

The logo for Go-Ahead, featuring the word "Go-Ahead" in a blue, italicized sans-serif font. A red arrow points from the "o" in "Go" towards the "A" in "Ahead".

**Go-Ahead**

The Go-Ahead Group plc

# NOTICE OF ANNUAL GENERAL MEETING 2015

Thursday 22 October 2015 at 11:00am  
Hilton Newcastle Gateshead, Bottle  
Bank, Gateshead, NE8 2AR

A grayscale background image of a large, multi-story building with many windows. The building is slightly out of focus, creating a sense of depth. In the foreground, there is a dark, curved structure, possibly a walkway or part of a bridge, with the text "We're part of the Go-Ahead Group" visible on it.

We're part of the  
**Go-Ahead**  
Group

# THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the action you should take, you should consult your stockbroker, solicitor, accountant or independent professional adviser authorised under the Financial Services and Markets Act 2000.

If you have recently sold or transferred all of your shares in The Go-Ahead Group plc, please forward this document, together with the accompanying Form of Proxy, to the purchaser or transferee or to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This document is also available at [www.go-ahead.com](http://www.go-ahead.com).

## REGISTERED OFFICE

The Go-Ahead Group plc  
3rd Floor  
41-51 Grey Street  
Newcastle upon Tyne  
NE1 6EE

Registered in England & Wales  
with company no. 2100855

## DIRECTORS

**Andrew Allner**, Chairman

**Katherine Innes Ker**, Senior Independent Director

**Nick Horler**, Non-Executive Director

**Adrian Ewer**, Non-Executive Director

**David Brown**, Group Chief Executive

**Keith Down**, Group Finance Director

**Carolyn Ferguson**, Group Company Secretary

# THE GO-AHEAD GROUP PLC



“The directors unanimously recommend that you vote in favour of the resolutions as, where applicable, they intend to do in respect of their own holdings.”

## DEAR SHAREHOLDER

I have pleasure in inviting you to our twenty-eighth Annual General Meeting (the “AGM”) of The Go-Ahead Group plc (the “Group”), to be held at the Hilton Newcastle Gateshead, Bottle Bank, Gateshead, NE8 2AR on Thursday 22 October 2015 at 11:00am.

The formal notice of meeting and the resolutions to be proposed are set out on page 2 of this document. Resolutions 1-15 are proposed as ordinary resolutions, while resolutions 16-18 will be proposed as special resolutions. Explanatory notes on all the proposed resolutions can be found on pages 4 and 5 of this document.

### ACTION TO BE TAKEN

I would encourage you to use your vote either by attending the meeting in person or by completing and returning the enclosed Form of Proxy. Forms of Proxy should reach the Group’s registrar, Equiniti, as soon as possible to the address stated below and, in any event, no later than 11:00am on Tuesday 20 October 2015. Alternatively, you may wish to take advantage of our registrar’s secure online voting service (using the identification numbers stated on the enclosed Form of Proxy) which is available at [www.sharevote.co.uk](http://www.sharevote.co.uk). To be effective, this online process must be completed no later than 11:00am on Tuesday 20 October 2015. Registering your vote, either electronically or by returning a completed Form of Proxy, does not prevent you from attending and voting in person at the meeting.

The Annual Report, and a copy of this Notice of AGM, can be viewed on the Group’s website at [www.go-ahead.com](http://www.go-ahead.com). If you elected to receive shareholder correspondence in hard copy form, then a copy of the Annual Report will accompany this circular. Should you wish to change your communications election at any time, you can do so by contacting Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. If you would like to register for e-communications, simply visit [www.shareview.co.uk](http://www.shareview.co.uk).

### RECOMMENDATION

Your Board considers each of the proposed resolutions contained in the Notice of AGM to be in the best interests of the Group and its shareholders as a whole. Accordingly, the directors unanimously recommend that you vote in favour of the resolutions as, where applicable, they intend to do so in respect of their own holdings.

Thank you for your continuing support of The Go-Ahead Group plc. I look forward to meeting those shareholders who are able to attend the AGM on 22 October 2015.



**Andrew Allner,**  
Chairman

22 September 2015

# NOTICE OF AGM

Notice is hereby given that the twenty-eighth Annual General Meeting ("AGM") of The Go-Ahead Group plc (the "Group") will be held at the Hilton Newcastle Gateshead, Bottle Bank, Gateshead, NE8 2AR on Thursday 22 October 2015 at 11:00am for the purpose of considering and, if thought fit, passing the following resolutions. Resolutions 1 to 15 (inclusive) will be proposed as ordinary resolutions and resolutions 16 to 18 (inclusive) will be proposed as special resolutions.

## ORDINARY RESOLUTIONS

### REPORT AND ACCOUNTS

1. To receive the audited accounts for the financial year ended 27 June 2015, together with the strategic report, directors' report and auditors' report on those accounts.

### DIRECTORS' REMUNERATION POLICY

2. To receive and approve the directors' remuneration policy contained in the directors' remuneration report for the year ended 27 June 2015.

### DIRECTORS' REMUNERATION REPORT

3. To receive and approve the annual statement by the Chair of the remuneration committee and the directors' remuneration report for the year ended 27 June 2015.

### DIVIDEND

4. To declare, as recommended by the directors, a final dividend of 63.4p per share in respect of the ordinary shares in the Group payable on 13 November 2015 to all ordinary shareholders on the register at the close of business on 30 October 2015.

