

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 immediately seek your own advice from a stockbroker, solicitor, accountant, or other professional advisor, authorised under the Financial Services and Markets Act 2000.

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



ELECTROCOMPONENTS PLC

(INCORPORATED AND REGISTERED IN ENGLAND AND WALES UNDER NUMBER 647788)

NOTICE OF ANNUAL GENERAL MEETING 2018

Notice of the Annual General Meeting (AGM) of Electrocomponents plc (the Company) to be held at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ at 10.30am on Thursday, 19 July 2018, is set out on pages 2 and 5 of this circular.

Whether or not you propose to attend the AGM, please complete and submit a form of proxy in accordance with the instructions printed on the enclosed form. The form of proxy must be received not less than 48 hours before the time of the holding of the AGM.



To the holders of ordinary shares

www.electrocomponents.com

Notice of the Annual General Meeting (AGM) 2018

Dear Shareholder,

I am pleased to invite you to the AGM of the Company which will be held at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ on Thursday, 19 July 2018 commencing at 10.30am. The formal Notice of the AGM and details of the resolutions to be put to shareholders are set out in this circular.

If you cannot attend the AGM, but wish to vote on the AGM resolutions, please fill in the proxy form sent to you with this circular and return it to our Registrars as soon as possible. They must receive it by 10.30am on Tuesday, 17 July 2018.

Annual Report and Accounts, Directors' remuneration and final dividend (Resolutions 1 – 3)

Shareholders are being asked to receive our Company's Annual Report and Accounts for the year ended 31 March 2018 (the 2018 Annual Report).

In 2016, shareholders overwhelmingly approved our Directors' remuneration policy. A summary of the policy can be found in the 2018 Annual Report on pages 66 to 69 and the full version is on the Company's website. This year, we are asking shareholders to vote on the Directors' Remuneration Report, which is set out on pages 64 to 78 of the 2018 Annual Report. This will be an advisory vote.

We are proposing a final dividend of 8.0p per ordinary share for the year. If the recommended final dividend is approved, it will be paid on 25 July 2018 to all ordinary shareholders who were on the Register of Members on 15 June 2018, the record date.

Director elections and re-elections (Resolutions 4 – 11)

All of our Directors will stand for re-election this year. The biographies of those Directors standing for election are set out on pages 48 and 49 of the 2018 Annual Report, and on pages 7 and 8 of this circular. All Directors were subject to formal performance evaluation during the period which concluded that they continue to be effective and demonstrate commitment to the role. The Board recommends their re-election.

Auditor's reappointment and remuneration (Resolutions 12 and 13)

We are asking shareholders to reappoint PricewaterhouseCoopers LLP (PwC) as our Auditor and to authorise the Directors to determine the Auditor's remuneration for the current financial year.

Authority for the Company to allot shares and disapply pre-emption rights (Resolutions 14 – 16)

The Company's existing authorities expire on 19 July 2018 and shareholders are being asked to approve new authorities. Again this year, the Board is recommending that shareholders approve standard resolutions that will align the Company with market practice. The Board continues to consider that it is not in the best interests of shareholders as a whole to seek authorities at lower limits which place the Company at a disadvantage to the majority of other listed companies. Consequently, we are requesting that shareholders authorise the Directors to allot an amount equal to two-thirds of share capital, and disapply pre-emption rights up to 10% of share capital. These authorities will be subject to renewal on an annual basis. Please see the explanatory notes on page 9 of this circular for further details.

Authority for the Company to purchase its own shares (Resolution 17)

We are requesting shareholders to authorise the Directors to make market purchases of the Company's shares of up to 10% of share capital which, if approved, will afford the Company maximum flexibility, keeping it aligned with accepted market practice. Details are set out in the explanatory notes on page 10 of this circular.

General meetings (Resolution 18)

It is a requirement that all general meetings must be held on 21 days' notice unless shareholders agree to a shorter notice period. We are again proposing a resolution at the AGM so that, if necessary, we can continue to call meetings (other than annual general meetings) on a minimum of 14 clear days' notice.

