

Shareholders are being asked to approve a final dividend of 11 pence per ordinary share for the year ended 31 December 2016. Subject to shareholder approval, it is expected that the final dividend will be paid on 12 May 2017 to all ordinary shareholders who were on the register of members on 3 March 2017.

The RSA scrip dividend scheme (the 'Scrip Dividend Scheme') will not apply to the final dividend for the year ended 31 December 2016.

## RECOMMENDATION

Your Board considers that the Resolutions to be put to the AGM are in the best interests of the Company and its shareholders as a whole and unanimously recommends that you vote in favour of them. The Directors intend to vote in favour of these Resolutions in respect of their own shareholdings.

Yours faithfully



Martin A. Scicluna,  
Chairman

# Notice of the 2017 Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting ('AGM') of RSA Insurance Group plc will be held at 200 Aldersgate, St Paul's, London EC1A 4HD on Friday, 5 May 2017 at 11.00am.

Shareholders will be asked to consider and, if thought fit, to pass the Resolutions below.

## RESOLUTIONS

Resolutions 1 to 18, and 21 will be proposed as ordinary resolutions, and Resolutions 19, 20 and 22 to 24 will be proposed as special resolutions.

1. To receive the Company's Annual Report and Accounts for the year ended 31 December 2016, including the strategic report and the reports of the Directors and auditor
2. To approve the Directors' Remuneration Policy as set out on pages 80 to 87 of the Directors' Remuneration Report contained within the Company's Annual Report and Accounts for the year ended 31 December 2016, to take effect from the passing of this Resolution
3. To approve the Directors' Remuneration Report (other than the part containing the Directors' Remuneration Policy) contained within the Company's Annual Report and Accounts for the year ended 31 December 2016
4. To approve a final dividend of 11 pence per ordinary share, payable on 12 May 2017 to shareholders on the register of members at close of business on 3 March 2017
5. To re-elect Martin Scicluna as a Director
6. To re-elect Stephen Hester as a Director
7. To re-elect Scott Egan as a Director
8. To re-elect Alastair Barbour as a Director
9. To re-elect Kath Cates as a Director
10. To re-elect Enrico Cucchiani as a Director
11. To elect Isabel Hudson as a Director
12. To re-elect Hugh Mitchell as a Director
13. To re-elect Joseph Streppel as a Director
14. To re-elect Martin Strobel as a Director
15. To re-appoint KPMG LLP as the Company's auditor until the conclusion of the next Annual General Meeting of the Company at which accounts are laid before the meeting
16. To authorise the Directors to determine the auditor's remuneration
17. To give authority for the Group to make donations to political parties, independent election candidates and political organisations and to incur political expenditure

To resolve that, in accordance with sections 366 and 367 of the Companies Act 2006, the Company and all companies that are its subsidiaries at any time during the period for which this Resolution is effective (the 'Group') be and hereby are authorised in aggregate to:

- a. make political donations to political parties and/or independent election candidates not exceeding £100,000 in total;
- b. make political donations to political organisations other than political parties, not exceeding £100,000 in total; and
- c. incur political expenditure not exceeding £100,000 in total,

(as such terms are defined in sections 363 to 365 of the Companies Act 2006) provided that the aggregate amount of any such donations and expenditure shall not exceed £100,000 during the period beginning with the date of passing this Resolution and

expiring at the conclusion of the next AGM of the Company or at the close of business on 30 June 2018, whichever is earlier.

18. To permit the Directors to allot further shares and to grant rights to subscribe for or convert any security into shares in the Company  
To resolve that the Directors of the Company be and hereby are authorised generally and without condition, in accordance with section 551 of the Companies Act 2006, to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company:

- a. up to a nominal amount of £340,055,243 (such amount to be reduced by any allotments or grants made under paragraph (b) below in excess of such sum); and
- b. comprising equity securities (as defined in the Companies Act 2006) up to a nominal amount of £680,110,486 (such amount to be reduced by any allotments or grants made under paragraph (a) above) in connection with an offer by way of a rights issue:
  - i. to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
  - ii. to holders of other equity securities or as required by the rights of those securities as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or the requirement of any regulatory body or stock exchange or any other matter,

such authorities to apply until the conclusion of the next AGM of the Company or until the close of business on 30 June 2018, whichever is earlier, but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the Directors may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

19. General authority to disapply pre-emption rights

To resolve that, if Resolution 18 is passed, the Directors of the Company be and hereby are authorised to allot equity securities (as defined in the Companies Act 2006) for cash under the authority given by that Resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such authority to be limited:

- a. to the allotment of equity securities and sale of treasury shares in connection with an offer of, or invitation to apply for, equity securities (but in the case of authority granted under paragraph (b) of Resolution 18, by way of a rights issue only):
  - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
  - (ii) to holders of other equity securities, as required by the rights of those securities, or as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or the requirement of any regulatory body or stock exchange or any other matter, and

- b. in the case of the authority granted under paragraph (a) of Resolution 18 and/or in the case of any sale of treasury shares, to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (a) above) up to a nominal amount of £51,008,286,

such authority to expire at the end of the next AGM of the Company (or, if earlier, at the close of business on 30 June 2018) but, in each case, prior to its expiry the Company may make offers and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

20. Additional authority to disapply pre-emption rights for purposes of acquisitions or capital investments

To resolve that, if Resolution 18 is passed, the Directors of the Company be and hereby are authorised in addition to any authority granted under Resolution 19 to allot equity securities (as defined in the Companies Act 2006) for cash under the authority given by that Resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such authority to be:

- a. limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £51,008,286; and
- b. used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board of the Company determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-emption Rights most recently published by the Pre-emption Group prior to the date of this Notice,

such authority to expire at the end of the next AGM of the Company (or, if earlier, at the close of business on 30 June 2018) but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

21. To give authority to allot new ordinary shares in relation to an issue of mandatory convertible securities

To resolve that, in addition to the authority granted pursuant to Resolutions 18, 19 and 20, the Directors of the Company be and hereby are authorised generally and without condition, in accordance with section 551 of the Companies Act 2006, to exercise all the powers of the Company to allot ordinary shares in the Company and to grant rights to subscribe for or to convert any security into ordinary shares in the Company:

- a. up to an aggregate nominal amount of £200 million in relation to any issue of mandatory convertible securities ("MCS") that automatically convert into or are exchanged for ordinary shares in the Company in prescribed circumstances where the Directors consider that such an issuance of MCS would be desirable in connection with, or for the purposes of, complying with or maintaining compliance with the regulatory capital requirements or targets applicable to the Company or to the Group from time to time; and
- b. subject to applicable law and regulation, at such conversion prices (or such maximum or minimum conversion price methodologies) as may be determined by the Directors of the Company from time to time.

