



DEVRO

Devro plc

Notice of Annual General Meeting 2019

at the Devro site, Gartferry Road,
Moodiesburn, Chryston, Scotland G69 0JE

on Thursday, 25 April 2019, at 11am.

**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 financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all of your shares in the Company, please forward this notice, together with the accompanying documents, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

Devro plc
Company Number: SC129785
Registered in Scotland
Registered Office: Moodiesburn, Chryston, G69 0JE

Letter to Shareholders

Dear Shareholder

Notice of twenty-eighth Annual General Meeting

I am pleased to make available to you this copy of the notice of the Annual General Meeting (“AGM”) of Devro plc (the “Company”) which accompanies the publication of our Annual Report for the year ended 31 December 2018. As we have recently relaunched our website, I would particularly urge you to view these documents online at www.devro.com which is the principal tool that we use to communicate with our shareholders.

The AGM will be held once again this year at the Devro site, Gartferry Road, Moodiesburn, Chryston, Scotland G69 0JE on Thursday, 25 April 2019, starting at 11am. It is an important occasion for all shareholders to express their views by raising questions and voting and you are welcome to attend in person from 10.30am when light refreshments will be available.

I and all of the current Directors will be present at the meeting including Jackie Callaway, who became our Chief Financial Officer on 1 May 2018. I hope that you take the opportunity to meet with us on this occasion, particularly as it will be my last meeting as a Director and as your Chairman, following the announcement last November that I will retire at the end of it, in order to make way for a new Chair to oversee the next stage of Devro’s development.

There is ample parking space available at the venue but if you require transport to and/or from the meeting a free shuttle bus service will operate at 10.15 am from George Square (outside City Chambers) Glasgow, G2 2DU and at midday back to George Square. Please phone 01236 878353 or send an e-mail to investorrelations@devro.com no later than 23 April 2019 if you would like to reserve a place on the shuttle bus to and/or from the meeting.

The formal AGM notice is set out on pages 3 to 4 of this document and the explanatory notes follow on pages 5 to 8. Resolutions 1 to 11 will be proposed as ordinary resolutions and resolutions 12 to 15 will be proposed as special resolutions. Voting on all resolutions at the AGM will be conducted by way of a poll.

Recommendation

Your directors (“Directors”) consider that all the proposed AGM resolutions are in the best interests of the Company and its members as a whole and are most likely to promote the success of the Company for the benefit of its members as a whole. The Directors unanimously recommend that shareholders vote in favour of all the proposed resolutions as they intend to do in respect of their own beneficial holdings.

Action required

A hard copy form of proxy for the resolutions to be proposed at the AGM is enclosed (except for shareholders who have opted to receive notifications from the Company by e-mail). Please fill in the form of proxy and return it to our registrars, Computershare Investor Services PLC, as soon as possible. Alternatively, please register your proxy vote electronically, by visiting <https://www.investorcentre.co.uk/eproxy> or, if you are a member of CREST, via the CREST system. However you submit your appointment of a proxy, Computershare must receive your proxy appointment by 11am on 23 April 2019. Completion and return of a Form of Proxy whether in hard copy, on the internet or via CREST will not prevent you from attending the AGM and voting in person should you wish to do so.

The results of the AGM will be announced via a Regulatory Information Service and on the Company’s website as soon as possible after the meeting.

I look forward to seeing you at the AGM.

Yours faithfully

Gerard Hoetmer
Chairman (Non-executive)
15 March 2019

Notice of Annual General Meeting

Notice is hereby given that the twenty-eighth Annual General Meeting (“AGM”) of Devro plc (the “Company”) will be held at the Devro site, Gartferry Road, Moodiesburn, Chryston, Scotland G69 0JE on Thursday, 25 April 2019 at 11am.

Shareholders will be asked to consider and, if thought fit, pass at the AGM the resolutions below. Resolutions 1 to 11 will be proposed as ordinary resolutions and resolutions 12 to 15 will be proposed as special resolutions.