Renewal of share option scheme (Resolution 19)

The Savings Related Share Option Scheme (the SAYE) put in place 10 years ago will expire in July 2018 and we are asking shareholders to approve the renewal of the SAYE, principally on the same terms as the current SAYE. An explanation of the SAYE is set out in the explanatory notes on pages 10 and 11 of this circular.

The Directors consider that all the resolutions to be put to the AGM are in the best interests of the Company and its shareholders as a whole. Your Board intends to vote in favour of them and unanimously recommends that you do so as well.

Yours sincerely,

Peter Johnson

Chairman

Electrocomponents plc
Fifth Floor, Two Pancras Square, London N1C 4AG, United Kingdom
Registered office as above. Registered in England and Wales No: 647788

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (AGM) of Electrocomponents plc (the Company) will be held at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ on Thursday, 19 July 2018 at 10.30am to consider the business set out below.

Resolutions 1 to 14 (inclusive) and Resolution 19 are proposed as ordinary resolutions. This means that for each of these resolutions to be passed, more than half the votes cast must be in favour of the resolution.

Resolutions 15 to 18 (inclusive) are proposed as special resolutions. This means that for each of these resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Annual Report and Accounts

1. To receive the Company's accounts and the reports of the Directors and the Auditor for the year ended 31 March 2018.

Directors' Remuneration Report

2. To approve the Directors' Remuneration Report for the year ended 31 March 2018.

Declaration of dividend

3. To declare a final dividend recommended by the Directors of 8.0p per ordinary share for the year ended 31 March 2018.

Election of Directors

4. To re-elect Bertrand Bodson as a Director.
5. To re-elect Louisa Burdett as a Director.
6. To re-elect David Egan as a Director.
7. To re-elect Karen Guerra as a Director.
8. To re-elect Peter Johnson as a Director.
9. To re-elect John Pattullo as a Director.
10. To re-elect Simon Pryce as a Director.
11. To re-elect Lindsley Ruth as a Director.

Auditor's reappointment and remuneration

12. To reappoint PricewaterhouseCoopers LLP as Auditor of the Company from the conclusion of the AGM.
13. To authorise the Directors to agree the remuneration of the Auditor.

Directors' authority to allot shares

14. To authorise the Directors generally and unconditionally 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 convert any security into shares of the Company:
 - (i) up to a nominal amount of £14,747,570 (such amount to be reduced by the nominal amount allotted or granted under paragraph (ii) below);
 - (ii) comprising equity securities (as defined in section 560(1) of the 2006 Act) up to a nominal amount of £29,495,140 (such amount to be reduced by any allotments or grants made under paragraph (i) above) in connection with an offer by way of a rights issue:
 - a) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - b) to holders of other equity securities as required by the rights of those securities or, as Directors otherwise consider necessary, and so that the

Directors may impose any limits or restrictions and make any arrangements which they may 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 any other matter, such authorities to apply until the end of the next AGM or at close of business on 30 September 2019, 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 securities into shares to be granted after the authority expires and the Directors may allot shares (and sell treasury 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;

- (iii) that, subject to paragraph (iv), all existing authorities given to the Directors pursuant to section 551 of the 2006 Act be revoked by this resolution; and
- (iv) that paragraph (iii) shall be without prejudice to the continuing authority of the Directors to allot shares and to grant rights to subscribe for or convert any security into shares (or relevant securities), pursuant to an offer or agreement made by the Company before the expiry of the authority pursuant to which such offer or agreement was made.