### DIRECTORS

5. To re-elect Andrew Allner as a non-executive director.
6. To re-elect Katherine Innes Ker as a non-executive director.
7. To re-elect Nick Horler as a non-executive director.
8. To re-elect Adrian Ewer as a non-executive director.
9. To re-elect David Brown as an executive director.
10. To re-elect Keith Down as an executive director.

### AUDITOR

11. To confirm the appointment of Deloitte LLP as auditor of the Group to hold office from the conclusion of the AGM 2015 until conclusion of the AGM of the Group to be held in 2016.
12. To authorise the audit committee to determine the remuneration of Deloitte LLP.

## AUTHORITY TO MAKE POLITICAL DONATIONS

13. To authorise the Group and all companies that are its subsidiaries at any time during the period for which the resolution is effective, in accordance with sections 366 and 367 of the Companies Act 2006 (the Act) to:
  - (i) make political donations to political parties and/or to independent election candidates;
  - (ii) make political donations to political organisations (other than political parties); and
  - (iii) incur political expenditure;in a total aggregate amount not exceeding £75,000 during the period beginning with the date of the passing of this resolution and ending at the conclusion of the Group's next AGM to be held in 2016 or 22 December 2016, whichever is earlier. For the purposes of this resolution 'political donation', 'political parties', 'independent election candidates', 'political organisation' and 'political expenditure' have the meanings set out in sections 363 to 365 of the Act.

## AUTHORITY TO ALLOT SHARES

14. That, in accordance with section 551 of the Act, the directors be generally and unconditionally authorised to allot Relevant Securities (as defined in the notes to this resolution):
  - (i) comprising equity securities (as defined by section 560 of the Act) up to an aggregate nominal amount of £2,866,941 (such amount to be reduced by the nominal amount of any Relevant Securities allotted pursuant to the authority in paragraph (ii) below) in connection with an offer by way of a rights issue:
    - (a) to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
    - (b) to holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary,but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and
  - (ii) in any other case, up to an aggregate nominal amount of £1,433,471 (such amount to be reduced by the nominal amount of any equity securities allotted pursuant to the authority in paragraph (i) above in excess of such sum,

provided that this authority shall, unless renewed, varied or revoked by the Group, expire at the conclusion of the Group's next AGM to be held in 2016 or 22 December 2016, whichever is earlier; save that the Group may, before such expiry, make offers or agreements which would or might require Relevant Securities to be allotted and the directors may allot Relevant Securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This resolution revokes and replaces all unexercised authorities previously granted to the directors to allot Relevant Securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

## THE GO-AHEAD GROUP PLC 2015 LONG TERM INCENTIVE PLAN

15. That the rules of the "LTIP 2015" produced in draft to this meeting and, for the purposes of identification, initialled by the Chairman, be approved and the directors be authorised to:
- (a) make such modifications to the LTIP 2015 as they may consider appropriate to take account of best practice and for the implementation of the LTIP 2015 and to adopt the LTIP 2015 as so modified and to do all such other acts and things as they may consider appropriate to implement the Plan; and
  - (b) establish further plans based on the LTIP 2015 but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against the limits on individual or overall participation in the LTIP 2015.

## SPECIAL RESOLUTIONS

### DISAPPLICATION OF PRE-EMPTION RIGHTS

16. That, subject to the passing of resolution 14, the directors be given the general power to allot equity securities (as defined by section 560 of the Act) for cash, either pursuant to the authority conferred by resolution 14 or by way of a sale of treasury shares, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:
- (i) the allotment of equity securities in connection with an offer of equity securities (but, in the case of the authority granted under resolution 14(i) above, by way of a rights issue only):
    - (a) to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
    - (b) to holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and
  - (ii) the allotment (otherwise than pursuant to paragraph 16(i) above) of equity securities up to an aggregate nominal amount of £215,021 (being 5% of the issued share capital of the Group on 11 September 2015).

The power granted by this resolution, unless renewed, varied or revoked by the Group, will expire at the conclusion of the Group's next AGM to be held in 2016 or 22 December 2016, whichever is earlier, save that the Group may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

This resolution revokes and replaces all unexercised powers previously granted to the directors to allot equity securities as if section 561(1) of the Act did not apply but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities.

## PURCHASE OF OWN SHARES

17. That the Group be generally and unconditionally authorised for the purposes of 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 10p each provided that:
- (i) the maximum aggregate number of ordinary shares that may be purchased is 4,300,412;
  - (ii) the minimum price (excluding expenses) which may be paid for each ordinary share is 10p;
  - (iii) the maximum price (excluding expenses) which may be paid for each ordinary share is the higher of (a) 105% of the average market value of an ordinary share in the Group for the five business days prior to the day the purchase is made; and (b) 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.

The authority conferred by this resolution shall expire at the conclusion of the Group's next AGM to be held in 2016 or 22 December 2016, whichever is earlier; save that the Group may, before the expiry of the authority granted by this resolution, enter into a contract to purchase ordinary shares which will or may be executed wholly or partly after the expiry of such authority.