Unless previously renewed, revoked or varied, the authority conferred by this Resolution 21 shall apply in addition to all other authorities under section 551 of the Companies Act 2006 until the conclusion of the next AGM of the Company or until the close of business on 30 June 2018, whichever is earlier, but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require ordinary shares to be allotted or rights to be granted after the authority expires and the Directors may allot ordinary shares or grant rights under any such an offer or agreement as if the authority had not expired.

22. To give authority to allot equity securities for cash under the authority given under Resolution 21

To resolve that, if Resolution 21 is passed, the Directors of the Company be and hereby are authorised to allot equity securities (as defined in the Companies Act 2006) for cash under the authority given by that Resolution, up to an aggregate nominal amount of £200 million in relation to any issue of MCS as if section 561 of the Companies Act 2006 did not apply to any such allotment.

Unless previously renewed, revoked or varied, the authority conferred by this Resolution 22 shall apply until the conclusion of the next AGM of the Company or until the close of business on 30 June 2018, whichever is earlier, but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require equity securities to be allotted after the authority expires and the Directors may allot equity securities under such an offer or agreement as if the authority conferred hereby had not expired.

23. To give authority for the Company to buy back up to 10% of issued ordinary shares

To resolve that the Company be and is hereby authorised for the purposes of section 701 of the Companies Act 2006 generally and without conditions to make one or more market purchases (as defined in section 693(4) of the Companies Act 2006) of its ordinary shares provided that:

- a. the Company may not purchase more than 102,016,572 of its ordinary shares;
- b. the Company may not pay less than the nominal value for each ordinary share purchased; and
- c. the Company may not pay more per ordinary share than the higher of:
  - i. an amount equal to 5% over the average of the middle market quotation of its ordinary shares, based on the London Stock Exchange's Daily Official List for the 5 business days before the day on which the Company agrees to buy the shares; and
  - ii. the higher of the price of the last independent trade and the highest current independent bid on the trading venues where the purchase is carried out.

This authority will expire at the conclusion of the next AGM of the Company or at the close of business on 30 June 2018, whichever is the earlier. However, the Company may enter into a contract to purchase ordinary shares which will or may be completed or executed fully or partly after this authority expires and the Company may purchase ordinary shares pursuant to any such contract as if the power had not expired.

24. To approve the notice period for general meetings

To resolve that a general meeting, other than an AGM, may be called on not less than 14 clear days' notice.

By order of the Board



Charlotte Heiss,  
Group Chief Legal Officer and Company Secretary  
17 March 2017

RSA Insurance Group plc  
Registered Office: 20 Fenchurch Street, London EC3M 3AU  
Registered in England and Wales No. 2339826

# Board of Directors

## RESOLUTION 5:

### RE-ELECTION OF MARTIN SCICLUNA AS A DIRECTOR

**Name:** MARTIN SCICLUNA  
**Role:** Chairman  
**Appointment date:** January 2013  
**Nationality:** British  
**Committees:** Chair of Group Nomination and Governance Committee, Member of Group Investment Committee

**Skills and experience:** Martin has considerable Board experience, knowledge and understanding of the financial services sector. Previous roles include Non-Executive Director and Chairman of the Audit Committee at Lloyds Banking Group plc, 34 years at Deloitte LLP, 26 years of which as Partner, Chairman of Deloitte LLP from 1995 to 2007, Director, Deloitte Touche Tohmatsu from 1999 to 2007 and membership of the Financial Services Trade and Investment Board from 2013 to 2015.

**External appointments:** Chairman of Great Portland Estates plc and Senior Independent Director and Chairman of the Audit Committee of Worldpay Group plc.

**Board Contribution:** Martin has held Board positions for over 20 years. He brings valuable experience in developing strategy and evaluating business opportunities along with an understanding of the financial services sector and how it operates. He ensures the Board operates effectively, promoting constructive engagement with shareholders and other stakeholders.

## RESOLUTION 6:

### RE-ELECTION OF STEPHEN HESTER AS A DIRECTOR

**Name:** STEPHEN HESTER  
**Role:** Group Chief Executive  
**Appointment date:** February 2014  
**Nationality:** British  
**Committees:** Member of Group Investment Committee

**Skills and experience:** Stephen was previously Chief Executive Officer of The Royal Bank of Scotland Group plc from 2008-2013, where he led the largest ever corporate restructuring and recovery programme. Prior to that he held positions as Chief Executive, British Land plc from 2004 to 2008, Chief Operating Officer, Abbey National plc and a number of senior roles at Credit Suisse First Boston in London and New York. Stephen has over 30 years' experience in financial services and FTSE 100 companies with expertise in transforming the performance of businesses.

**External appointments:** Senior Independent Director of Centrica plc.

**Board Contribution:** Stephen has over 30 years' experience in financial services and FTSE 100 companies and brings extensive leadership experience contributing towards the Company's forward looking strategy and policy. He is responsible for the executive management team, along with leading strategy and business plan development and execution for the Company and its major operating subsidiaries having regard to the requirements of shareholders and investors.

## RESOLUTION 7:

### RE-ELECTION OF SCOTT EGAN AS A DIRECTOR

**Name:** SCOTT EGAN  
**Role:** Group Chief Financial Officer  
**Appointment date:** October 2015  
**Nationality:** British  
**Committee Membership:** Member of Group Investment Committee

**Skills and experience:** Before RSA, Scott was Interim Chief Executive Officer at Towergate Insurance having previously held the post of Chief Financial Officer. Scott also held the post of Chief Financial Officer at Brit Insurance, after four years at Zurich Financial Services, as Chief Financial Officer UK, and latterly as Group Financial Controller. He has also held various senior finance roles at Norwich Union Insurance (now Aviva). Scott is a qualified accountant (ACMA) and has an MBA from Cranfield University.

**External appointments:** None.

**Board Contribution:** Scott has substantial financial services experience and understanding of the financial sector, which he brings to the Board when overseeing financial operations of the Group and setting the financial strategy.