Directors' authority to disapply pre-emption rights

15. Subject to the passing of Resolution 14 above, to authorise the Directors to allot equity securities (as defined in the 2006 Act) 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:
 - (i) to allotments for rights issues and other pre-emptive issues; and
 - (ii) to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (i) above) up to a nominal amount of £2,212,136,such authority to expire at the end of the next AGM of the Company or at the close of business on 30 September 2019 whichever is earlier, 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 Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.
16. Subject to the passing of Resolution 14 above and in addition to any authority granted under Resolution 15 above, to authorise the Directors to allot equity securities (as defined in the 2006 Act) 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:
 - (i) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £2,212,136; and

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

- (ii) 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 Directors 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 or on 30 September 2019, whichever is the earlier, 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.

Authority to purchase own shares

17. To generally and unconditionally authorise the Company for the purposes of Section 701 of the 2006 Act to make market purchases (within the meaning of Section 693 of the 2006 Act) of ordinary shares of 10p each in the Company (ordinary shares) provided that:
- (i) the maximum number of ordinary shares which may be purchased is 44,242,711, representing less than 10% of the Company's issued ordinary share capital as at 15 May 2018;
 - (ii) the maximum price which may be paid for an ordinary share is an amount equal to the higher of (i) 105% of the average of the closing price of the Company's ordinary shares taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the date of purchase and (ii) the higher of the price of the last independent trade and the highest current bid as stipulated by Regulatory Technical Standards adopted by the European Commission pursuant to Article 5(6) of the Market Abuse Regulation; the minimum price which may be paid for each ordinary share is 10p, in both cases exclusive of expenses;
 - (iii) the authority hereby conferred shall expire at the conclusion of the next AGM of the Company or on 30 September 2019, whichever is earlier, unless such authority is renewed prior to such a time; and
 - (iv) the Company may make a contract to purchase ordinary shares under the authority hereby conferred prior to the expiry of such authority, which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of ordinary shares in pursuance of such contract.

Notice period for general meetings other than AGM

18. To authorise the Directors to call a general meeting of the Company, other than an AGM, on not less than 14 clear days' notice.

Renewal of share option scheme

19. To resolve that:
- (i) the Rules of the Electrocomponents plc Savings Related Share Option Scheme (the SAYE) (the principal features of which are summarised on pages 10 and 11 of this document and a copy of which is produced to the meeting and initialled by the Chairman for the purposes of identification) be approved and the Directors be authorised to make such modifications to the SAYE as they may consider necessary to maintain the tax-advantaged status of the SAYE and to take account of best practice and to adopt the SAYE as so modified; and
 - (ii) the Directors be authorised to do all acts and things which they may consider necessary or expedient for the purposes of implementing and giving effect to the SAYE and the Directors be and are hereby authorised to establish such further schemes for the benefit of employees overseas based on the SAYE subject to such modifications as may be necessary or desirable to take account of overseas securities laws, exchange control and tax legislation provided that any ordinary shares of the Company made available under such schemes are treated as counting against any limits on individual participation or overall participation in the SAYE.

The Directors consider that the passing of each of the resolutions proposed at the AGM is in the best interests of the Company and its shareholders as a whole and recommend all shareholders to vote in favour of all the resolutions, as they intend to do in respect of their own beneficial holdings.

By Order of the Board:

Ian Haslegrave
Company Secretary
23 May 2018

NOTES

- (i) A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint one or more proxies to attend, speak and vote instead of him/her provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a member of the Company. Appointment of a proxy will not preclude a member from attending or voting at the AGM if such member subsequently wishes to do so.
- (ii) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 and Section 360B(2) of the Companies Act 2006 (the 2006 Act), the Company has specified that only those shareholders registered in the Register of Members of the Company as at 6.30pm on Tuesday, 17 July 2018 will be entitled to attend and vote at the AGM in respect of the number of shares registered in their name at that time. Changes to entries on the Register of Members after 6.30pm on Tuesday, 17 July 2018 will be disregarded in determining the rights of any person to attend and vote at the AGM.
- (iii) A form of proxy is enclosed. To be effective a form of proxy and the authority (if any) under which it is signed or a notarially certified copy of such authority must be deposited at the offices of the Company's Registrars, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA by not later than 10.30am on Tuesday, 17 July 2018.
- (iv) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM to be held on Thursday, 19 July 2018 and any adjournment(s) thereof by following 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's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy, the revocation of a proxy or an amendment to the instruction given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time(s) for receipt of proxy appointments specified in note (iii) above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The CREST Manual can be reviewed at 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.