## GENERAL MEETINGS

18. That a general meeting of the Group, other than an AGM, may be called on no fewer than 14 clear days notice.

By order of the Board



Carolyn Ferguson,  
Group Company Secretary  
22 September 2015

### REGISTERED OFFICE

The Go-Ahead Group plc  
3rd Floor  
41-51 Grey Street  
Newcastle upon Tyne  
NE1 6EE

Registered in England & Wales  
with company no. 2100855

# EXPLANATORY NOTES TO THE RESOLUTIONS

Resolutions 1 to 15 (inclusive) will be proposed as ordinary resolutions and resolutions 16 to 18 (inclusive) will be proposed as special resolutions. Ordinary resolutions require more than half of the votes cast to be in favour of the resolution in order for the resolution to be passed. To pass special resolutions, three quarters or more of the votes cast must be in favour.

## RESOLUTION 1 – FINANCIAL STATEMENTS, DIRECTORS' REPORT AND AUDITORS' REPORT

The directors are required to present the annual accounts, strategic report, directors' report and the auditors' report on the accounts to the meeting. The full annual report and accounts (the "annual report") may be viewed at [www.go-ahead.com](http://www.go-ahead.com) or a copy may be requested by writing to the Group Company Secretary at The Go-Ahead Group plc, 3rd Floor, 41-51 Grey Street, Newcastle upon Tyne, NE1 6EE.

## RESOLUTION 2 – DIRECTORS' REMUNERATION POLICY

The Group proposes an ordinary resolution to approve the directors' remuneration policy contained in the directors' remuneration report as set out on pages 72 to 76 of the annual report.

Following the expiry of the Long Term Incentive Plan 2005 ("LTIP") and in connection with the recent strategic review, the remuneration committee is proposing to amend the current directors' remuneration policy (which was approved at the 2014 AGM) to ensure that the executive directors are appropriately incentivised to deliver the Group's long term strategy and that corporate governance principles and best practice are complied with.

In particular, it is proposed that the policy be amended in respect of the Group's LTIP to (i) provide flexibility to structure awards as conditional awards of free shares and/or as nil or nominal cost options; (ii) introduce new performance metrics; (iii) introduce recovery and withholding provisions; and (iv) increase the maximum individual opportunity.

Currently, executive directors may be granted annual awards under the Group's LTIP in the form of nil cost options. In order to provide flexibility going forward, it is proposed that the policy be amended such that awards may be structured as nil or nominal cost options or conditional awards of free shares (known as "performance shares").

Following a review of the performance metrics it is proposed that the policy be amended such that at least 30% of an award granted under the Group's LTIP shall be subject to a compound annual growth in earnings per share target, and at least 30% of the remaining part of an award shall be subject to a relative total shareholder return target.

In line with current best practice, it is proposed that the policy be amended such that going forward awards granted under the Group's LTIP shall be subject to recovery and withholding provisions.

Currently the value of shares awarded to an executive director in any financial year under the Group's LTIP cannot exceed 100% of base salary. Following consultation with major investors, it is proposed that the maximum long term opportunity be increased to 150% of base salary in respect of the Group Chief Executive and remain at 100% of base salary in respect of other executive directors, with the ability in both cases to increase the individual limit to 200% of base salary in exceptional circumstances.

Once approved by shareholders, this policy will be binding upon the Group from the date of the 2015 AGM, and the directors will only be able to make remuneration payments in accordance with the approved policy. Payments will continue to be made to directors and former directors in line with the existing remuneration policy approved by shareholders on 24 October 2014 until the date of the 2015 AGM.

If the remuneration policy is approved at the 2015 AGM and remains unchanged, it will be valid for up to three years without new shareholder approval being required. However, if the Group wished to change the remuneration policy, it would need to put the revised policy to a shareholder vote again, before it could implement that new policy.

## RESOLUTION 3 – DIRECTORS' REMUNERATION REPORT

This resolution is an ordinary resolution to approve the directors' remuneration report which is set out on pages 70 to 85 of the annual report, other than the part containing the directors' remuneration policy which is set out on pages 72

to 76. The vote on this resolution is advisory only and the directors' entitlement to remuneration is not conditional on its being passed.

## RESOLUTION 4 – FINAL DIVIDEND

The directors recommend a final dividend of 63.4p per share for the financial year ended 27 June 2015. The final dividend cannot exceed the amount recommended by the directors. If approved by shareholders, the final dividend will be paid on 13 November 2015 to those ordinary shareholders on the register of members as at close of business on 30 October 2015.

## RESOLUTIONS 5-10 – RE-ELECTION OF DIRECTORS

Pursuant to the UK Corporate Governance Code and the Group's Articles of Association, all directors retire each year at the AGM. At this year's AGM, Andrew Allner, Katherine Innes Ker, Nick Horler, Adrian Ewer, David Brown and Keith Down will all stand for re-election.

Separate resolutions will be proposed in respect of each director's re-election and full biographical details can be found on pages 54 and 55 of the annual report.

## RESOLUTIONS 11 AND 12 – AUDITOR

The appointment of Ernst & Young as auditor ceases at the 2015 AGM. In accordance with good governance, the audit committee has undertaken a formal audit tender process in which a number of firms were invited to tender for the audit of the Group. The conclusion of the audit committee at the end of the process was to recommend to the Board the appointment of Deloitte LLP as auditor to the Group to replace Ernst & Young LLP. The Board has approved the recommendation of the audit committee and is now, as an ordinary resolution, recommending to the shareholders the appointment of Deloitte LLP as auditor to the Group.

Resolution 12 seeks authority for the audit committee to determine the auditor's remuneration.