## RESOLUTION 8:

### RE-ELECTION OF ALASTAIR BARBOUR AS A DIRECTOR

**Name:** ALASTAIR BARBOUR  
**Role:** Independent Non-Executive Director  
**Appointment date:** October 2011  
**Nationality:** British  
**Committees:** Chair of Group Audit Committee, Member of Board Risk Committee, Group Investment Committee and Group Nomination and Governance Committee

**Skills and experience:** Alastair retired from KPMG in March 2011. In the last 20 years of his 36 year career with the firm, in the UK and overseas, he led their financial services team in Scotland with a primary focus on insurance and investment management. Alastair has extensive experience in advising on accounting and financial reporting, corporate governance and management issues in the financial sector and is a Fellow of the Institute of Chartered Accountants in England and Wales.

**External appointments:** Non-Executive Director of Phoenix Group Holdings, Standard Life Private Equity Trust PLC, Liontrust Asset Management plc, CATCo Reinsurance Opportunities Fund Limited and The Bank of N.T. Butterfield & Son Limited (a company listed in Bermuda and New York).

**Board Contribution:** Alastair's extensive experience in advising on accounting and financial reporting, corporate governance and management issues in the financial sector adds value to his role on the Board. He brings in-depth knowledge and understanding of global governance, which is particularly useful in his role as Chair of the Group Audit Committee as he leads the Committee to challenge the internal control and risk management systems to mitigate financial risks.

## RESOLUTION 9:

### RE-ELECTION OF KATH CATES AS A DIRECTOR

**Name:** KATH CATES  
**Role:** Independent Non-Executive Director  
**Appointment date:** September 2013  
**Nationality:** British  
**Committees:** Chair of Board Risk Committee, Member of Group Audit Committee, and Group Nomination and Governance Committee

**Skills and experience:** Kath has over 25 years' experience in global financial services. She was previously Chief Operating Officer, Wholesale Banking for Standard Chartered Bank and spent 22 years at UBS. Kath has gained a deep knowledge of control, governance and risk management, working in emerging markets and across different sectors and cultures.

**External appointments:** Senior Independent Director of Brewin Dolphin Holdings plc, Non-Executive Director of Threadneedle Investment Services Limited and Threadneedle Asset Management Holdings Sàrl.

**Board Contribution:** Kath's broad experience within the financial sector brings an insight into the businesses in the UK and globally, adding valuable contribution to the Committees of which she is a member. Her in-depth knowledge and understanding of risk management is particularly useful in her role as Chair of the Board Risk Committee.

**RESOLUTION 10:****RE-ELECTION OF ENRICO CUCCHIANI AS A DIRECTOR**

**Name:** ENRICO CUCCHIANI  
**Role:** Independent Non-Executive Director  
**Appointment date:** December 2014  
**Nationality:** Italian  
**Committees:** Member of Group Remuneration Committee

**Skills and experience:** Enrico has over 35 years' global executive and non-executive experience across financial services including banking and insurance and a number of blue chip brands. He spent over 15 years at Allianz in a variety of international roles, including Head of Global P&C and Head of most of Europe, Latin America and Africa.

**External appointments:** Partner of Think Global Investments LLP, Non-Executive Director at Piraeus Bank SA.

**Board Contribution:** Enrico's long-standing experience in the financial and insurance sector provides the Group with innovative ways to grow the business and contributes towards the successful operation of the Board.

**RESOLUTION 12:****RE-ELECTION OF HUGH MITCHELL AS A DIRECTOR**

**Name:** HUGH MITCHELL  
**Role:** Independent Non-Executive Director  
**Appointment date:** September 2012  
**Nationality:** British  
**Committees:** Chair of Group Remuneration Committee, Member of Board Risk Committee and Group Nomination and Governance Committee

**Skills and experience:** Until 31 December 2015, Chief Human Resources and Corporate Officer of Royal Dutch Shell plc, member of the Shell Executive Committee. Formerly a Director of Shell International Limited, Shell Aircraft Limited and the Shell Foundation. Advisory roles previously held at The Centre for Advanced Human Resources at Cornell University Advisory Board, IMD Business School Advisory Board in Lausanne, an Honorary Vice-President for the CIPD (UK) and Advisory Board Member of the National College for School Leadership (England and Wales).

**External appointments:** Currently a Fellow of the National Academy of Human Resources in the USA and a Board Member of Edinburgh Business School.

**Board Contribution:** Hugh's previous roles provide him with extensive experience and the understanding of remuneration and reward systems and capabilities for his role as Chair of the Remuneration Committee and his work towards attracting and retaining new talent.

**RESOLUTION 14:****RE-ELECTION OF MARTIN STROBEL AS A DIRECTOR**

**Name:** MARTIN STROBEL  
**Role:** Independent Non-Executive Director  
**Appointment date:** May 2016  
**Nationality:** Swiss  
**Committees:** Member of Group Audit Committee, Group Remuneration Committee and Group Investment Committee

**Skills and experience:** Most recently Chief Executive Officer of Baloise Group, a position he held for seven years to 2015. He joined Baloise Group in 1999 as the Head of IT at Basler Switzerland and, within Baloise Group, was responsible for major cross-functional insurance and finance projects. From 2003-2008, he was a member of the Corporate Executive Committee with responsibility for the Corporate Division Switzerland. From 1993 to 1999, Martin performed various roles at Boston Consulting Group, Düsseldorf, advising business in the banking and the insurance sectors.

**External appointments:** None.

**Board Contribution:** Martin has over 24 years' insurance and financial services experience which provides the skillset required to be a member of the audit, remuneration and investment committees and encourages constructive challenge of matters discussed.

**RESOLUTION 11:****ELECTION OF ISABEL HUDSON AS A DIRECTOR**

**Name:** ISABEL HUDSON  
**Role:** Independent Non-Executive Director  
**Appointment date:** August 2016  
**Nationality:** British  
**Committees:** Member of Board Risk Committee and Group Remuneration Committee

**Skills and experience:** Isabel has significant experience in general insurance, both as an executive and non-executive director, along with a wealth of relevant board experience having served as committee member and committee Chairman of a number of listed companies including Standard Life plc and QBE Insurance Group Ltd, as well as The Pensions Regulator. Her previous roles include Executive Director of Prudential's UK business and Chairman of Prudential International Assurance between 2002 and 2006, Chief Executive of specialised pension buyout firm Synesis Life, Chief Financial Officer of Eureko and International Development Director for GE Insurance Holdings Limited.

**External appointments:** Chairman of National House Building Council, Non-Executive Director of BT Group plc and Non-Executive Director of Phoenix Group Holdings.

**Board Contribution:** Isabel brings wide ranging commercial, corporate finance and business development experience to the Board from the UK and internationally, especially Europe, focussed on the insurance sector, spanning life and general insurance as well as pensions. Isabel's previous experience chairing a Remuneration Committee contributes and adds value to the Company's Remuneration Committee.