- (v) If this Notice of the AGM is sent to you as a person nominated to receive copies of Company communications, the proxy rights described above do not apply to you. The rights described in these paragraphs only apply to shareholders. You may have a right under an agreement with the registered member holding shares on your behalf to be appointed (or have someone else appointed) as a proxy for the AGM, and you are advised to contact them.
- (vi) Shareholders should note that, under section 527 of the 2006 Act, shareholders meeting the threshold requirements 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 AGM; or (ii) any circumstance connected with an Auditor of the Company appointed for the financial year ceasing to hold office since the previous AGM at which annual accounts and reports were laid. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 (requirements as to website availability) 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 AGM for the relevant financial year includes any statement that the Company has been required under section 527 of the 2006 Act to publish on a website.

NOTES CONTINUED

- (vii) Under sections 338 and 338A of the 2006 Act, shareholders meeting the threshold requirements in those sections have the right to require the Company: (i) to give to shareholders of the Company entitled to receive notice of the meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting; and/or (ii) to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may be properly included in the business. A resolution may properly be moved or a matter may properly be included in the business unless (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with the Company's constitution or otherwise), (b) it is defamatory of any person, or (c) it is frivolous or vexatious. Such a request may be in hard copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it, must be received by the Company not later than the date six weeks before the meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.
- (viii) A member of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the AGM. In accordance with the provisions of the 2006 Act (as amended by the Companies (Shareholders' Rights) Regulations 2009), each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares. It is therefore no longer necessary to nominate a designated corporate representative.
- (ix) As at 15 May 2018, the latest practicable date prior to the printing of this Notice, the Company's total capital consisted of 442,427,117 ordinary shares with a total of 442,427,117 voting rights.
- (x) Copies of the service contracts and terms of appointment of the Directors are available for inspection during business hours at the registered office of the Company and will be available for inspection at the place of the AGM from 15 minutes prior to its commencement until its conclusion.
- (xi) Biographical details of the Directors who are proposed for re-election at the AGM are set out on pages 48 and 49 of the 2018 Annual Report and on pages 7 and 8 of this circular.
- (xii) A copy of the proposed new rules of the SAYE and a copy of the rules of the existing SAYE (Resolution 19), will be available for inspection during business hours each week at the registered office of the Company from the date of this document up to and including the date of the AGM and at the place of the AGM from 15 minutes prior to its commencement until its conclusion.
- (xiii) In accordance with section 311A of the 2006 Act, the contents of this Notice of AGM, details of the total number of shares in respect of which members are entitled to exercise voting rights at the AGM 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.electrocomponents.com.
- (xiv) Pursuant to section 319A of the 2006 Act, the Company must cause to be answered at the AGM any question relating to the business being dealt with at the AGM which is put by a member attending the meeting, except in certain circumstances, including: (i) if it is undesirable in the interests of the Company or the good order of the meeting that the question be answered; (ii) if to do so would interfere unduly with the preparation of the meeting or involve the disclosure of confidential information; or (iii) the answer has already been given on a website in the form of an answer to a question.
- (xv) You may not use any electronic address provided either in this Notice of the AGM or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.

DIRECTORS' BIOGRAPHIES

Bertrand Bodson

Independent Non-Executive Director
Joined in June 2015

External roles

Bertrand is Chief Digital Officer at Novartis International AG.

Past roles

Bertrand has held a number of senior executive positions, including Chief Digital and Marketing Officer at Sainsbury's Argos. Prior to that he had leading global responsibilities at Amazon and EMI Music and was co-founder / CEO at Bragster, which is now part of Guinness World Records.

