
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take, you are recommended to seek your own advice from an appropriate professional adviser who is authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all your shares in Harworth Group plc, please send this document and the accompanying documents to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Harworth

HARWORTH GROUP PLC

Registered in England

Registered office: Advantage House, Poplar Way, Catcliffe, Rotherham, S60 5TR

Registered number: 02649340

Notice of Annual General Meeting

Notice of the Annual General Meeting of Harworth Group plc to be held on Tuesday 24 May 2022 at 2:00 p.m. at The Bessemer Conference Room, AMP Technology Centre, Advanced Manufacturing Park, Brunel Way, Catcliffe, Rotherham, S60 5WG.

This document should be read as a whole. Nevertheless, your attention is drawn to the letter from the Chair which commences at page 4 of this document and the recommendation that you vote in favour of the resolutions to be proposed at the Annual General Meeting referred to below. This document should be read in conjunction with the Notice of Annual General Meeting set out at the end of this document and the accompanying Form of Proxy for use in connection with the meeting.

Notice of Annual General Meeting of Harworth Group plc, to be held at 2:00 p.m. on 24 May 2022, is set out at the end of this document. To be valid, the enclosed Form of Proxy for use at the meeting should be completed in accordance with the instructions thereon, signed and returned so as to be received by the Company's Registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA as soon as possible but in any event not later than 2:00 p.m. on 20 May 2022. You may appoint a proxy in CREST by completing and transmitting a CREST proxy instruction to Equiniti Limited so that it is received no later than 2:00 p.m. on 20 May 2022. Completion of the Form of Proxy will not preclude a Shareholder from attending and voting at the meeting in person. Further instructions relating to the Form of Proxy are set out in the Notice of Annual General Meeting.

The contents of the Company's website or any website directly or indirectly linked to the Company's website do not form part of this document.

Contents

	<i>Page</i>
Expected timetable of principal events	3
Letter from the Chair of the Board	4
Appendix 1: Directors' biographies	8
Definitions	10
Notice of Annual General Meeting	11
Map and directions to the Advanced Manufacturing Park Technology Centre	15

Expected timetable of principal events

Date of this document	14 April 2022
Record date for dividend	6 May 2022
Latest time and date for receipt of Forms of Proxy for the Annual General Meeting	2:00 p.m. on 20 May 2022
Annual General Meeting 2022	2:00 p.m. on 24 May 2022
Expected date for payment of dividend	27 May 2022

References to time in this document are to British Summer Time.

The timetable assumes that the Annual General Meeting is not adjourned as a result of there being no quorum, or for any other reason. If there is an adjournment, all subsequent dates and any other dates referred to in this document are likely to be later than those shown. If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by announcement on the Regulatory News Service.

Letter from the Chair of the Board

Harworth Group plc
(Incorporated and registered in
England with no. 02649340)

Registered office:
Advantage House
Poplar Way
Catcliffe
Rotherham
S60 5TR

14 April 2022

Dear Shareholder

Annual General Meeting 2022

The Annual General Meeting (the “AGM”) of the Company will be held on 24 May 2022 at 2:00 p.m. at The Bessemer Conference Room, AMP Technology Centre, Advanced Manufacturing Park, Brunel Way, Catcliffe, Rotherham, S60 5WG. A map to help you with its location is found on the last page of the Notice of AGM (the “Notice”). As you can see from the Notice there are several items of business to be considered at the AGM. The purpose of this letter is to explain this business.

Resolutions 1 to 18 (inclusive) are proposed as ordinary resolutions. This means that, for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolution 12 is an advisory vote only in accordance with the requirements of the Companies Act.

Resolutions 19 to 21 (inclusive) are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three quarters of the votes cast must be in favour of the resolution.

Ordinary Resolutions

1 – Adoption of Annual Report and Financial Statements

The Directors must present the report of the Directors and the financial statements of the Company for the year ended 31 December 2021 to Shareholders at the AGM. The report of the Directors, the financial statements, and the independent auditors’ report are contained within the Annual Report.

2 – Approval of Dividend

In October 2021, the Board paid an interim dividend for the year ended 31 December 2021 of 0.367p per Ordinary Share. The Board is recommending a final dividend of 0.845p per Ordinary Share, to give a total dividend for the year ended 31 December 2021 of £3.9 million or 1.212p per Ordinary Share. It is proposed that the final dividend be paid on 27 May 2022 to those Shareholders on the register of members at the close of business on 6 May 2022. The 2020 final dividend was increased to reflect the cancelled final 2019 dividend. Excluding that element, the 2020 final dividend was 0.768p per share and the total 2020 dividend was 1.102p per share. On this basis, the recommended 2021 final dividend and 2021 total dividend represent a 10% increase in line with our dividend policy. There is no change to the current dividend policy to continue to grow the dividends by 10% each year.

3 – 11 – Re-election of Directors

The Articles of Association provide that one third of the Directors should offer themselves for re-election each year. However, best practice recommends that all Directors should offer themselves for re-election each year and accordingly all the Directors will offer themselves for re-election. Their biographical details are shown in Appendix 1. The nine Directors seeking re-election are:

- (1) Alastair Lyons – Chair;
- (2) Lynda Shillaw – Chief Executive;
- (3) Katerina Patmore – Chief Financial Officer;
- (4) Angela Bromfield – Senior Independent Non-Executive Director;
- (5) Ruth Cooke – Independent Non-Executive Director;
- (6) Lisa Scenna - Independent Non-Executive Director;
- (7) Patrick O’Donnell Bourke - Independent Non-Executive Director;
- (8) Steven Underwood – Non-Executive Director; and
- (9) Martyn Bowes – Non-Executive Director representing the Pension Protection Fund.