**RESOLUTION 13:****RE-ELECTION OF JOSEPH STREPPTEL AS A DIRECTOR**

**Name:** JOSEPH STREPPTEL  
**Role:** Independent Non-Executive Director  
**Appointment date:** October 2011  
**Nationality:** Dutch  
**Committees:** Chair of Group Investment Committee and Member of Group Audit Committee and Group Remuneration Committee

**Skills and experience:** Joseph has a comprehensive understanding of the insurance market globally, extensive financial services expertise and a good knowledge of international and emerging markets. Previous roles include Chief Financial Officer of Aegon until 2009 and Chairman of the Monitoring Committee of the Dutch Corporate Governance Code.

**External appointments:** Vice-Chairman of Van Lanschot, a Dutch private banking and asset management firm, Director of Arq Foundation, Chairman of Duisenberg School of Finance, Chairman of the Advisory Board of the Royal Dutch Society of Actuaries, Chairman of Leaseplan Corporation and Chairman of Stichting Continuïteit Philips Lightning (Foundation Continuity Philips Lightning), a non-listed Company.

**Board Contribution:** Joseph's wide-ranging commercial and investment experience adds value to the development of strategy and how the business is run in the UK and globally.

# Explanatory notes to the Resolutions

## RESOLUTION 1 – ANNUAL REPORT AND ACCOUNTS

Under section 437 of the Companies Act 2006, the Directors are required to present the Company's annual report and accounts for the financial year ended 31 December 2016 to a general meeting.

## RESOLUTION 2 – TO APPROVE THE REMUNERATION POLICY

Under Section 439A of the Companies Act 2006, the Company is required to ask shareholders to vote on the Remuneration Policy. The Policy must be put to shareholder vote and approved at least once every three financial years, unless during that time the Policy needs to be amended. The Remuneration Policy is set out on pages 80 to 87 of the Directors' Remuneration Report contained in the Annual Report and Accounts for the financial year ended 31 December 2016. Once approved, the Company will only be able to make a remuneration payment to a current or prospective Director or a payment for loss of office to a current or past Director if that payment is either consistent with the Remuneration Policy or, if it is not consistent with the Remuneration Policy, approved by a separate shareholder resolution. The vote is binding meaning payments under the Policy cannot be made until it has been approved by shareholders and, as a result, the Policy will take effect from the passing of the Resolution.

## RESOLUTION 3 – REMUNERATION REPORT

Under section 439 of the Companies Act 2006, the Company is required to ask shareholders to vote on the Directors' Remuneration Report contained in the Annual Report and Accounts for the financial year ended 31 December 2016. The vote is advisory.

## RESOLUTION 4 – TO APPROVE A FINAL DIVIDEND

The Directors seek shareholder approval of a final dividend of 11 pence per ordinary share payable (gross of any applicable tax) on 12 May 2017 to shareholders on the register at the close of business on 3 March 2017.

## RESOLUTIONS 5 TO 14 – ELECTION AND RE-ELECTION OF DIRECTORS

In accordance with the Code, the Board believes that it is of a size appropriate to the needs of the business and that it has the appropriate balance of skills, experience, independence and knowledge to enable it and its Committees to discharge their duties and responsibilities effectively.

In accordance with the Code, all Directors are standing for election or re-election, as relevant, at the AGM this year, with the exception of Johanna Waterous, who will retire from the Board after 9 years with effect from the AGM on 5 May 2017.

Following an evaluation process, the Chairman is satisfied that each of the Directors standing for election or re-election continues to be effective and has demonstrated commitment to the role. Shareholders are therefore asked to approve the election of Isabel Hudson as a Director and the re-election of the other Directors at the AGM.

Biographical details of all the Directors standing for election or re-election are set out on pages 5 and 6 of this Notice.

All appointments are made on merit against the agreed selection criteria, and the Company remains committed to Lord Davies' recommendation on female Board representation.

## RESOLUTION 15 – AUDITOR RE-APPOINTMENT

Under section 489 of the Companies Act 2006, the Company is required to appoint an auditor at each general meeting at which accounts are laid before shareholders. The auditor will usually hold office from the conclusion of an AGM until the conclusion of the following year's AGM. KPMG have indicated their willingness to continue in office as auditor of the Company and, accordingly, Resolution 15 re-appoints KPMG as auditor of the Company.

## RESOLUTION 16 – AUDITOR REMUNERATION

Section 492 of the Companies Act 2006 requires the auditor's remuneration to be fixed by the Company's shareholders by ordinary resolution or in such manner as the Company's shareholders may by ordinary resolution determine. Resolution 16 proposes that the Directors be authorised to determine the remuneration of the auditor. In practice, and in line with the Code and the Competition and Markets Authority Order on statutory audit services, the Group Audit Committee will consider and approve the audit fees on behalf of the Board. Details of the remuneration paid to the Company's auditor for 2016 and details of how the Group Audit Committee monitors the effectiveness and independence through the non-audit services policy can be found in the 2016 Annual Report and Accounts.

## RESOLUTION 17 – POLITICAL DONATIONS

This Resolution renews the authority granted at last year's AGM for the Group to make donations to political parties, independent election candidates and political organisations and to incur political expenditure. The Group's policy currently prohibits any donations to political parties within the ordinary meaning of those words and the Directors have no intention of using this authority for that purpose and did not use it in 2016. However, it is possible that normal business activities such as funding seminars and other functions to which politicians are invited, supporting certain bodies involved in policy review and law reform, as well as making certain charitable donations may be regarded as political in nature. In accordance with section 366 of the Companies Act 2006, the Directors have decided to continue to seek shareholder authority for political donations and political expenditure in case any of the Group's normal activities are caught by the legislation. As permitted by Part 14 of the Companies Act 2006, the Resolution covers any political donations made, or political expenditure incurred, by any subsidiaries of the Company. The Companies Act 2006 covers three categories: political parties and independent election candidates, political organisations and political expenditure. The Directors have decided to retain the cap of £100,000 per category provided that authorised political donations or political expenditure do not exceed in aggregate £100,000. The authority will expire at the conclusion of the next AGM or 30 June 2018, whichever is earlier, and the Directors expect to seek to renew this authority at each AGM.