Skills and experience

- Digital
- eCommerce
- International operations
- Product development
- Sales and marketing
- Supply chain and logistics

Committee membership

Member of the Audit, Nomination and Remuneration Committees.

Louisa Burdett

Independent Non-Executive Director
Joined in February 2017

External roles

None.

Past roles

Louisa was Chief Financial Officer at Optos plc, Chief Financial Officer at the Financial Times Group, Group Finance Director at Victrex plc and also held roles at Chep Europe, a division of Brambles Ltd, the Australian listed pallet distribution company, GE Healthcare and GlaxoSmithKline plc. Louisa has also worked as a mergers and acquisitions consultant at Charterhouse Bank and spent four years at KPMG in London.

Skills and experience

- International operations
- Manufacturing
- Mergers and acquisitions
- Digital
- Service industry
- Current financial experience

Committee membership

Chair of the Audit Committee. Member of the Nomination and Remuneration Committees.

David Egan

Group Finance Director
Joined in March 2016

External roles

None.

Past roles

David was Group Finance Director at Alent plc and he also held a variety of senior finance positions at ESAB Holdings and Hanson plc. David was also a Non-Executive Director of Tribal Group plc, and Chairman of its Audit Committee.

Skills and experience

- Leadership
- International operations
- Emerging markets
- Current financial experience
- Distribution
- Manufacturing
- Mergers and acquisitions
- Service industry

Committee membership

Chairman of the Treasury Committee.

Karen Guerra

Independent Non-Executive Director
Joined in January 2013

External roles

Karen is a director of Amcor Limited and Davide Campari-Milano S.p.A.

Past roles

Karen was a Non-Executive Director of Paysafe Group plc, Non-Executive Director at Swedish Match AB, Inchcape plc, More Group plc and Samlerhuset Group BV. She has also held senior executive positions at Colgate-Palmolive, including Managing Director and Chairman of both its UK and French businesses.

Skills and experience

- International operations
- Sales and marketing
- Manufacturing
- Service industry

Committee membership

Member of the Audit, Nomination and Remuneration Committees.

DIRECTORS' BIOGRAPHIES CONTINUED

Peter Johnson

Chairman
Joined in October 2010

External roles

Peter is Vice-Chairman of the Supervisory Board of Wienerberger AG.

Past roles

Peter was Chairman of DS Smith plc, a Non-Executive Director of SSL International plc, Chief Executive of George Wimpey plc and Chief Executive of The Rugby Group plc.

Skills and experience

- International operations
- Emerging markets
- Mergers and acquisitions
- Distribution
- Sales and marketing
- Manufacturing
- Service industry
- Chairman
- Chief Executive Officer

Committee membership

Chairman of the Nomination Committee.

John Pattullo

Senior Independent Director
Joined in January 2013

External roles

John is Chairman of V Group.

Past roles

John has been Chairman of NHS Blood and Transport, Chair of In Kind Direct, Non-Executive Chairman of Marken Group and on the Board of both GWI UK Acquisition Company Limited and CEVA Group plc. As a full-time executive, he served as Chief Executive Officer of CEVA Logistics and Chief Executive Officer of the EMEA division of Exel. He also ran the EMEA contract logistics business at DHL. He spent most of his early career working in supply chain management roles with Procter & Gamble.

Skills and experience

- International operations
- Emerging markets
- Supply chain and logistics
- Manufacturing
- Service industry
- Chief Executive Officer

Committee membership

Chairman of the Remuneration Committee.* Member of the Audit and Nomination Committees.

Simon Pryce

Independent Non-Executive Director
Joined in September 2016

External roles

Simon is CEO of Ultra Electronics Holdings plc. He is a member of the Council, Chairman of the Investment Committee and a member of the Strategy and Finance Committee of the University of Reading.