## RESOLUTION 13 – AUTHORITY TO MAKE POLITICAL DONATIONS

It is the Group's policy not to make any donations to, or incur expenditure on behalf of, political parties, other political organisations or independent election candidates and the Board does not intend to change this policy. However, the Act contains restrictions on companies making political donations and incurring political expenditure and it defines these terms very widely.

The wide definitions of 'political donation' and 'political expenditure' in the Act potentially cover activities which form part of the normal relationships between the Group and bodies concerned with policy review, law reform and other business matters. Such activities may include advertising, sponsorship or attendance at events organised by political parties, or the hiring of stands and exhibition space at national and regional political conferences. Such activities, which it is in the shareholders' interests for the Group to conduct, are not designed to support a particular political party, other political organisation or independent election candidate.

In accordance with the Group's policy not to make political donations, no such payments were made in the year by the Group or its subsidiaries. Additionally, neither the Group nor its subsidiaries incurred any political expenditure.

The Board proposes resolution 13, to give the Group the necessary authority for carrying out activities covered by the Act's definitions, where these are in furtherance of the Group's legitimate business interests, without committing an inadvertent or technical infringement of the Act that could arise from the uncertainty caused by the wide definitions contained within the Act. The authority will lapse at the conclusion of the Group's next AGM to be held in 2016 or 22 December 2016, whichever is earlier, and will be limited to an aggregate maximum amount of £75,000.

## RESOLUTION 14 – AUTHORITY TO ALLOT SHARES

This resolution deals with the directors' authority to allot Relevant Securities in accordance with section 551 of the Act. This resolution complies with the new Investment Association ("IA") guidelines and will, if passed, authorise the directors to allot:

- in relation to a pre-emptive rights issue only, equity securities (as defined by section 560 of the Act) up to a maximum nominal amount of £2,866,941 which represents approximately two-thirds of the Group's issued ordinary shares (excluding treasury shares) as at 11 September 2015 (this being the



latest practical date prior to the publication of this Notice of Meeting).

This maximum is reduced by the nominal amount of any Relevant Securities allotted under the authority set out in paragraph 14(ii); and

- in any other case, Relevant Securities up to a maximum nominal amount of £1,433,471 which represents approximately one-third of the Group's issued ordinary shares (excluding treasury shares) as at 11 September 2015 (this being the latest practical date prior to the publication of this Notice of Meeting). This maximum is reduced by the nominal amount of any equity securities allotted under the authority set out paragraph 14(i) in excess of £1,433,471.

Therefore, the maximum nominal amount of Relevant Securities (including equity securities) which may be allotted under this resolution is £2,866,941.

As at close of business on 11 September 2015 (this being the latest practical date prior to the publication of this Notice of Meeting), the Group held 3,902,230 ordinary shares in treasury which represents approximately 9.07% of the Group's issued ordinary shares (excluding treasury shares) at that time.

The authority granted by this resolution will expire at the conclusion of the Group's next AGM to be held in 2016 or 22 December 2016, whichever is earlier.

The directors have no present intention to exercise this authority. However, if they do exercise the authority conferred by resolution 14(i), the directors intend to follow the new IA guidelines in relation to the exercise of such authorities which will only be used for 'fully pre-emptive rights issues' and so will not apply to open offers and will not apply to resolution 16 below.

In this resolution, Relevant Securities means:

- shares in the Group, other than shares allotted pursuant to:
  - an employee share scheme (as defined in section 1166 of the Act);
  - a right to subscribe for shares in the Group where the grant of the right itself constituted a Relevant Security; or
  - a right to convert securities into shares in the Group where the grant of the right itself constituted a Relevant Security; and
- any right to subscribe for or to convert any security into shares in the Group other than rights to subscribe for or convert any security into shares allotted pursuant to an employee share scheme (as defined in section 1166 of the Act). References to the allotment of Relevant Securities in this resolution include the grant of such rights.

## RESOLUTION 15 – THE GO-AHEAD GROUP PLC 2015 LONG TERM INCENTIVE PLAN (THE "LTIP 2015")

The Board is seeking shareholders' approval for the LTIP 2015 which will be proposed as an ordinary resolution.

The Group's LTIP was introduced in 2005 and expires in September 2015. The remuneration committee believes that it continues to be appropriate and in line with the Group's strategy to operate a plan of this kind. It is the intention of the remuneration committee to apply performance conditions to awards which are similar to those used in the current LTIP, designed to align the awards with the delivery of Group strategy and the creation of shareholder value. While the basic structure of the new LTIP 2015 is fundamentally the same as the expiring plan, the remuneration committee has taken the opportunity to bring it into line with current best practice by:

- including malus and clawback provisions to give the remuneration committee powers to reduce or claim back awards in specified circumstances; and
- giving the remuneration committee a discretion to set a holding period requiring that vested awards are not sold for a specified period. The remuneration committee's current intention is that the holding period will be two years following the three year performance period.

In developing the LTIP 2015, the remuneration committee has taken into account views expressed by the Group's shareholders.

A summary of the principal terms of the proposed LTIP 2015 is set out in the appendix to the Notice of the AGM. A copy of the LTIP 2015 rules will be available for inspection at the registered office of the Group from the date of this Notice until the close of the AGM and at the Hilton Newcastle Gateshead, Bottle Bank, Gateshead, NE8 2AR for at least 15 minutes before and until the conclusion of the AGM.