Each resolution for re-election will be taken as a separate vote.

The Nomination Committee has reviewed the effectiveness of those Directors who are offering themselves for re-election. Following that review, I confirm that the Board has determined that each of the Directors offering themselves for re-election is and continues to make a valuable and effective contribution to the Board, that each of them has demonstrated the appropriate level of commitment to his or her role, and that each of the Non-Executive Directors is and continues to be fully independent in both character and judgement, and there are no relationships or circumstances which are likely to affect their character or the exercise of their judgement.

12 – Approval of the Directors’ Remuneration Report

The Directors’ Remuneration Report gives details of the remuneration that was paid to the Directors for the year ended 31 December 2021 and will be paid to them for the year ending 31 December 2022, in accordance with the Company’s Remuneration Policy.

The Company’s auditors for the year ended 31 December 2021, Ernst & Young LLP, have audited those parts of the Directors’ Remuneration Report capable of being audited. The vote is advisory in nature in that payments made or promised to Directors will not have to be repaid, reduced or withheld in the event that the Resolution is not passed.

13 – Approval of the Directors’ Remuneration Policy

The Shareholders last approved the Company’s Remuneration Policy at the 2019 annual general meeting. As such, it is due to be updated and presented for Shareholder approval at this AGM. A copy of the new Remuneration Policy and a summary of, and explanation of the rationale for, the main changes to the current Remuneration Policy can be found on pages 121–137 of the Annual Report. If approved by Shareholders at the AGM, the new Remuneration Policy will be adopted in substitution for the current Remuneration Policy.

14 and 15 – Re-appointment of Auditors and Auditors’ Remuneration

The auditors of a Company must be re-appointed at each AGM at which accounts are laid. Resolution 14 proposes the re-appointment of the Company’s existing auditors, Ernst & Young LLP, until the conclusion of the annual general meeting of the Company to be held in 2023. Resolution 15 gives authority to the Directors to determine the auditors’ remuneration.

16 – Authority to make political donations

Part 14 of the Companies Act restricts companies from making political donations to: (i) political parties; (ii) other political organisations; and (iii) independent election candidates and from incurring political expenditure without Shareholders’ consent. The Company does not make and does not intend to make donations to political parties, political organisations or independent election candidates, nor does it incur any political expenditure. However, as the definitions used in the Companies Act are broad, it is possible that normal business activities such as sponsorship, subscriptions, payment of expenses, paid leave for employees fulfilling certain public duties, and support for bodies representing the business community in policy review or reform, which might not be thought to be political expenditure in the usual sense, could be caught. Shareholder approval is being sought of this Resolution on a precautionary basis only to allow the Company and any company which, at any time during the period for which this Resolution has effect, is a subsidiary of the Company, to continue to support the community and put forward its views on or in relation to wider business and Government interests, without running the risk of being in breach of the Companies Act.

The Board is, therefore, seeking authority to make political donations to political parties and/or independent election candidates not exceeding £50,000 in total, to make political donations to political organisations other than political parties not exceeding £50,000 in total and to incur political expenditure not exceeding £50,000 in total. In line with the guidance issued by the Investment Association, it is proposed that this Resolution will be put to Shareholders annually. Therefore, the authority will be valid until the conclusion of the annual general meeting of the Company to be held in 2023 or, if earlier, 15 months from the date that this Resolution is passed.

17 – Allotment of Shares

The Directors may only allot shares or grant rights to subscribe for, or convert any security into, shares if authorised to do so by Shareholders. The authority conferred on the Directors at the 2021 AGM under section 551 of the Companies Act to allot shares expires on the date of the forthcoming AGM. Accordingly, this Resolution seeks to grant a new authority under section 551 of the Companies Act to authorise the Directors to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company and will expire at the conclusion of the next annual general meeting of the Company to be held in 2023 or, if earlier, 15 months from the date that this Resolution is passed. Paragraph (A) of Resolution 17 will, if passed, authorise the Directors to allot shares or grant rights to subscribe for, or to convert any security into, such shares in the Company up to a maximum nominal amount of £10,649,910. This amount represents 33 per cent. of the Company’s existing issued ordinary share capital as at 13 April 2022 (being the latest practicable date prior to publication of this Notice). Paragraph (B) of Resolution 17 authorises the Directors to allot, including the shares referred to in (A), further shares up to an aggregate nominal amount of £21,299,821 in connection with a pre-emptive offer to existing Shareholders by way of a rights issue (with exclusions to deal with fractional entitlements to shares and overseas Shareholders to whom the rights issue cannot be made due to legal and practical problems). This amount represents 66 per cent. of the Company’s existing issued ordinary share capital as at 13 April 2022 (being the latest practicable date prior to publication of this Notice). This is in accordance with the latest institutional guidelines published by the Investment Association.

Although the Directors have no present intention of exercising this authority, there can be no certainty that this authority will not need to be utilised. The Directors consider that it is in the best interest of the Company to have the authorities available so that they have the maximum flexibility permitted by institutional guidelines to allot shares or grant rights without the need for a general meeting, should they determine that it is appropriate to do so. The Directors intend to renew this authority annually.