Past roles

Simon was Group Chief Executive at BBA Aviation and held a range of international finance and management roles at GKN plc, JP Morgan and Lazards in London and New York.

Skills and experience

- Strategy
- International operations
- Emerging markets
- Manufacturing
- Mergers and acquisitions
- Integration
- Strategic finance and capital markets
- Leadership
- Service industry
- Group Chief Executive

Committee membership

Chairman of the Remuneration Committee*. Member of the Audit and Nomination Committees.

Lindsley Ruth

Chief Executive Officer
Joined in April 2015

External roles

None.

Past roles

Lindsley was Executive Vice President of the Future Electronics Group of companies, the fourth largest electronics distributor in the world. He was a key member of its core leadership team. Lindsley has also held senior positions with TTI Inc and Solectron Corporation.

Skills and experience

- Management
- Leadership
- Mergers and acquisitions
- International operations
- Emerging markets
- Distribution
- Sales and marketing
- Manufacturing
- Supply chain and procurement

Committee membership

Member of the Treasury Committee.

* To take effect from the close of the AGM, as advised in the Company's announcement on 23 March 2018, Simon Pryce will take over as Chairman of the Remuneration Committee.

EXPLANATORY NOTES TO THE SPECIAL BUSINESS TO BE CONSIDERED AT THE AGM

Resolution 14: Directors' authority to allot shares

The purpose of Resolution 14 is to renew the Directors' power to allot shares.

The authority in paragraph (i) of Resolution 14 will allow the Directors to allot new shares and grant rights to subscribe for, or convert other securities into, shares up to a nominal value of £14,747,570 which is equivalent to approximately one-third of the total issued ordinary share capital of the Company as at 15 May 2018.

The authority in paragraph (ii) of Resolution 14 will allow the Directors to allot new shares and grant rights to subscribe for, or convert other securities into, shares only in connection with a rights issue up to a further nominal value of £14,747,570, which is equivalent to approximately one-third of the total issued ordinary share capital of the Company, exclusive of treasury shares, as at 15 May 2018. This is in line with the Investment Association's Share Capital Management Guidelines issued in July 2016.

At 15 May 2018, the Company did not hold any shares in treasury. There are no present plans to allot new shares other than in connection with employee share and incentive plans. The Directors consider it desirable to have flexibility to respond to market developments and to enable allotments to take place to finance business opportunities as they arise.

If the Resolution is passed, the authority will expire on the earlier of 30 September 2019 and the end of the next AGM.

Resolutions 15 and 16: Directors' authority to disapply pre-emption rights

If the Directors wish to allot new shares and other equity securities, or sell treasury shares, for cash (other than in connection with an employee share scheme) company law requires that these shares are offered first to shareholders in proportion to their existing holdings.

Parts (i) and (ii) of Resolution 15 seek shareholder approval to allot a limited number of ordinary shares or other equity securities, or sell treasury shares, for cash on a pre-emptive basis but subject to such exclusions or arrangements as the Directors may deem appropriate to deal with certain legal, regulatory or practical difficulties. For example, in a pre-emptive rights issue, there may be difficulties in relation to fractional entitlements or the issue of new shares to certain shareholders, particularly those resident in certain overseas jurisdictions.

In addition, there may be circumstances when the Directors consider it in the best interests of the Company to allot a limited number of ordinary shares or other equity securities, or sell treasury shares, for cash on a non pre-emptive basis. The Pre-Emption Group's Statement of Principles, as updated in March 2015, supports the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities and sales of treasury shares for cash representing no more than 5% of issued ordinary share capital (exclusive of treasury shares), without restriction as to the use of proceeds of those allotments.

Accordingly, the purpose of part (ii) of Resolution 15 is to authorise the Directors to allot new shares and other equity securities pursuant to the allotment authority given by Resolution 14, or sell treasury shares, for cash up to a nominal value of £2,212,136, equivalent to 5% of the total issued ordinary share capital of the Company as at 15 May 2018, without the shares first being offered to existing shareholders in proportion to their existing holdings. As at 15 May 2018, the Company did not hold any shares in treasury.