Ordinary resolutions

1. To receive the Company’s accounts for the year ended 31 December 2018, together with the Directors’ Report, the Strategic Report and the Auditors’ Report on those accounts.
2. To declare a final dividend of 6.3 pence per ordinary share for the year ended 31 December 2018.
3. To re-elect as a Director Mr Rutger Helbing.
4. To elect as a Director Ms Jackie Callaway.
5. To re-elect as a Director Ms Jane Lodge.
6. To re-elect as a Director Mr Malcolm Swift.
7. To re-elect as a Director Dr Paul Withers.
8. To re-appoint KPMG LLP as the Company’s Auditors to hold office until the conclusion of the next AGM of the Company.
9. To authorise the Audit Committee of the Board (for and on behalf of the Directors) to determine the remuneration of the Company’s Auditors.
10. To approve the Directors’ Remuneration Report (excluding the Directors’ Remuneration Policy, set out on pages 50 to 54 of the Directors’ Remuneration Report), as set out in the Company’s Annual Report and Accounts for the year ended 31 December 2018 (the “Annual Report”).
11. THAT, in accordance with section 551 of the Companies Act 2006 (the “Act”), the Directors be generally and unconditionally authorised to allot Relevant Securities (as defined in the explanatory notes to this resolution) up to an aggregate nominal amount of £5,500,000 provided that this authority shall, unless renewed, varied or revoked by the Company, expire at the close of business on 30 June 2020 or, if earlier, the date of the Company’s next AGM save that the Company 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.

Special resolutions

12. THAT, subject to the passing of resolution 11, 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 11 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:
 - 12.1. the allotment of equity securities in connection with an offer of equity securities:
 - 12.1.1. to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
 - 12.1.2. 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
 - 12.2. the allotment (otherwise than pursuant to paragraph 12.1 above) of equity securities up to an aggregate nominal amount of £834,000.

Notice of Annual General Meeting continued

The power granted by this resolution will expire at the close of business on 30 June 2020, or, if earlier, the conclusion of the Company's next AGM (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted (or treasury shares to be sold) after such expiry and the Directors may allot equity securities (or sell treasury shares) 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.

13. THAT, subject to the passing of resolution 11, the Directors be authorised in addition to any authority granted under resolution 12 to allot equity securities (as defined in section 560 of the Act) for cash under the authority conferred by resolution 11 and/or to sell ordinary shares held by the Company as treasury shares as if section 561 of the Act did not apply to any such allotment or sale, provided that such authority shall be:
- 13.1. limited to the allotment of equity securities or sale of treasury shares up to an aggregate nominal amount of £834,000; and
 - 13.2. used only for the purpose of financing (or refinancing, if the authority is to be used within 6 months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the most recently published Statement of Principles on Disapplying Pre-Emption Rights by the Pre-Emption Group prior to the date of this notice.

The power granted by this resolution will expire at the close of business on 30 June 2020, or, if earlier, the conclusion of the Company's next AGM (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted (or treasury shares to be sold) after such expiry and the Directors may allot equity securities (or sell treasury shares) in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

14. THAT the Company be and is generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 10 pence each in the capital of the Company ("Ordinary Shares") provided that:
- 14.1. the maximum aggregate number of Ordinary Shares that may be purchased is 16,600,000;
 - 14.2. the minimum price (excluding expenses) which may be paid for each Ordinary Share is 10 pence;
 - 14.3. the maximum price (excluding expenses) which may be paid for each Ordinary Share is the higher of:
 - a. 105 per cent of the average market value of an Ordinary Share for the five business days prior to the day the purchase is made; and
 - b. the value of an Ordinary Share calculated on the basis of the higher of the price quoted for:
 - i. the last independent trade of; and
 - ii. the highest current independent bid for, any number of Ordinary Shares on the trading venue where the purchase is carried out.
 - 14.4. the authority conferred by this resolution shall expire at close of business on 30 June 2020 or, if earlier, at the conclusion of the Company's next AGM, save that the Company 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.
15. THAT a general meeting of the Company, other than an AGM of the Company, may be called on not less than 14 clear days' notice, provided that this authority expires at the conclusion of the next AGM of the Company after the date of passing this resolution.