As at 13 April 2022 (being the latest practicable date prior to publication of this Notice), the Company held no shares in treasury.

18 – Amendment of the Harworth 2019 Restricted Share Plan (the “RSP”)

The RSP is a discretionary share plan and is the principal long term incentive arrangement for Executive Directors and other members of the Harworth team. The RSP was adopted with effect from 21 May 2019 following the approval of shareholders at the 2019 annual general meeting.

The RSP includes an individual limit on participation, which provides that no person may be granted an award (other than an award granted in connection with that person’s recruitment) in respect of a financial year of the Company over shares with a market value (as determined by the board) in excess of 50% of their base salary (or 100% of their base salary in exceptional circumstances).

The new Directors' Remuneration Policy for which shareholder approval will be sought at the 2022 AGM, as referred to in relation to Resolution 13, increases the normal RSP opportunity for Executive Directors with effect from 2022. The rationale for this increase in RSP opportunity is set out on page 123 of the Annual Report. In summary, the new Policy provides as follows:

- The normal RSP opportunity for our current Executive Directors is increased from 50% of salary to 75% of salary with effect from 2022.
- The maximum number of shares over which awards may be granted in respect of 2022, 2023 and 2024 to our current Executive Directors will be based on the market value of a share following the announcement of the Company's results for 2021 (the "2022 Price").
- A cap and collar will apply in respect of the 2023 and 2024 awards for our current Executive Directors. The cap and collar will apply if the market value of a share at the time of grant is greater than 1.5 times the 2022 Price or less than 0.5 times the 2022 Price. In other words, the face value of the 2023 and 2024 awards (when calculated by reference to the market value of a share at the time of grant) may not exceed 112.5% of salary (1.5x 75% of salary) or be less than 37.5% of salary (0.5x 75% of salary).
- As such, after the approval of the new Directors' Remuneration Policy, the maximum RSP award to Executive Directors in respect of any financial year is an award over shares with a market value determined by the Remuneration Committee at the time the award is granted of up to 112.5% of salary.

Resolution 18 seeks shareholder approval for an amendment to the rules of the RSP so that the individual limit on participation is aligned with the new Directors' Remuneration Policy. Accordingly, the proposed amendment to the rules of the RSP provides for an individual limit that no person may be granted an award (other than an award granted in connection with that person's recruitment) in respect of a financial year of the Company over shares with a market value (as determined by the Remuneration Committee) in excess of 112.5% of their base salary. For the avoidance of doubt, notwithstanding the proposed increase to the individual limit in the rules of the RSP, awards to Executive Directors will not exceed the limit permitted by the Directors' Remuneration Policy.

At the same time as amending the individual limit on participation, other amendments are being made to the rules of the RSP. Principally, these are to strengthen the malus and clawback provisions so that they are aligned with the proposed new Directors' Remuneration Policy. These changes do not require shareholder approval but are included in the marked-up copy of the rules of the RSP available for inspection and to be presented to the AGM.

The rules of the RSP marked-up to show the proposed changes will be available for inspection on the Financial Conduct Authority's National Storage Mechanism website at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism> from the date of this notice and at the place of the Annual General Meeting for at least 15 minutes before the meeting and during the meeting.

Special Resolutions

19 – Disapplication of Pre-emption Rights

Under section 561(1) of the Companies Act, if the Directors wish to allot Ordinary Shares, or grant rights to subscribe for, or convert securities into Ordinary Shares, or sell treasury shares for cash (other than pursuant to an employee share scheme), they must in the first instance offer them to existing Shareholders in proportion to their holdings. There may be occasions, however, when the Directors need the flexibility to finance business opportunities through the issue of Ordinary Shares without a pre-emptive offer to existing Shareholders. This cannot be done under the Companies Act unless Shareholders have first waived their pre-emption rights.

Resolution 19 asks the Shareholders to do this and, apart from rights issues or any other pre-emptive offer concerning equity securities, the authority contained in this Resolution will be limited to the issue of Ordinary Shares for cash up to an aggregate nominal value of £1,613,622 (which includes the sale on a non pre-emptive basis of any shares held in treasury), which represents approximately 5 per cent. of the Company's issued ordinary share capital as at 13 April 2022 (being the latest practicable date prior to the publication of this Notice). Resolution 19 also seeks a disapplication of the pre-emption rights on a rights issue so as to allow the Directors to make exclusions or such other arrangements as may be appropriate to resolve legal or practical problems which, for example, might arise with overseas Shareholders.

In accordance with the Pre-emption Group's Statement of Principles, the Board confirms its intention that no more than 7.5 per cent. of the issued share capital will be issued for cash on a non pre-emptive basis during any future rolling three-year period without prior consultation with Shareholders. Shareholders should note that this Resolution also relates to treasury shares and will be proposed as a special resolution.

If given, the authority will expire at the conclusion of the next annual general meeting of the Company in 2023 or, if earlier 15 months from the date that the Resolution is passed.

Although the Directors have no present intention of exercising this authority, there can be no certainty that this authority will not need to be utilised. The Directors intend to renew this authority annually.

20– Authority to Purchase Own Shares

This Resolution, which will be proposed as a special resolution, renews the authority granted at the 2021 AGM which expires on the date of the forthcoming AGM. The Resolution authorises the Company to make market purchases of its own Ordinary Shares as permitted by the Companies Act. The authority limits the number of shares that could be purchased to a maximum of 32,272,456 Ordinary Shares (representing less than 10 per cent. of the issued share capital of the Company as at 13 April 2022 (being the last practicable date prior to the publication of this Notice) and sets minimum and maximum prices.