## RESOLUTION 16 – DISAPPLICATION OF PRE-EMPTION RIGHTS

This resolution will, if passed, give the directors power, pursuant to the authority to allot granted by resolution 14, to allot equity securities (as defined by section 560 of the Act) or sell treasury shares for cash without first offering them to existing shareholders in proportion to their existing holdings:

- in relation to pre-emptive offers and offers to holders of other equity securities if required by the rights of those securities or as the directors otherwise consider necessary, up to a maximum nominal amount of £1,433,471 which represents approximately one-third and, in relation to rights issues only, up to a maximum additional amount of £1,433,471 which represents approximately one-third, of the Group's issued ordinary shares (excluding treasury shares) as at 11 September 2015 (this being the latest practical date prior to the publication of this Notice of Meeting);
- in any other case, up to a maximum nominal amount of £215,021 which represents approximately 5% of the Group's issued ordinary shares (excluding treasury shares) as at 11 September 2015 (this being the latest practical date prior to the publication of this Notice of Meeting). In compliance with the guidelines issued by the Pre-emption Group, the directors, will ensure that, other than in relation to a rights issue, no more than 7.5% of the issued ordinary shares (excluding treasury shares) will be allotted for cash on a non pre-emptive basis over a rolling three year period unless shareholders have been notified and consulted in advance.

This resolution complies with the provisions in the Pre-Emption Group's Statement of Principles, as updated in March 2015. The power granted by this resolution will expire at the conclusion of the Group's next AGM to be held in 2016 or 22 December 2016, whichever is earlier. The directors have no present intention to exercise this authority.

This resolution revokes and replaces all unexercised powers previously granted to the directors to allot equity securities as if section 561(1) of the Act did not apply but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities.

## RESOLUTION 17 – PURCHASE OF OWN SHARES

Resolution 17 gives the Group authorisation to use its available cash resources to acquire up to 10% of its issued ordinary shares (excluding any treasury shares) in the market for either cancellation or to hold as treasury shares. This resolution renews a similar authority given at the last AGM and is an authority granted by its shareholders under Section 701 of the Act. The Board does not currently intend to exercise this authority during the year ahead. However, should it do so, it will only be after careful consideration, taking into account market conditions prevailing at the time, other investment opportunities, appropriate gearing levels, the overall position of the Group, the effects on earnings per share and the benefits for shareholders. Any purchases of ordinary shares would be by means of market purchases through the London Stock Exchange.

This authority (unless otherwise varied, revoked or renewed), will expire at the conclusion of the Group's next AGM to be held in 2016 or 22 December 2016, whichever is earlier. The extent of the authority sought is calculated in accordance with good corporate governance practice. As at 11 September 2015, there were no options to subscribe for shares outstanding.

## RESOLUTION 18 – GENERAL MEETINGS

The Act, as amended by the Companies (Shareholders' Rights) Regulations 2009, requires the Group to give at least 21 clear days notice for a general meeting of the Group unless shareholders approve a shorter notice period, which cannot, however, be fewer than 14 clear days. AGMs must continue to be held on at least 21 clear days notice. Resolution 18, which will be proposed as a special resolution, seeks shareholder approval to preserve the ability of the Group to call general meetings, other than the AGMs, on at least 14 clear days notice. The approval will be effective until the Group's next AGM, when it is intended that a similar resolution will be proposed. This shorter notice period would not be used as a matter of routine, but only when the flexibility is merited by the business of the meeting.

**Your directors are recommending that shareholders vote FOR Resolutions 1 to 18 (inclusive) as, where applicable, they intend to do in respect of their own beneficial holdings.**

# GENERAL NOTES

## ENTITLEMENT TO ATTEND AND VOTE

Only those shareholders registered on the register of members of The Go-Ahead Group plc (the "Group") at:

- 6 pm on Tuesday 20 October 2015; or
- if this AGM is adjourned, at 6 pm on the day two days prior to the adjourned meeting.

shall be entitled to attend and vote at the AGM.

## VOTING AT THE AGM

Each shareholder entitled to attend the AGM as above, and each proxy appointed in accordance with the below instructions has one vote for each resolution voted on by a show of hands (except in the circumstance where a proxy has been appointed by more than one member in which case he or she will have one vote for and one vote against if he or she has been instructed by one or more members to vote for the resolution and by one or more members to vote against) and, on a poll, one vote for each share held in the capital of the Group. The number of shares a shareholder holds as at the above register deadline will determine how many votes a shareholder or his/her proxy or proxies will have in the event of a poll. Under Section 324A of the Act a proxy must vote in accordance with any instructions given by the member by whom they are appointed.

## WEBSITE GIVING INFORMATION REGARDING THE AGM

Information regarding the AGM, including information required by section 311A of the Act, and a copy of this Notice of AGM are available from [www.go-ahead.com](http://www.go-ahead.com).

## APPOINTMENT OF PROXIES

A shareholder who is entitled to attend, speak and vote at the AGM is entitled to appoint one or more people (called proxies) to attend, speak and vote on their behalf. 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 them. A proxy need not be a member of the Group.