The Pre-Emption Group's Statement of Principles also supports the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities and sales of treasury shares for cash representing no more than an additional 5% of issued ordinary share capital (exclusive of treasury shares), to be used only in connection with an acquisition or specified capital investment. The Pre-Emption Group's Statement of Principles defines 'specified capital investment' as meaning one or more specific capital investment-related uses for the proceeds of an issue of equity securities, in respect of which sufficient information regarding the effect of the transaction on the Company, the assets the subject of the transaction and (where appropriate) the profits attributable to them is made available to shareholders to enable them to reach an assessment of the potential return.

Accordingly, the purpose of Resolution 16 is to authorise the Directors to allot new shares and other equity securities pursuant to the allotment authority given by Resolution 14, or sell treasury shares, for cash up to a further nominal amount of £2,212,136, equivalent to 5% of the total issued ordinary share capital of the Company as at 15 May 2018, only in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue. If the authority given in Resolution 16 is used, the Company will publish details of the placing in its next annual report.

The Board intends to adhere to the provisions in the Pre-emption Group's Statement of Principles and not to allot shares or other equity securities or sell treasury shares for cash on a non pre-emptive basis pursuant to the authority in Resolutions 15 and 16 in excess of an amount equal to 7.5% of the total issued ordinary share capital of the Company, excluding treasury shares, within a rolling three-year period, other than:

- (i) with prior consultation with shareholders; or
- (ii) in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment.

The Board has no current intention of exercising the authorities granted in Resolutions 15 and 16 but considers that they are appropriate in order to allow the Company maximum flexibility to take advantage of business opportunities as they arise.

If the Resolutions are passed the authorities will expire on the earlier of 30 September 2019 and the end of the next AGM.

EXPLANATORY NOTES TO THE SPECIAL BUSINESS TO BE CONSIDERED AT THE AGM CONTINUED

Resolution 17: Authority to purchase own shares

At the 2017 AGM, shareholders gave the Company renewed authority to make market purchases of up to approximately 10% at that time of the Company's issued ordinary share capital. As at the date of this circular, the Company has made no such purchases under this authority. Nevertheless, the Directors believe it advisable to seek renewal of an authority to make market purchases of shares at each AGM.

This resolution is proposed as a special resolution and will authorise market purchases of up to 44,242,711 ordinary shares (being approximately 10% of the issued share capital as at 15 May 2018) and the Company's exercise of this authority is subject to the stated upper and lower limits on the price payable. The Directors will only exercise this authority for the purposes of employee share schemes, or when satisfied it is in the best interests of shareholders and that any purchase will have a beneficial impact on earnings per share, having first considered other investment opportunities open to the Company. As at 15 May 2018, a maximum of 7,780,870 shares would be required to satisfy all outstanding options to subscribe for equity shares and conditional awards of shares. This represents 1.76% of the issued share capital. If this Resolution is passed and the full authority to buy back shares were used, then shares required for such purposes would represent 1.95% of the issued share capital.

Listed companies are permitted, subject to certain restrictions, to hold their own shares which they purchase in treasury for resale or transfer at a later date, rather than being obliged to cancel them. If the Company were to purchase any of its own shares pursuant to the authority referred to above, it would consider holding them as treasury stock, provided that the number does not at any time exceed 10% of the Company's issued share capital. This would provide the Company with additional flexibility in the management of its capital base. As at 15 May 2018, the Company held no ordinary shares in treasury.

Resolution 18: Notice period for general meetings other than an AGM

Under the 2006 Act, as amended, the notice period required for all general meetings of the Company is 21 days. Shareholders can, however, approve a shorter notice period for general meetings other than annual general meetings, which cannot be less than 14 clear days. Having passed a similar resolution last year, the Company is currently able to call general meetings (other than its AGM) on 14 clear days' notice and would like to preserve this ability. In order to be able to do so, shareholders must approve the renewal of this authority. Resolution 18 seeks such approval. 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. The Company will also need to meet the requirements for electronic voting under the Shareholders' Rights Directive in order to be able to call a general meeting on 14 clear days' notice.