The Directors have no present intention of exercising the authority to purchase the Company's Ordinary Shares but will keep the matter under review, taking into account market conditions, the cash reserves of the Company, the Company's share price, appropriate gearing levels, other investment opportunities and the overall financial position of the Company. The authority will be exercised only if the Directors believe that to do so would result in an increase in earnings per share and would be likely to promote the success of the Company for the benefit of its Shareholders as a whole.

Any purchases of Ordinary Shares would be by means of market purchases through the London Stock Exchange. Any Ordinary Shares purchased under this authority may either be cancelled or held as treasury shares. Treasury shares may subsequently be cancelled, sold for cash or used to satisfy options issued to employees pursuant to employees' share schemes.

The authority will only be valid until the conclusion of the next annual general meeting of the Company in 2023 or, if earlier, 15 months from the date that this Resolution is passed.

As at 13 April 2022 (being the last practicable date prior to the publication of this Notice) the Company had the following awards outstanding under its share schemes:

- aggregate awards of up to 1,423,535 Ordinary Shares under the Harworth 2019 Restricted Share Plan; and
- aggregate awards of 853,173 Ordinary Shares under the Harworth Group plc Save As You Earn Scheme.

These awards represent in aggregate 0.7 per cent. of the Company's issued ordinary share capital as at that date. If the authority to purchase the Company's Ordinary Shares granted at the 2021 annual general meeting and the authority proposed to be granted pursuant to Resolution 20 were exercised in full, these awards would, assuming no further Ordinary Shares are issued after that date, represent 0.88 per cent. of the Company's issued ordinary share capital as at that date. This percentage would reduce to 0.78 per cent. if no further purchases were made under the authority granted at the 2021 AGM, but the authority exercised pursuant to Resolution 20 was exercised in full. As at the close of business on 13 April 2022 (being the last practicable date prior to the publication of this Notice), the Company did not hold any shares in treasury and no warrants over the Ordinary Shares in the capital of the Company existed.

21– General Meetings at Short Notice

The Articles of Association of the Company allow it to call general meetings other than an annual general meeting on 14 clear days' notice without obtaining Shareholder approval. Changes made to the Companies Act by the Shareholders' Rights Regulations increase the notice period required for general meetings of the Company to 21 days unless Shareholders approve a shorter notice period, which cannot however be less than 14 clear days. In order to preserve its ability to call general meetings on 14 clear days' notice, Resolution 21 seeks such Shareholder approval. It is intended that the shorter notice period would not be used as a matter of routine but only where the flexibility is merited by the business of the meeting and is thought to be in the interests of Shareholders as a whole. The Company undertakes to meet the requirements for electronic voting under the Shareholders' Rights Regulations before calling a general meeting on 14 clear days' notice. If given, the approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed.

The Company intends to continue giving 20 working days' notice for annual general meetings in accordance with the Financial Reporting Council's Guidance on Board Effectiveness.

Notice of publication of Annual Report and Financial Statements

Notice is hereby given that the Harworth Group plc Annual Report and Financial Statements for the year ended 31 December 2021 has been published on the Company's website www.harworthgroup.com. It can be accessed by going to the Company's home page, clicking on the Investors section of the website and then going to Reports and Presentations. If you have elected to receive Shareholder correspondence in hard copy, the Annual Report will accompany this Notice.

Should you wish to change your election at any time, or if you wish to request a hard copy of the Annual Report, you can do so by contacting our Registrars, Equiniti Limited, on 0371 384 2301. Lines are open 8:30 a.m. to 5:30 p.m., Monday to Friday (excluding public holidays in England and Wales). Callers from outside the UK should dial +44 (0)121 415 7047.

Recommendation

All Directors seeking re-election are of the opinion that all the proposals to be considered at the AGM are in the best interests of the Company and its Shareholders as a whole and recommend that you vote in favour of the Resolutions to be proposed at the AGM, as they intend to do in respect of their own beneficial shareholdings.

Action to be taken

Hard copies of a Form of Proxy for the AGM for use by the Company have been sent to all Shareholders. If you do not intend to be present at the AGM, please complete, sign and return the Form of Proxy as soon as possible (and, in any event, so as to be received not later than 2:00 p.m. on 20 May 2022), in accordance with the instructions printed on it. Completion of the Form of Proxy will not preclude you from attending and voting in person if you so wish.

Yours sincerely



Alastair Lyons
Chair of the Board

Appendix 1: Directors' biographies

Directors offering themselves for re-election

1. Alastair Lyons (Non-Executive Chair)

Alastair was appointed as Non-Executive Chair on 7 March 2018 and has served for 4 years 1 month. He is also Chair of the Nomination Committee and a member of the Remuneration Committee and ESG Committee.

Alastair was Non-Executive Chair of the Admiral Group from 2000 to 2017, Deputy Chair of Bovis Homes from 2008 to 2018, Chair of Serco from 2010 to 2015 and of Towergate Insurance from 2011 to 2015. Previously in his executive career, Alastair was Chief Executive of the National Provident Institution and the National and Provincial Building Society, Managing Director of the Insurance Division of Abbey National plc and Director of Corporate Projects at National Westminster Bank plc. He has a broad base of business experience with a particular focus on the housing and insurance industries. He was awarded the CBE in 2001 for services to social security having served as a Non-Executive Director of the Department for Work and Pensions and the Department of Social Security, and he was also a Non-Executive Director of the Department of Transport.