## RESOLUTION 18 – AUTHORITY TO ALLOT SHARES

This Resolution renews the authority given to the Directors at our last AGM to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company in accordance with section 551 of the Companies Act 2006:

- a) up to a nominal amount of £340,055,243 (representing 340,055,243 ordinary shares and approximately one-third of the issued ordinary share capital of the Company); and
- b) comprising equity securities (as defined in section 560(1) of the Companies Act 2006) up to an aggregate nominal amount of £680,110,486 (representing 680,110,486 ordinary shares which (in accordance with guidance issued by the Investment Association ('IA') represents approximately two-thirds of the issued share capital of the Company) (as reduced by the nominal amount of any shares issued under paragraph (a) of this Resolution) in connection with an offer by way of a rights issue:
  - i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
  - ii) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

subject to the right of the Directors to impose necessary or appropriate limitations to deal with, for example, fractional entitlements and regulatory matters.

The figures provided under paragraphs (a) and (b) are in respect of the Company's share capital as at 14 March 2017 (being the latest practicable date prior to the publication of this Notice). The authorities apply until the conclusion of the next AGM of the Company or until the close of business on 30 June 2018, whichever is earlier but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority expires and the Directors may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not expired.

The Directors have no present intention to exercise the authority sought under this Resolution.

As at the date of this Notice, no shares are held by the Company in treasury.

## **RESOLUTIONS 19 AND 20 – GENERAL AND ADDITIONAL AUTHORITY TO DISAPPLY PRE-EMPTION RIGHTS**

Section 570 of the Companies Act 2006 permits the disapplication of pre-emption rights. These Resolutions renew the authority that was given at our last AGM and relevant updates to comply with new Pre-Emption Group recommendations in relation to the disapplication of pre-emption rights. Both Resolutions 19 and 20 will be proposed as special resolutions and require 75% of the votes to be cast in favour. Unless they are given appropriate authority, Directors may allot new equity shares for cash (excluding shares issued under employees' share schemes) only if they have first been offered to existing shareholders in proportion to their holdings. There may, however, be occasions when, in order to act in the best interests of the Company, the Directors will need the flexibility to raise cash or finance business opportunities as they arise by the issue of small quantities of shares for cash in circumstances such as the acquisition of a new company or business without first offering such shares to existing shareholders.

These authorities would be limited to allotments or sales in connection with pre-emptive offers and to holders of other equity securities if required by the rights of those shares or as the Directors otherwise consider necessary, or otherwise up to an aggregate nominal amount of:

- a) pursuant to Resolution 19, £51,008,286 representing 51,008,286 ordinary shares and approximately 5% of the issued ordinary share capital of the Company as at 14 March 2017 (being the latest practicable date prior to the publication of this Notice), in any one year whether or not in connection with an acquisition or specified capital investment; and
- b) pursuant to Resolution 20, a further £51,008,286 representing 51,008,286 ordinary shares and 5% of the issued ordinary share capital of the Company as at 14 March 2017 (being the latest practicable date prior to the publication of this Notice), to be used only in connection with an acquisition or specified capital investment (within the meaning of the Pre-Emption Group's Statement of Principles) 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.

In respect of the authority referred to in (a), the Board also confirms its intention to follow the provisions of the Pre-Emption Group's Statement of Principles regarding cumulative usage of authorities within a rolling 3-year period where the Principles provide that usage in excess of 7.5% of issued ordinary share capital of the Company (excluding treasury shares) should not take place without prior consultation with shareholders, except in connection with an acquisition or specified capital investment as referred to above.

This authority will automatically expire at the conclusion of the next AGM of the Company or at the close of business on 30 June 2018, whichever is earlier.

## **RESOLUTION 21 – TO GIVE AUTHORITY TO ALLOT NEW ORDINARY SHARES IN RELATION TO AN ISSUE OF MANDATORY CONVERTIBLE SECURITIES**

Resolution 21 will, if approved, give the Directors authority to allot ordinary shares in the Company or grant rights to subscribe for, or to convert any security into, ordinary shares in the Company, in accordance with section 551 of the Companies Act 2006 up to a nominal amount of £200 million (representing 200 million ordinary shares) in connection with the issue of mandatory convertible securities ('MCS') which is, in aggregate, equivalent to approximately 19.60% of the issued ordinary share capital of the Company as at 14 March 2017 (being the latest practicable date prior to the publication of this Notice). This Resolution renews the authority given to the Directors at our last AGM.

The Directors believe it is in the best interests of the Company for the Group to have the flexibility to issue MCS from time to time and the authority sought in Resolution 21 may be used if, in the opinion of the Directors at the relevant time, such an issuance of MCS would be desirable, including in connection with, or for the purposes of, complying with or maintaining compliance with, regulatory capital requirements or targets applicable to the Company or to the Group from time to time. MCS may be one means by which the Group replaces or refinances existing regulatory capital instruments with a view to maintaining an efficient capital structure. However, the request for authority in Resolution 21 should not be taken as an indication that the Company will or will not issue any, or any given amount of, MCS.

This authority is in addition to the authority proposed in Resolution 18, which is the usual authority sought on an annual basis in line with the guidance issued by the IA. Although this authority is not contemplated by the guidance issued by the IA, it has been discussed previously with the IA.

This authority will expire at the conclusion of the next AGM or the close of business on 30 June 2018, whichever is earlier. However, the Directors may seek a similar authority in the future.

Please see the Appendix for more information on the MCS.

## **RESOLUTION 22 – TO GIVE AUTHORITY TO ALLOT EQUITY SECURITIES FOR CASH UNDER AUTHORITY GIVEN UNDER RESOLUTION 21**

Resolution 22, which will be proposed as a special resolution and requires 75% of the votes to be cast in favour, proposes that, without prejudice to any existing power, the Directors be empowered to allot equity securities (as defined in section 560 of the Companies Act 2006) up to a nominal amount of £200 million (representing 200 million ordinary shares) in relation to the issue of MCS, which is equivalent to approximately 19.60% of the issued ordinary share capital of the Company as at 14 March 2017 (being the latest practicable date prior to the publication of this Notice) as if section 561 of the Companies Act 2006, to the extent applicable, did not apply to any such allotment.

Resolution 22 would give the Company the flexibility necessary to allot equity securities pursuant to any proposal to issue MCS without the need to comply with the strict pre-emption requirements of the UK statutory regime. Together with Resolution 21, Resolution 22 is intended to provide the Directors with the flexibility to issue MCS which may convert into ordinary shares in the Company. This will allow the Company to optimise the management of its capital in the most efficient and economic way for the benefit of shareholders.

This authority will expire at the conclusion of the next AGM or the close of business on 30 June 2018, whichever is earlier. However, the Directors may seek a similar authority in the future. This Resolution renews the authority given to the Directors at our last AGM.