Members may appoint one or more proxies:

1. by completing the Form of Proxy enclosed. If you do not have a Form of Proxy and believe that you should have one, or if you require additional forms, please contact the Group's registrar, Equiniti, to request additional Forms of Proxy. To be effective this must be signed by the member or, in the case of joint holders, by the first named on the register of members, and deposited with the Group's registrar, Equiniti, at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, no later than 11:00am on Tuesday 20 October 2015 (or, in the event of any adjournments, so as to arrive no later than 48 hours before the time appointed for the AGM), together with, if applicable, the power of attorney or other authority under which it is signed;
2. electronically via our registrar's website, [www.sharevote.co.uk](http://www.sharevote.co.uk), using the unique voting ID, task ID and unique shareholder reference number as stated on the enclosed Form of Proxy. To be effective, this online process must be completed no later than 11:00am on Tuesday 20 October 2015.

Completion and return of the Form of Proxy, or completion of the online voting process, will not preclude shareholders from attending and voting in person.

## CREST MEMBERS

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 22 October 2015 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 instructions, as described in the CREST Manual (available at [www.euroclear.com](http://www.euroclear.com)). The message, regardless of whether it constitutes the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time(s) for receipt of proxy appointments specified in the Notice of AGM. 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 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 or her CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this regard, 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 Group may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) of the Uncertificated Securities Regulations 2001.

## NOMINATED PERSONS

A copy of this Notice has been sent for information only to persons who have been nominated by a shareholder (each, a "Nominated Person") to enjoy information rights under section 146 of the Act. The rights to appoint a proxy cannot be exercised by a Nominated Person: they can only be exercised by the shareholder. However a Nominated Person may have a right under an agreement between him or her and the shareholder by whom he was nominated to be appointed as a proxy for the AGM or to have someone else so appointed. If a Nominated Person does not have such a right or does not wish to exercise it, he or she may have a right under such agreement to give instructions to the shareholder as to the exercise of voting rights.



## POWER OF ATTORNEY

If you have given a power of attorney over your shares, you must ensure that the power of attorney (or a notarially certified copy of such authority) has been deposited with the Group's registrars, Equiniti at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, by 6pm on Tuesday 20 October 2015 (or, in the event of any adjournment of the Meeting, by 6pm on the date which is two days before the time of the adjourned Meeting). Persons voting under a power of attorney must do so by using the hard copy Form of Proxy.

## AUDIT CONCERNS

Under Section 527 of the Act, members meeting the thresholds set out in that section have the right to require the Group to publish on its website a statement setting out matters relating to: (i) the audit of the Group'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 Group ceasing to hold office since the previous meeting at which the annual report and accounts were laid in accordance with Section 437 of the Act. The Group may not require the shareholders requesting any such website publication to pay its expenses. Where the Group is required to place a statement on its website under Section 527 of the Act, it must forward the statement to the Group'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 Group has been required under Section 527 of the Act to publish on its website.

## VOTING RIGHTS

As at 11 September 2015 (this being the latest practicable date prior to the publication of this Notice) the Group's issued share capital comprised 46,906,351 ordinary shares of 10p each. The Group holds 3,902,230 of its ordinary shares in treasury. Therefore, the total number of voting rights in the Group as at 11 September 2015 was 43,004,121. Each ordinary share carries the right to one vote at a general meeting of the Group. The number of shares in issue and, therefore, the total number of voting rights in the Group at the time of the AGM may differ from this.

## CORPORATE REPRESENTATIVES

A member of the Group, who 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 Act, 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 Group, provided that they do not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative.

## DOCUMENTS AVAILABLE FOR INSPECTION

The following documents will be available for inspection during usual business hours on any weekday (Saturdays, Sundays and public, bank and statutory holidays excluded) at the Registered Office of the Group and will also be available at the place of the meeting for at least fifteen minutes prior to the meeting until its conclusion:

- (i) copies of the executive directors' service agreements;
- (ii) copies of the non-executive directors' letters of appointment; and
- (iii) The Go-Ahead Group plc 2015 Long Term Incentive Plan rules.

## MEMBERS' RIGHT TO ASK QUESTIONS

All shareholders and their proxies attending the AGM have the right to ask questions. The directors will endeavour to answer all such questions as fully as possible. However, they are not required to answer if (i) to do so would interfere unduly with the preparation for the meeting; (ii) to answer would involve the disclosure of confidential information; (iii) the answer has already been given on a website in the form of an answer to a question; or (iv) it is undesirable in the interests of the Group or the good order of the meeting that the question be answered.

## ELECTRONIC ADDRESSES

You may not use any electronic address (within the meaning of section 333(4) of the Act) provided in this Notice (or in any related documents including the Chairman's letter and Form of Proxy) to communicate with the Group for any purposes other than those expressly stated.

# SUMMARY OF THE PRINCIPAL TERMS OF THE GO-AHEAD GROUP PLC LONG TERM INCENTIVE PLAN 2015 (THE "PLAN")

## OPERATION

The remuneration committee of the Board of directors of the Group (the "committee") will supervise the operation of the Plan.

## ELIGIBILITY

Any employee (including an executive director) of the Group and its subsidiaries will be eligible to participate in the Plan at the discretion of the committee.

## GRANT OF AWARDS

The committee may grant awards to acquire ordinary shares in the Group ("Shares") within six weeks following the Group's announcement of its results for any period. The committee may also grant awards within six weeks of shareholder approval of the Plan or at any other time when the committee considers there are sufficiently exceptional circumstances which justify the granting of awards. It is intended that the first awards will be made shortly following adoption of the Plan.