Alastair is Non-Executive Chair of Welsh Water and Vitality UK.

2. Lynda Shillaw (Chief Executive)

Lynda was appointed Chief Executive on 1 November 2020 and has served for 1 year 5 months. She is also a member of the Nomination Committee and ESG Committee.

Prior to this appointment, Lynda was Group Property Director at Town Centre Securities plc where she led the management of its land and property and its development pipeline. Before that she was Divisional CEO, Property at the Manchester Airports Group (MAG), where she was responsible for MAG's investment portfolio and development land bank, including its "Airport City" joint venture. This followed a long career managing both investment and development real estate portfolios for BT and Co-operative Group before joining Lloyds Banking Group as Global Head of its Real Estate lending division.

Lynda was a Non-Executive Director of The Crown Estate from 2018 to 2021, and at the start of 2022 she was appointed Chair of the BPF Regional Policy Committee.

Lynda is the Senior Independent Non-Executive Director of Vivid Housing Association.

3. Katerina (Kitty) Patmore (Chief Financial Officer)

Kitty was appointed Chief Financial Officer on 1 October 2019 and has served for 2 years 6 months. She is also a member of the ESG Committee.

Prior to this appointment, Kitty was Director with responsibility for Finance and Operations at Harwood Real Estate, which managed one of the largest private rented housing investment portfolios in the United Kingdom. She led the finance function with responsibility for investor relations and capital markets, including leading an LSE main market fundraising process. Kitty started her career in banking at Barclays specialising in structured real estate finance, before moving into real estate mezzanine finance across the UK and Europe for a private debt fund, DRC Capital.

Kitty is a Non-Executive Director and member of the Audit Committee of LondonMetric Property plc. She is also Chair of the Investment Property Forum Finance Group.

4. Angela Bromfield (Senior Independent Director)

Angela joined the Board on 1 April 2019 and has served for 3 years. She is also Senior Independent Director, Chair of the Remuneration Committee and ESG Committee and a member of the Nomination Committee.

Angela has extensive commercial strategy, marketing and communications executive experience. She was Strategic Marketing & Communications Director at Morgan Sindall plc until 2013 and prior to that held senior roles at the Tarmac Group, Premier Farnell plc and ICI plc.

Angela is a Non-Executive Director at Marshalls plc and Churchill China plc.

5. Ruth Cooke (Non-Executive Director)

Ruth joined the Board on 19 March 2019 and has served for 3 years 1 month. She is also a member of the Audit Committee and Nomination Committee.

Ruth was Finance Director (from 2008 to 2012) and then Chief Executive (from 2012 to 2018) of Midland Heart, a Birmingham based housing association. Prior to that, she held senior finance and resourcing roles at Knightstone, a housing association based in the South West, and Anchor Trust, a provider of housing and care to those aged 55 years old and above. Ruth has held a number of voluntary and non-executive positions in the social housing and retirement community sector. She is an Associate of the Institute of Chartered Accountants and a corporate treasurer.

Ruth is Chief Executive of GreenSquareAccord, a housing association operating across the North, Midlands and South-West.

6. Lisa Scenna (Non-Executive Director)

Lisa joined the Board on 1 September 2020 and has served for 1 year 7 months. She is also a member of the Remuneration Committee and Audit Committee.

Lisa has over 30 years' experience working at executive director level in large multinational corporations both private and publicly listed with a strong background in real estate development and asset management. Her most recent executive role was with Morgan Sindall Group as Managing Director of MS Investments. Prior to this, she held executive roles with Laing O'Rourke, having led their infrastructure investment activities globally, and Stockland Group and Westfield Group in Australia. Lisa has also been a director of various public private partnerships, most recently as the Deputy Chair of the Private Infrastructure Development Group. She is a member of the Australian Institute of Company Directors and the Institute of Chartered Accountants in Australia.

Lisa is a Non-Executive Director of Genuit Group plc and of Cromwell Property Group, an Australian listed company.

7. Patrick O'Donnell Bourke (Non-Executive Director)

Patrick joined the Board on 3 November 2020 and has served for 1 year 5 months. He is also Chair of the Audit Committee.

Patrick has significant senior international experience in investing in, and managing, infrastructure and utilities. He was Chair of the Audit and Risk Committee and a member of the Nomination and Remuneration Committees of Calisen plc until March 2021. He was also Non-Executive Director of Affinity Water Limited from 2013 to 2020. His most recent executive role was that of Group Finance Director for John Laing Group plc from 2011 to 2019. Prior to that he was Group Finance Director of Viridian Group plc, the Northern Ireland based energy group from 2000 to 2006, before becoming Group Chief Executive from 2007 to 2011 after Viridian was taken private. Previously he was Group Treasurer for Powergen plc and spent nine years in investment banking with Barclays de Zoete Wedd and Hill Samuel, having qualified as a chartered accountant with Peat Marwick (now KPMG).

Patrick is Chair of Ecofin US Renewables Infrastructure Trust plc and Non-Executive Director of Pantheon Infrastructure plc.

8. Steven Underwood (Non-Executive Director)

Steven joined the Board on 2 August 2010 and has served for 11 years 8 months.