Conditional upon the passing of these Resolutions 21 and 22, the Directors would not expect to make use of the authorities in Resolutions 18, 19 and 20 to issue MCS. Any exercise of the authorities in Resolutions 18, 19 and 20 (if passed) would be separate from, and in addition to, the exercise of any powers under these Resolutions 21 and 22 and would also have a dilutive effect on existing shareholdings.



## **RESOLUTION 23 – TO GIVE AUTHORITY FOR THE COMPANY TO BUY BACK UP TO 10% OF ISSUED ORDINARY SHARES**

In line with IA guidelines, Resolution 23, which will be proposed as a special resolution and requires 75% of the votes to be cast in favour, renews the authority that was given at our last AGM. It allows the Company to buy back up to 102,016,572 of its issued ordinary shares on the stock market. This is equal to 10% of the Company's issued ordinary shares on 14 March 2017 (being the latest practicable date prior to publication of this Notice). You will see that the Resolution sets out the lowest and highest prices that the Company can pay for the shares. Any shares which would be bought back may either be cancelled or held in treasury.

The Directors have no present intention of exercising this authority to purchase the Company's ordinary shares but will keep the matter under review, taking into account other investment opportunities. The authority would only be exercised if and when, in the light of market conditions prevailing at the time, the Directors believe that the effect of such purchases will be in the best interests of the Company and its shareholders generally and to do so could be expected to result in an increase in earnings per share.

The total number of options and awards to subscribe for equity shares outstanding at 14 March 2017 (being the latest practicable date prior to the publication of this Notice) is approximately 21.5 million. This represents approximately 2.11% of the Company's ordinary issued share capital on the same date. If the Company bought back the maximum number of shares permitted pursuant to the existing authority given at our last AGM and the authority now being sought by this Resolution and all such shares were cancelled, the total number of options outstanding would represent approximately 2.64% of the Company's ordinary issued share capital. As at the date of this Notice, there are no outstanding warrants to subscribe for equity shares in the Company and no shares are held in treasury. This authority will automatically expire at the conclusion of the next AGM or the close of business on 30 June 2018, whichever is earlier.

## **RESOLUTION 24 – NOTICE PERIOD FOR GENERAL MEETINGS**

Resolution 24, which will be proposed as a special resolution and requires 75% of the votes to be cast in favour, renews the authority that was given at our last AGM. The notice period required by the Companies Act 2006, under section 307A for general meetings of the Company, is 21 clear days unless shareholders approve a shorter notice period, which cannot be less than 14 clear days. AGMs must always be held on at least 21 clear days' notice. The authority granted by this Resolution, if passed, will be effective until the Company's next AGM when it is intended that a similar resolution will be proposed.

The flexibility offered by this Resolution will only be used where, taking into account the circumstances, the Directors consider it is merited by the business of the meeting and is thought to be to the advantage of the Company and shareholders as a whole.

# Shareholder notes

## 1. ENTITLEMENT TO VOTE

To be entitled to attend and vote at the AGM, shareholders must be registered on the register of members of the Company at 6.30pm on Wednesday, 3 May 2017 (or, in the event of any adjournment, 6.30pm on the date which is two days before the time of the adjourned meeting excluding any non-working days). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the AGM.

## 2. VOTING AT MEETING

As at previous AGMs, voting on each Resolution will be conducted by way of a poll. This allows the votes of both shareholders who have lodged proxies and shareholders who attend the meeting to be taken into account. All the votes of those present will be counted and added to those received by proxy. If you have already voted by proxy you can still attend and vote on the day at the AGM. This vote will replace any vote previously lodged. The voting results will be released to the London Stock Exchange and published on our website at [www.rsagroup.com/agm2017](http://www.rsagroup.com/agm2017) as soon as practicably possible following the meeting.

## 3. SHAREHOLDER INFORMATION

A copy of this Notice of AGM and other information required by section 311A of the Companies Act 2006 can be found at [www.rsagroup.com/agm2017](http://www.rsagroup.com/agm2017).

## 4. RIGHT TO APPOINT A PROXY

Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy form which must be used to make such appointment and gives proxy instructions accompanies this document. Please read the instructions on the proxy form to ensure the valid appointment of your proxy or proxies. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Company's Registrar, Equiniti, using the details set out in Note 17. You can only appoint a proxy using the procedures set out in the proxy instructions.

To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at the Company's Registrar, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom or at [www.sharevote.co.uk](http://www.sharevote.co.uk), in each case no later than 11.00am on Wednesday, 3 May 2017. The return of a completed proxy form, other such instrument or any CREST proxy instruction (as described in Note 6) will not prevent a shareholder attending the AGM and voting in person if he/she wishes to do so.

Shareholders may not use any electronic address provided in either this Notice or any related documents (including the proxy form) to communicate with the Company for any purposes other than those expressly stated. Shareholders may not use any telephone number set out in this document for the purpose of lodging instructions for the 2017 AGM. Similarly, the Company's website may not be used to send documents or instructions for the AGM.

Holders of the Company's American Depository Shares evidenced by American Depository Receipts (ADRs) may exercise their votes through the Depository, JP Morgan Chase Bank N.A. who can be contacted at JP Morgan Chase Bank N.A., 4 New York Plaza, Floor 12, New York, NY1004. Attention Depository Receipts Group.

## 5. NOMINATED PERSONS

Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a 'Nominated Person') may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the

exercise of voting rights. The statement of the rights of shareholders in relation to the appointment of proxies in Note 4 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company. Nominated Persons are reminded that they should contact the registered holder of their shares (and not the Company) on matters relating to their investments in the Company.

## 6. ELECTRONIC PROXY VOTING THROUGH CREST

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. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Issuer's agent (ID RA19) by the latest time(s) for receipt of proxy appointments specified in Notes 4 to 6. 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 Application Host) from which the Issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. 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) takes(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 ([www.euroclear.com](http://www.euroclear.com)). 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 (as amended).

## 7. ELECTRONIC PROXY VOTING THROUGH THE INTERNET

We encourage you to register the appointment of a proxy or proxies electronically by logging on to the website [www.sharevote.co.uk](http://www.sharevote.co.uk). You will need your Voting ID, Task ID and Shareholder Reference Number printed on your personalised proxy form. Full details of the procedure are given on the website. If you wish to appoint more than one proxy please contact Equiniti's shareholder helpline detailed in Note 17. Alternatively, if you have registered for a Shareview portfolio, log on to your portfolio at [www.shareview.co.uk](http://www.shareview.co.uk) using your usual user ID and password. Once logged in simply click "View" on the "My Investments" page, click on the link to vote then follow the on-screen instructions. The proxy appointment and instructions must be received by Equiniti no later than 11.00am on Wednesday, 3 May 2017. You can also indicate your intention to attend the AGM on the Shareview website. Please note that any electronic communication 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 Equiniti's conditions of use set out on their website which may be read by logging on to [www.sharevote.co.uk](http://www.sharevote.co.uk) and entering the Voting ID, Task ID and Shareholder Reference Number printed on your personalised proxy form.