Resolution 19: Renewal of share option scheme

This resolution seeks shareholders' authority to renew the Electrocomponents plc Savings Related Share Option Scheme (the SAYE), which is due to expire on 31 July 2018 and to restate its rules in an updated format. The SAYE will continue to be tax-advantaged in the UK and the Company will continue to operate similar schemes for the benefit of overseas employees. The principal terms of the SAYE will remain materially the same, and are set out below.

1. Eligibility

All UK employees and full-time Directors of the Company and any participating subsidiary may participate in the SAYE. However, the Directors may set a qualifying period of continuous employment (which cannot exceed five years) for eligibility. When the SAYE is operated, all eligible employees must be invited to participate. In addition, the Directors may offer participation to any other employees.

2. Savings contract

Under the SAYE, participants are granted an option over ordinary shares and must enter into a savings contract in connection with the option, to save between £5 and £500 per month by deduction from their salary (or such other sum as may be allowed by legislation). Ordinary shares can only be acquired with the amount saved (plus any interest or bonus).

3. Option price

The Directors set the option price which must not be less than 80% of the market value of an ordinary share on the business day before the date of invitation, or on the date specified in the invitation, or the average market value over the three preceding business days.

4. Exercise of options

Options can normally only be exercised for six months starting three or five years after the start of the savings contract.

Options may, however, be exercised early to the extent of the savings made, in certain circumstances. These include, for example, an employee leaving because of injury, disability, retirement, death or redundancy or where the company or business for which the participant works leaves the Group. On cessation of employment for other reasons, options will normally lapse.

5. Change of control, merger or other reorganisations

On a takeover, scheme of arrangement or certain other corporate reorganisations, options can generally be exercised early to the extent of the savings made. Alternatively, participants may be allowed to exchange their options for options over shares in the acquiring company.

6. SAYE limits

Commitments to issue new shares may not, on any day, exceed 10% of the issued ordinary share capital of the Company in issue immediately before that day when added to the total number of ordinary shares which have been allocated in the previous 10 years under the SAYE and any other employee share plan operated by the Company. This limit does not include rights to shares which have lapsed or been surrendered. The limit includes any shares transferred out of treasury but only for as long as the Investment Association requires treasury shares to be included.

7. Operation of the SAYE

The SAYE may only normally be operated within 42 days of any announcement of results to the London Stock Exchange or the lifting of any restrictions which prevented the granting of options during that period. No new options may be granted under the SAYE after the tenth anniversary of shareholder approval, or earlier if the Directors so decide.

8. Amendments to the SAYE rules

The Directors may amend the SAYE as they consider appropriate. Shareholder approval will be required to amend certain provisions to the advantage of participants. These provisions relate to: eligibility; plan limits; option price; rights attaching to the options; adjustment of options on variation in the Company's share capital; and the amendment powers.

The Directors can without shareholder approval:

- 8.1 make amendments to the SAYE to maintain UK tax-advantaged status;
- 8.2 make minor amendments to benefit the administration of the SAYE or which relate to any changes in legislation, or which will maintain favourable tax, exchange control or regulatory treatment for any participating company or any participant; and
- 8.3 adopt further plans, based on the SAYE, to take account of tax, exchange control or securities laws which apply to non-UK employees.

9. General

- 9.1 Any ordinary shares issued under the SAYE will rank equally with shares of the same class in issue on the date of allotment except in respect of rights arising by reference to a prior record date.
- 9.2 Options may be adjusted following any variation in the share capital of the Company.
- 9.3 Options granted under the SAYE are not transferable.
- 9.4 Benefits under the SAYE are not pensionable.