Steven was formerly a representative Director of Peel Group. Following the reduction of Peel Group's shareholding, Steven now sits on the Board in a personal, rather than representative, capacity. However, given his previous representative capacity, and his length of service, Steven cannot be regarded as independent for the purposes of the UK Corporate Governance Code.

Steven is Chief Executive of the Peel Group of companies and brings to the Board the extensive experience of the Peel Group in brownfield land remediation and regeneration.

9. Martyn Bowes (Non-Executive Director)

Martyn joined the Board on 24 March 2015 as a representative of the Pension Protection Fund, currently the Company's second largest shareholder, having previously been a Non-Executive Director of Harworth Estates Property Group Limited (HEPGL) from 19 March 2013. Martyn has served for 7 years 1 month (9 years 1 month including his appointment to HEPGL). He is also a member of the ESG Committee.

Martyn has spent the majority of his career in banking, most recently from 2001 to 2007 with Barclays Capital as Managing Director, Real Estate Finance. Since leaving Barclays he has pursued a portfolio business career, which in 2012 involved a takeover with fellow Directors of the South of England based Welbeck Land real estate business. Martyn now acts as Finance Director for Welbeck Land and also maintains other interests in debt advisory and healthcare.

Martyn is a director of multiple private limited companies predominantly within the Welbeck Land Group.

Definitions

The following definitions apply throughout this document, unless the context requires otherwise:

Companies Act	the Companies Act 2006, as amended
Board of Directors	the Board of Directors of the Company
Annual General Meeting or AGM	the Annual General Meeting of Harworth Group plc convened for 2:00 p.m. on 24 May 2022 (or any adjournment of it), Notice of which is set out at the end of this document
Annual Report	the Annual Report and Financial Statements of the Company for the year ended 31 December 2021 made available to Shareholders on 14 April 2022
Articles or Articles of Association	the current articles of association of the Company (as adopted at the 2018 annual general meeting)
CREST	the UK based electronic system for paperless settlement of trades in listed securities, of which Euroclear UK is the operator
Form of Proxy	the Form of Proxy relating to the Annual General Meeting being sent to Shareholders with this document
Harworth or Company	Harworth Group plc, a company incorporated in England and Wales with registered number 02649340
Harworth Group or Group	the Company, its subsidiaries and subsidiary undertakings at the date of this document
HEPGL	Harworth Estates Property Group Limited, a company incorporated in England and Wales with registered number 08232459
Notice	the Notice of Annual General Meeting as set out at the end of this document
Official List	the official list of the Financial Conduct Authority
Ordinary Shares	ordinary shares of 10 pence each in the capital of the Company
Peel Group	Peel L&P Group Limited (company no. 2567V) of Billown Mansion, Ballasalla, Malew, Isle of Man, IM9 3DL and its subsidiaries from time to time
Registrars	Equiniti Limited of Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA
Resolutions	the ordinary and special resolutions to be proposed at the Annual General Meeting, as set out in the Notice of Annual General Meeting
Shareholders' Rights Regulations	the Companies (Shareholders' Rights) Regulations 2009
Shareholders	holders of Ordinary Shares, each individually being a "Shareholder"
Statement of Principles	the Statement of Principles on Disapplying Pre-Emption rights most recently published by the Pre-Emption Group prior to the date of this Notice

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Harworth Group plc (the “**Company**”) will be held at The Bessemer Conference Room, AMP Technology Centre, Advanced Manufacturing Park, Brunel Way, Catcliffe, Rotherham, S60 5WG on 24 May 2022 at 2:00 p.m. for the following purposes:

Ordinary business

To consider and, if thought fit, pass the following resolutions which will be proposed as ordinary resolutions:

1. To receive the Company’s annual accounts together with the Directors’ report and the auditors’ report on those accounts for the year ended 31 December 2021.
2. To declare a final dividend for the year ended 31 December 2021 of 0.845 pence per Ordinary Share, payable on 27 May 2022 to those shareholders on the register of members at the close of business on 6 May 2022.
3. To re-elect Alastair Lyons as a Director of the Company.
4. To re-elect Lynda Shillaw as a Director of the Company.
5. To re-elect Katerina Patmore as a Director of the Company.
6. To re-elect Angela Bromfield as a Director of the Company.
7. To re-elect Ruth Cooke as a Director of the Company.
8. To re-elect Lisa Scenna as a Director of the Company.
9. To re-elect Patrick O’Donnell Bourke as a Director of the Company.
10. To re-elect Steven Underwood as a Director of the Company.
11. To re-elect Martyn Bowes as a Director of the Company.
12. To approve the Directors’ Remuneration Report for the year ended 31 December 2021. This is an advisory vote in accordance with the Companies Act.
13. To approve the new Directors’ Remuneration Policy.
14. To resolve that Ernst & Young LLP be reappointed as the auditors of the Company to hold office until the conclusion of the next annual general meeting.
15. To authorise the Directors to agree the remuneration of the Company’s auditors.