For easy access, follow the Quick Response Code:

## 8. CORPORATE REPRESENTATIVES

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.

## 9. JOINT HOLDERS

In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

## 10. MEMBERS' RIGHT TO HAVE A MATTER OF BUSINESS DEALT WITH AT THE MEETING

A member or members meeting the qualification criteria set out in sections 338 and 338A of the Companies Act 2006, may, subject to certain conditions, require the Company to (i) give notice of a resolution which may properly be moved and is intended to be moved at the meeting, and (ii) include in the business to be dealt with at the meeting a matter (other than a proposed resolution) which may properly be included in the business (a 'matter of business'). The conditions are that:

- the resolution or matter of business must not be defamatory of any person, frivolous or vexatious; and
- the request:
  - a) may be in hard copy form or in electronic form (see the notes to your proxy form);
  - b) must identify the resolution or matter of business by either setting it out in full or, if supporting a statement sent by another member, clearly identifying the resolution or matter of business which is being supported;
  - c) in the case of a matter of business, must be accompanied by a statement setting out the grounds for the request;
  - d) must be authenticated by the person or persons making it (see Note 6); and
  - e) must be received by the Company no later than six weeks before the meeting to which the request relates.

## 11. PUBLICATION OF WEBSITE STATEMENT

Pursuant to section 527 of the Companies Act 2006 members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to:

- a) 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 AGM; or
- b) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006.

The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor no later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

## 12. TOTAL VOTING RIGHTS

As at 14 March 2017 (being the latest practicable date prior to the publication of this Notice), the Company's issued ordinary share capital consists of 1,020,165,729 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 14 March 2017 are 1,020,165,729.

## 13. RIGHT TO ASK QUESTIONS AT THE AGM

Any shareholder attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if:

- a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
- b) the answer has already been given on a website in the form of an answer to a question; or
- c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered. Details on how to ask questions at the AGM are detailed in Note 14.

## 14. HOW TO ASK QUESTIONS AT THE AGM

We welcome shareholder questions. Please register your question at the registration desk prior to the start of the meeting.

If you are unable to attend the AGM, but have a specific question you would like to ask, please write to the Chairman at the Company's registered office address. Alternatively, you may send the Chairman an email via the Company's website at [www.rsagroup.com/agm2017](http://www.rsagroup.com/agm2017).

As this is a shareholders' meeting, we ask you to please restrict your questions to shareholder matters. If your question concerns a policy matter, representatives from our business will be available at the policyholder help desk to deal with your questions and give you further information about our products and services.

Representatives from the Company and Equiniti will be available to answer any questions you have concerning your shareholding.

## 15. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents will be available for inspection at the office of RSA Insurance Group plc, 20 Fenchurch Street, London EC3M 3AU from the date of dispatch of the Notice convening the AGM until the close of the meeting and at 200 Aldersgate, St. Paul's, London EC1A 4HD for at least 15 minutes prior to, and during, the AGM:

- copies of the Executive Directors' service contracts;
- copies of the Directors' Deeds of Indemnity; and
- copies of letters of appointment of the Non-Executive Directors.

## 16. SPECIAL REQUIREMENTS FOR SHAREHOLDERS WITH DISABILITIES

The Company is committed to providing a quality service to all its shareholders. Please let us know if, for example, you would like documentation to be provided to you in a special format. We will do our best to meet your requirements. You can also contact Equiniti using the details below to register your request. Equiniti also provides a service for those shareholders who have a text phone facility using the shareholder helpline number detailed below.

We have made arrangements to help shareholders with disabilities who attend the meeting. Please speak to security at main reception and say you are attending the RSA AGM. Additionally, an induction loop will be installed at the meeting venue.

## 17. COMPANY'S REGISTRAR

The Company has appointed Equiniti as its Registrar to manage the shareholder register, ensuring that all information held about the Company's shareholders is kept up to date, and to pay dividends.

If you require any assistance or further information please contact Equiniti using the following contact details:



**In writing to:** Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA



**By telephone:** Shareholder Helpline: 0371 384 2048  
Overseas shareholders should call +44 (0)121 415 7064.  
Lines are open from 8.30am to 5.30pm,  
Monday to Friday (excluding UK public holidays).



**Online via Equiniti's website:** [www.shareview.co.uk](http://www.shareview.co.uk)

There is a range of shareholder information online at [www.shareview.co.uk](http://www.shareview.co.uk). Shareholders can check holdings, find practical help on transferring shares or updating details, register their email address to receive shareholder information electronically and register the appointment of a proxy as detailed in Note 7 above.

# Additional information

## PROGRAMME FOR THE EVENT

<b>10.30am</b>	<b>Doors open and registration will commence</b> <b>Question registration desk opens</b> <b>Tea and Coffee available</b>
<b>11.00am</b>	<b>Annual General Meeting will commence</b>
<b>12.00pm</b> <b>approximately</b>	<b>Light lunch available</b> <b>(at the conclusion of the AGM)</b>

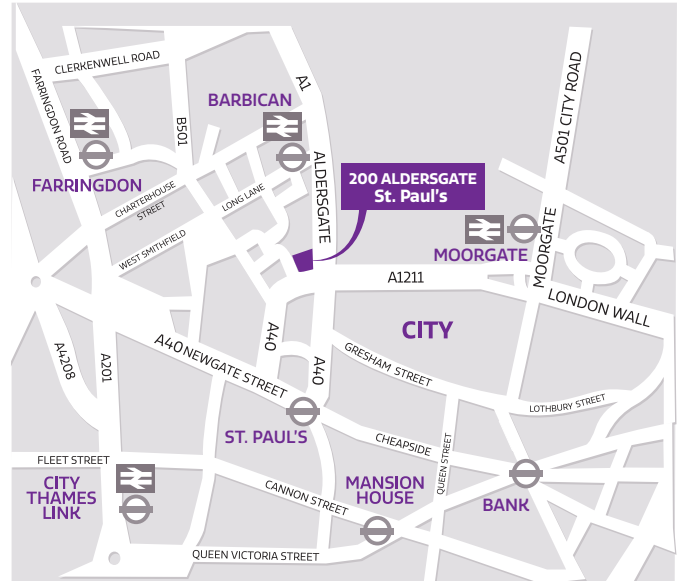
On arrival at the AGM, shareholders will be required to register their attendance. Shareholders are requested to bring their attendance card which is attached to the proxy form or an alternative form of ID that includes your full name and address. This will help us to admit you into the meeting as quickly as possible.