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

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

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

## INDIVIDUAL LIMIT

An employee may not receive awards in any financial year over Shares having a market value in excess of 150% of annual base salary in that financial year. In exceptional circumstances, such as recruitment, this limit is increased to 200% of an employee's annual base salary.

## PERFORMANCE CONDITIONS

The vesting of awards will be subject to performance conditions set by the committee.

Summarised below are the performance conditions which will apply to the awards timetabled for grant under the Plan to the Group's executive directors shortly following shareholder approval of the Plan (the "Initial Awards"):

The Initial Awards will be granted subject to three performance conditions: (i) 40% of each Initial Award shall be subject to an earnings per share ("EPS") growth target (the "EPS Part"), (ii) 40% of each Initial Award shall be subject to a relative total shareholder return ("TSR") target (the "TSR Part") and (iii) the remaining 20% of each Initial Award shall be subject to two customer satisfaction scores targets (respectively the "Rail Customer Satisfaction Part" and the "Bus Customer Satisfaction Part" with equal weighting), as described further below:

The performance condition for the EPS Part will measure the Group's compound adjusted annualised EPS growth in excess of the increase in the Retail Prices Index ("RPI") over three financial years commencing with the financial year in which the award is granted (the "Performance Period") and will vest as follows:

Compound annualised growth in Group's adjusted EPS over the Performance Period	% of EPS Part that Vests
Less than RPI plus 5%	0%
RPI plus 5%	10%
Between RPI plus 5% and RPI plus 13%	On a straight line basis between 10% and 100%
RPI plus 13% or more	100%

The performance condition for the TSR Part will measure the Group's TSR performance over the Performance Period against the TSR performance of a comparator group comprising the constituents of the FTSE 250 Index (excluding investment trusts, the Company and those companies in the following FTSE sectors: Banks, Financial Services, Life Insurance, Industrial Metals & Mining, Non-Life Insurance, Real Estate Investment & Services, Real Estate Investment Trusts, Oil & Gas Producers and Oil Equipment & Services) measured over the Performance Period, and will vest as follows:

Rank of the Group's TSR against the TSR of the members of the Comparator Group	% of TSR Part that Vests
Below median	0%
Median	25%
Between median and upper quartile	On a straight line basis between 25% and 100%
Upper quartile or above	100%

The customer satisfaction target will be as measured by the independent passenger watchdog Transport Focus (formerly Passenger Focus) and published in the annual report. This is a key operating performance measure for Go-Ahead. It is a strategic priority for the Group to provide high quality service and customer satisfaction is a critical measure of our performance. It influences our ability to retain franchises and to win new ones and ensuring management is focused on this strategic measure is critically important therefore as a driver of long term shareholder value.

For the Rail Customer Satisfaction Part, there has been a decline over the last three years from 82% in 2012 to 76% in 2015 in the blended Transport Focus National Rail Passenger Survey ("NRPS") for the three train operating companies. GTR is a new franchise to the Group and was not included in these results before Spring 2015.

The benchmark for the train operating companies will be the London and South East Sector NRPS score which consists of 12 franchises that serve the region and run into London. The threshold for the performance measure will be the current London and South East Sector NRPS of 78%. The target will be to increase it to 82% over the three year performance period.

For the Bus Customer Satisfaction Part the threshold will be to maintain the 2015 Bus National Passenger Survey ("NPS") score of 90% which is already high and at an industry leading level. The target will be to increase the NPS score to 93% over the three year performance period.

% of Rail Customer Satisfaction Part achieved	% of Bus Customer Satisfaction Part achieved	% of relevant Part that Vests
Less than 78%	Less than 90%	0%
78%	90%	10%
On a straight line basis between 78% and 82%	Between 90% and 93%	On a straight line basis between 10% and 100%
82% or more	93% or more	100%

The committee can set different performance conditions from those described above for future awards provided that, in respect only of executive directors, the new targets are not, in the reasonable opinion of the committee, materially less challenging in the circumstances than those described above. The committee may also vary the performance conditions applying to existing awards if an event has occurred which causes the committee to consider that it would be appropriate to amend the performance conditions, provided the committee considers the varied conditions are fair and reasonable and not materially less challenging than the original conditions would have been but for the event in question.

## VESTING OF AWARDS

Awards normally vest three years after grant to the extent that the applicable performance conditions have been satisfied and provided the participant is still employed in the Group. Options are then exercisable up until the tenth anniversary of grant unless they lapse earlier.

## DIVIDEND EQUIVALENTS

The committee may decide that participants will receive a payment (in cash and/or Shares) on or shortly following the vesting of their awards, of an amount equivalent to the dividends that would have been paid on those Shares between the time when the awards were granted and the time when they vest. This amount may assume the reinvestment of dividends. Alternatively, participants may have their awards increased as if dividends were paid on the Shares subject to their award and then reinvested in further Shares.

## LEAVING EMPLOYMENT

An award will normally lapse upon a participant ceasing to hold employment or be a director within the Group. However, if a participant ceases to be an employee or a director because of injury, disability, redundancy, his employing company or the business for which he works being sold out of the Group or in other circumstances at the discretion of the committee, then his award will vest on the date it would have vested if he had not ceased such employment or office. The extent to which an award will vest in these situations will depend upon two factors: (i) the performance conditions measured over the normal measurement period and (ii) the pro-rating of the award to reflect the reduced period of time between the grant of the award and the participant's cessation of employment or office relative to the normal vesting term, although the committee can decide not to pro-rate an award if it regards it as inappropriate to do so in the particular circumstances.