Special business

To consider and, if thought fit, pass the following resolutions of which resolutions numbered 16 to 18 (inclusive) will be proposed as ordinary resolutions and resolutions numbered 19 to 21 (inclusive) will be proposed as special resolutions:

Political donations

16. That, in accordance with section 366 of the Companies Act, the Company and all companies that are its subsidiaries at any time during the period for which this resolution is effective are authorised, in aggregate, to:
 - a. make political donations to political parties and/or independent election candidates not exceeding £50,000 in total;
 - b. make political donations to political organisations other than political parties not exceeding £50,000 in total; and
 - c. incur political expenditure not exceeding £50,000 in total,

(as such terms are defined in sections 363 to 365 of the Companies Act) during the period commencing on the date of the passing of this resolution and finishing at the end of the next annual general meeting of the Company (or, if earlier, at the close of business on the date which is 15 months after the date of this resolution), provided that the aggregate amount of any such political donations made and political expenditure incurred by the Company and its subsidiaries pursuant to this authority shall not exceed £50,000.

Authority to allot shares

17. a. That the Directors be generally and unconditionally authorised pursuant to section 551 of the Companies Act to:
 - i. allot shares in the Company, and to grant rights to subscribe for, or to convert any security into, shares in the Company:
 - (A) up to an aggregate nominal amount of £10,649,910; and
 - (B) comprising equity securities (as defined in the Companies Act) up to an aggregate nominal amount of £21,299,821 (including within such limit any shares issued or rights granted under paragraph (A) above) in connection with an offer by way of a rights issue:
 - I. to holders of Ordinary Shares in proportion (as nearly as may be practicable) to their existing holdings; and
 - II. to people who are holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities;

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

for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) at the end of the next annual general meeting of the Company (or, if earlier, at the close of business on the date which is 15 months after the date of this resolution); and

- ii. make an offer or agreement which would or might require shares to be allotted, or rights to subscribe for or convert any security into shares to be granted, after expiry of this authority and the Directors may allot shares and grant rights in pursuance of that offer or agreement as if this authority had not expired.
- b. That, subject to paragraph (c) all existing authorities given to the Directors pursuant to section 551 of the Companies Act be revoked by this resolution.
- c. That paragraph (b) shall be without prejudice to the continuing authority of the Directors to allot shares, or grant rights to subscribe for or convert any security into shares, 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.

Amendment of the Harworth 2019 Restricted Share Plan

18. That the amendments to the rules of the Harworth 2019 Restricted Share Plan (the "RSP") as shown in the marked-up version of the RSP rules produced to the meeting and initialled by the Chairman for the purposes of identification be and they are hereby approved and the directors be and are generally authorised to adopt those amendments.

Disapplication of Pre-emption Rights

19. That, if Resolution 17 is passed, the Board be authorised to allot equity securities (as defined in the Companies 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 did not apply to any such allotment or sale, such authority to be limited:

- a. to allotments for rights issues and other pre-emptive issues; and
- b. to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph a. above) up to a nominal amount of £1,613,622,

such authority to expire at the end of the next annual general meeting of the Company (or, if earlier, at the close of business on the date which is 15 months after the date of this resolution) 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

20. That, pursuant to section 701 of the Companies Act, the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act) of its Ordinary Shares of 10 pence each in the capital of the Company, subject to the following conditions:

- a. the maximum number of Ordinary Shares authorised to be purchased is 32,272,456;
- b. the minimum price (exclusive of expenses) which may be paid for an Ordinary Share is 10 pence;
- c. the maximum price (exclusive of expenses) which may be paid for each Ordinary Share is the higher of: (i) an amount equal to 105 per cent. of the average of the middle market quotations of an Ordinary Share of the Company as derived from the London Stock Exchange Daily Official List for the 5 business days immediately preceding the day on which the Ordinary Share is contracted to be purchased; and (ii) an amount equal to the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share as derived from the London Stock Exchange Trading System;
- d. this authority shall expire at the close of the next annual general meeting of the Company (or, if earlier, at the close of business on the date which is 15 months from the date of this resolution); and
- e. a contract to purchase shares under this authority may be made before the expiry of this authority, and concluded in whole or in part after the expiry of this authority.

Notice of general meetings

21. That, subject to the Articles of Association of the Company as in force from time to time, a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

By order of the Board

Registered in England with No. 02649340



Chris Birch
General Counsel and Company Secretary

Registered Office: Advantage House
Poplar Way
Catcliffe
Rotherham
S60 5TR

Notes

Entitlement to attend and vote

1. The right to attend and vote at the meeting is determined by reference to the Company's register of members. Only a member entered in the register of members at 6:30 p.m. on 20 May 2022 (or, if this meeting is adjourned, in the register of members at 6:30 p.m. on the day two days prior to the adjourned meeting, excluding weekends and bank holidays) is entitled to attend and vote at the meeting and a member may vote in respect of the number of Ordinary Shares registered in the member's name at that time. Changes to the entries in the register of members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.

Proxies

2. A shareholder of the Company may appoint one or more proxies (who need not be a member of the Company) to exercise all or any of his or her rights to attend and to speak and vote at a meeting of the Company provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him or her. A shareholder may only appoint a proxy or proxies by:
 - completing and returning the proxy form enclosed in this pack (Form of Proxy); or
 - if you are a user of the CREST system (including CREST Personal Members), having an appropriate CREST message transmitted.

The Registrars can be contacted on the helpline on 0371 384 2301. Lines are open 8:30 a.m. to 5:30 p.m., Monday to Friday (excluding public holidays in England and Wales). Callers from outside the UK should dial +44 (0)121 415 7047.

IMPORTANT: In any event your Form of Proxy must be received by the Company's Registrars no later than 2:00 p.m. on 20 May 2022.