For your safety there will be security checks at the venue. Please avoid bringing large bags or briefcases. We do not allow cameras or recording equipment into the meeting.

## HOW TO GET TO THE ANNUAL GENERAL MEETING:

200 Aldersgate, St. Paul's, London EC1A 4HD.

The closest underground stations are St. Paul's and Barbican. The closest rail connections are Moorgate and Farringdon.



# Appendix

## Further information on Mandatory Convertible Securities ('MCS')

### **WHY IS THE COMPANY SEEKING AUTHORITIES IN CONNECTION WITH THE ISSUANCE OF MCS?**

Together with other European insurers, the Group is subject to the Solvency II regulatory framework which came into force on 1 January 2016. Under Solvency II, the Group is required to hold sufficient capital to absorb losses in periods of stress and to provide a buffer to increase resilience against unexpected losses, thereby protecting the interests of policyholders.

At least half of the Group's overall capital requirements may only be met with certain types of high quality capital (referred to as 'Tier 1 Capital'), including share capital, retained profits and, for up to 20% of Tier 1 Capital, bonds that are written-down, or, in the case of MCS, bonds that are converted into ordinary shares, in the event that the Group's capital position falls below defined levels (referred to as a 'Trigger Event').

The Group may issue MCS to satisfy part of its Tier 1 Capital requirements. Any issue of MCS would form part of the Group's overall strategy to maintain a strong capital base from which it can achieve its objectives.

Shareholder approval is being sought in Resolutions 21 and 22 to enable the issuance of MCS (and to authorise ordinary shares to be issued on conversion of MCS) to provide flexibility to the Group to maintain an appropriate and efficient capital structure under Solvency II.

### **WHAT IS A 'TRIGGER EVENT' AND WHAT WILL HAPPEN IF A TRIGGER EVENT OCCURS?**

A Trigger Event will occur if the Group determines, in consultation with the Prudential Regulatory Authority ('PRA'), that it has ceased to comply with its capital requirements under Solvency II in a significant way. This may occur if the amount of capital held by the Group falls below 75% of its capital requirements, if the Group fails to comply with its capital requirements for a continuous period of three months or more or if the Group fails to comply with other minimum capital requirements applicable to it.

If a Trigger Event occurs, any MCS issued by the Group will automatically convert into new ordinary shares in the Company.

### **WHAT STEPS CAN THE GROUP TAKE ON OR BEFORE A TRIGGER EVENT?**

If the Group's capital position were to deteriorate, a number of steps are available to the Group to improve its capital position before the occurrence of a Trigger Event. These could include reducing the Group's liabilities or raising extra share capital from investors by way of a rights issue. If the Company were, in the future, to launch a rights issue, the Company's existing ordinary shareholders would be offered the opportunity to acquire new ordinary shares in proportion to their existing shareholding.

The Group may, if permitted by law and regulation and if considered appropriate at the relevant time, issue MCS that include in their terms and conditions a mechanism through which the Group may elect to give existing ordinary shareholders the opportunity to purchase the ordinary shares issued on conversion of the MCS in proportion to their existing shareholdings in the Company (subject to legal, regulatory or practical restrictions).

### **HOW CAN THE ISSUE OF MCS PROVIDE A MORE EFFICIENT CAPITAL STRUCTURE?**

The Group can satisfy its Tier 1 Capital requirements through, among other things, the issue of ordinary shares, retention of profits and the issue of MCS.

Satisfying the Group's Tier 1 Capital requirements in part through the issue of MCS is expected to be a cost effective means of raising capital and therefore enable the Group to reduce its overall cost of capital. This is, in turn, expected to be more beneficial for existing ordinary shareholders than if the Group were to satisfy its Tier 1 Capital requirements through the issue of ordinary shares or the retention of profits alone. This is consistent with the Group's aim to deliver target returns on capital, deliver acceptable returns to ordinary shareholders and ensure that ordinary shareholders are adequately rewarded for the capital they provide.

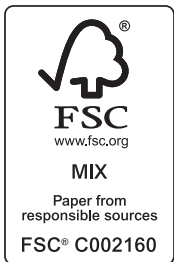
### **AT WHAT PRICE WILL MCS BE CONVERTED INTO OR EXCHANGED FOR ORDINARY SHARES?**

The terms and conditions of any MCS issued will specify a conversion price or a mechanism for setting a conversion price, which is the rate at which the MCS will be exchanged into ordinary shares in the Company.

The resolutions enable the Directors to set the specific terms and conditions of the MCS (including a conversion price or mechanism for setting a conversion price) after considering market conditions at the time of issuance.

### **HOW HAVE YOU CALCULATED THE SIZE OF THE AUTHORITIES YOU ARE SEEKING?**

These authorities are set at a level to provide sufficient flexibility to the Group to manage its capital structure efficiently in light of evolving regulatory requirements and market appetite for this form of capital instrument.



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**Important disclaimer:** This document contains 'forward-looking statements' with respect to certain of the Group's plans and its current goals and expectations relating to its future financial condition, performance, results, strategic initiatives and objectives. Generally, words such as 'may', 'could', 'will', 'expect', 'intend', 'estimate', 'anticipate', 'aim', 'outlook', 'believe', 'plan', 'seek', 'continue', 'potential' or similar expressions, identify forward-looking statements.

By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond the Group's control, including amongst other things, UK domestic, Eurozone and global economic business conditions, market-related risks such as fluctuations in interest rates and exchange rates, the policies and actions of governments, central banks and regulatory authorities (including changes related to capital and solvency requirements whether in the UK, Eurozone or globally), the impact of competition, inflation, deflation, the timing impact and other uncertainties of future acquisitions or combinations within relevant industries, as well as the impact of tax and other legislation or regulations in the jurisdictions in which the Group and its affiliates operate.

The Group's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set forth in the Group's forward-looking statements and, as a result, these forward-looking statements are not guarantees of future performance of the Group and undue reliance should not be placed on them. The Group undertakes no obligation to update any forward-looking statements, save in respect of any requirement under applicable law or regulation. Neither the content of RSA's website nor the content of any other website accessible from hyperlinks on RSA's website is incorporated into, or forms part of, this document.