Alternatively, and in the case of death, the committee can decide that the award will vest when the participant ceases employment or office, subject to the performance conditions measured at that time and pro-rating by reference to the time of cessation as described above.

## CORPORATE EVENTS

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

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

If a demerger, special dividend or other similar event is proposed which, in the opinion of the committee, would affect the market price of Shares to a material extent, then the committee may decide that awards will vest on the basis which would apply in the case of a takeover as described above.

## PARTICIPANTS' RIGHTS

Awards of conditional shares and options will not confer any shareholder rights until the awards have vested or the options have been exercised and the participants have received their Shares. Holders of awards of forfeitable Shares will have shareholder rights from when the awards are made except they may be required to waive their rights to receive dividends.

## RIGHTS ATTACHING TO SHARES

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

## VARIATION OF CAPITAL

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

## OVERALL PLAN LIMITS

The Plan may operate over new issue Shares, treasury Shares or Shares purchased in the market. In any ten calendar year period, the Group may not issue (or grant rights to issue) more than:

- (a) 10% of the issued ordinary share capital of the Group under the Plan and any other employee share plan adopted by the Group; and
- (b) 5% of the issued ordinary share capital of the Group under the Plan and any other executive share plan adopted by the Group.

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

## ALTERATIONS TO THE PLAN

The committee may, at any time, amend the Plan in any respect, provided that the prior approval of shareholders is obtained for any amendments that are to the advantage of participants in respect of the rules governing eligibility, limits on participation, the overall limits on the issue of Shares or the transfer of treasury Shares, the basis for determining a participant's entitlement to, and the terms of, the Shares or cash to be acquired and the adjustment of awards.

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

## MALUS AND CLAWBACK

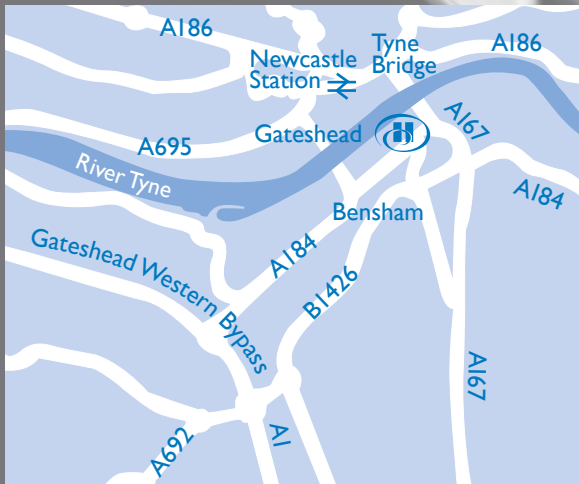
The Plan includes a malus and clawback provision under which the committee may, in its discretion, reduce the number of Shares held under an award before it vests and/or decide at any time within three years of the vesting to recoup an overpaid amount. The provision may be operated where there has been a material misstatement of the Group's financial accounts and/or an error is made in assessing the size of an award and/or in assessing any conditions applying to an award and where such material misstatement and/or error resulted (directly or indirectly) in an award being granted over a larger number of Shares and/or vesting to a greater degree than would otherwise have been the case. The committee may also operate clawback where it is discovered that a participant committed an act of misconduct during the vesting period as a result of which he could reasonably have been summarily dismissed.

## HOLDING PERIOD

Unless the committee determines otherwise, the Group's executive directors (and others at the committees' discretion) will be required to retain any Shares acquired on the vesting or exercise of an award (less a number of shares that have an aggregate market value on vesting or, in the case of an option, exercise equal to the tax liability due on vesting or exercise) for a period of two years.

## OVERSEAS PLANS

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



## DIRECTIONS TO THE HILTON NEWCASTLE GATESHEAD

### FROM THE A1 NORTH AND SOUTH

1. Exit on the A184 and continue on this road in the left hand lane.
2. Exit this road towards Gateshead.
3. At the roundabout take the 3rd exit and continue towards Gateshead.
4. Keeping in the left hand lane, at the third set of traffic lights, turn left towards the Swing Bridge onto Bottle Bank.
5. The hotel is on the left.

### FROM NEWCASTLE CENTRAL STATION

From Newcastle Central Station it is easier to get a Metro to Gateshead Metro Interchange and then follow the below directions:

1. Walk out of the Metro Interchange directly leading onto West Street.
2. Turn left and walk straight down the bank towards a set of traffic lights.
3. Cross over the traffic lights, turn right and walk under the bridge.
4. Turn left onto Bottle Bank.
5. Continue down Bottle Bank.
6. The hotel is on the left hand side.

Alternatively, you can take a taxi to the hotel from the front of Central Station (24 hours a day). Journey time is approximately 5-15 minutes depending on traffic.

### FROM THE AIRPORT

1. Leave the airport and join the A696 towards Newcastle.
2. Join the A167(M) for Gateshead and cross over the Tyne Bridge.
3. Keep in left hand lane and take the immediate slip road just prior to first set of traffic lights.
4. Turn left at the next junction, under the bridge and left at the first set of traffic lights up Bottle Bank.
5. The hotel is on the right.

Alternatively take the Metro to Gateshead Metro Interchange. Journey time is approximately 25 minutes. Frequency is every 12-15 minutes. Starting point is Airport Metro Station.

#### Registered Office

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