To appoint a proxy or to give or amend an instruction to a previously appointed proxy via the CREST system, the CREST message must be received by the issuer's agent (ID number: RA 19) by 2:00 p.m. on 20 May 2022. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message. After this time any change of instructions to a proxy appointed through CREST should be communicated to the proxy by other means. CREST Personal Members or other CREST sponsored members, and those CREST Members who have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings, please refer to the CREST Manual which can be viewed at www.euroclear.com/CREST. We may treat a proxy appointment sent by CREST as invalid in the circumstances set out in Regulation 35(5Ka) of the Uncertificated Securities Regulations 2001.

Further details of the appointment of proxies are given in the notes to the Form of Proxy enclosed with this pack.

Corporate representative

3. Any corporation which is a shareholder can ordinarily appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that where more than one corporate representative has been appointed they do not exercise their powers differently in relation to the same shares.

Nominated persons

4. Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a "Nominated Person") may have a right under an agreement between him and the shareholder by whom he was nominated, to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he or she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
5. The statement of the rights of shareholders in relation to the appointment of proxies as stated above does not apply to Nominated Persons. The rights described in that paragraph can only be exercised by shareholders of the Company.

Issued Share Capital and Total Voting Rights

6. As at 13 April 2022 (being the last practicable date prior to the publication of this Notice) the Company's issued share capital consisted of 322,724,566 Ordinary Shares, carrying one vote each. The Company does not hold any shares in treasury. Therefore, the total voting rights in the Company as at 13 April 2022 are 322,724,566.

Members' requests under Section 527 of the Companies Act

7. Under section 527 of the Companies Act members meeting the threshold requirements set out in that section have the right to require the Company to publish a statement on a website 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 Annual General Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the last annual general meeting. The Company may not require the Shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act. Where the Company is required to place a statement on a website under section 527 of the Companies Act, it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act to publish on a website.

Members' rights to ask questions

8. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if: (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Inspection of documents

9. The following documents will be available for inspection at the Company's registered office and at DLA Piper UK LLP, 160 Aldersgate Street, London, EC1A 4HT from the date of this Notice and at the place of the Annual General Meeting from 15 minutes before the Annual General Meeting until it ends:
- Copies of the Executive Directors' service contracts.
 - Copies of the letters of appointment of the Non-Executive Directors.
10. The Rules of the Restricted Share Plan marked-up to show the proposed changes will be available for inspection on the Financial Conduct Authority's National Storage Mechanism website at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism> from the date of this Notice and at the place of the Annual General Meeting for at least 15 minutes before the meeting and during the meeting.

Website

11. A copy of this Notice and other information required by section 311A of the Companies Act, can be found at www.harworthgroup.com.

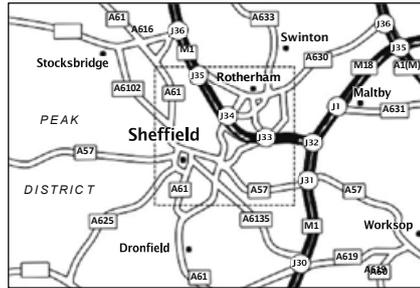
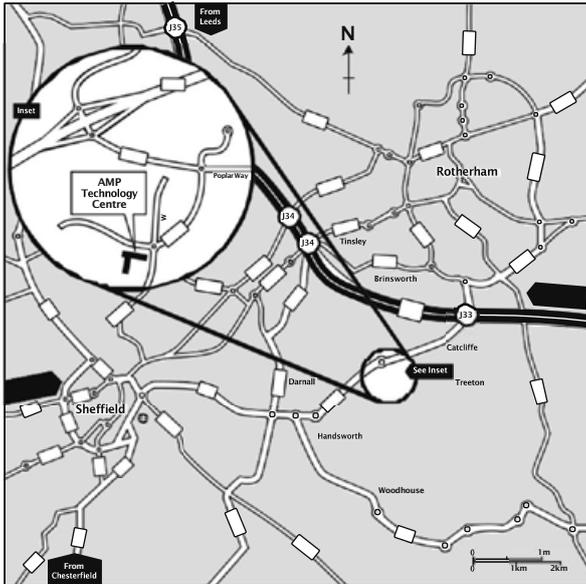
Voting results

12. The results of the voting at the Annual General Meeting will be announced through a Regulatory Information Service and will appear on the Company website, www.harworthgroup.com on 24 May 2022.

Communications with the Company

You may not use any electronic address provided either in this Notice or any related document (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

Map and directions to the Advanced Manufacturing Park Technology Centre



AMP Technology Centre
 Advanced Manufacturing Park
 Brunel Way
 Catcliffe
 Rotherham
 S60 5WG

Tel: 0114 254 1200

By car from the M1

- Leave the M1 at junction 33 (signposted to Sheffield Centre, Rotherham, A630) and join the A630 for Sheffield.
- Continue on the A630 for approximately 1 mile and take the first slip road exit signposted Catcliffe B6533.
- Take the first left at the roundabout straight off the slip road. At the next roundabout, take the third exit, signposted Handsworth B6066.
- At the next roundabout take the second exit onto Brunel Way, then the first left into the Advanced Manufacturing Park.

By train

- Sheffield Station receives regular services from Newcastle Central, Manchester Piccadilly and London St. Pancras.
- The Advanced Manufacturing Park is a short taxi ride from the station.
- For further train service information please telephone the National Rail Enquiry Line on 03457 48 49 50 or visit www.nationalrail.co.uk