By order of the Board

John Meredith
Company Secretary
Devro plc
15 March 2019

Registered Office:
Moodiesburn, Chryston, G69 0JE

Explanatory Notes

1. Appointment of proxies

A member of the Company is entitled to appoint a proxy to exercise all or any of his/her rights to attend, speak and vote at a general meeting of the Company. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy need not be a member of the Company but must attend the meeting in person.

Members may register their appointment of a proxy either electronically or by returning the hard copy proxy form (where supplied) in accordance with the instructions set out below.

To be valid, the instrument appointing a proxy, together with the power of attorney or other authority, if any, under which it is signed (or a copy of such power or authority, certified by a notary) must be deposited at the office of the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, not later than 11am on 23 April 2019. Completion and return of a form of proxy will not preclude shareholders from attending or voting in person at the AGM, if they wish to do so.

Shareholders can also register their appointment of a proxy to attend the AGM electronically via the internet by visiting <https://www.investorcentre.co.uk/eproxy> where full instructions are given. A proxy appointment made electronically will not be valid if sent to any address other than that provided or, if received after 11am on 23 April 2019 or, if the meeting is adjourned, if received less than 48 hours (excluding any part of a day which is a non-working day) before the time of the adjourned meeting. Please note that any electronic communication found to contain a computer virus will not be accepted.

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) of it by using the procedures described in the CREST Manual (available via www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with specifications of Euroclear UK & Ireland Limited ("EUI") and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID number 3RA50) no later than 48 hours before the time appointed for holding the 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.

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

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

2. Nominated persons

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

The statement of the rights of shareholders in relation to the appointment of proxies in section 1 above does not apply to Nominated Persons. The rights described in that section can only be exercised by registered shareholders of the Company.

3. Corporate representatives

Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of the same powers as the corporation could exercise if it were an individual member provided they do not do so in relation to the same shares.

Explanatory Notes continued

4. Entitlement to attend and vote

To be entitled to attend and vote at the meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the register of members of the Company at 6pm on 23 April 2019 (or, in the event of any adjournment, not less than 48 hours (excluding any part of a day that is not a working day) before the time of the adjourned meeting). Changes to the register of members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

5. Poll vote

All resolutions at the AGM will be taken on a poll rather than on a show of hands, so as to reflect accurately the view of all of the Company's shareholders by ensuring that every vote is recognised, including the votes of shareholders who are unable to attend the AGM but who have appointed a proxy. On a poll, each shareholder has one vote for each share held.

6. Website publication of audit concerns

Under section 527 of the Act, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to the audit of the Company's accounts (including the Auditors' Report and the conduct of the audit) that are to be laid before the meeting. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with section 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the 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 meeting includes any statement that the Company has been required under section 527 of the Act to publish on a website.

7. Shareholders' right to ask questions

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

8. Documents available for inspection

Copies of all service contracts of the Executive Directors, and all appointment letters of the Non-Executive Directors are available for inspection at the Company's registered office, Gartferry Road, Moodiesburn, Chryston, G69 0JE and at the offices of Clifford Chance LLP, 10 Upper Bank Street, London E14 5JJ during usual business hours. They will also be available at the place of the AGM from 10.45am until the close of the meeting.

9. Issued share capital and total voting rights

At 15 March 2019 (being the latest practicable date prior to the publication of this notice) the issued share capital of the Company consists of 166,949,022 Ordinary Shares, carrying one vote each. Therefore, the total voting rights in the Company as at 15 March 2019 are 166,949,022.

10. Electronic publication

A copy of this notice, and other information required by section 311A of the Act, can be found at www.devro.com.

11. Data Protection

To the extent that the Company holds personal information about any person to whom this notice is sent, the Company will process such information in accordance with its shareholder data privacy notice which can be found at www.devro.com or requested by sending an e-mail to dpst@devro.com or by writing to the Company Secretary at the Company's registered address.

12. Resolutions

Resolution 1: Accounts and Reports of the Directors and of the Auditors

The Directors of the Company have a duty to present (to shareholders in general meeting) the annual accounts together with the Directors' Reports and the Report of the Auditors. The Auditors' Report can be found on pages 119 to 127 of the Annual Report.

Resolution 2: Final dividend

The Directors recommend that a final dividend of 6.3 pence per share be paid on 10 May 2019 to shareholders whose names appear on the register of members at the close of business on 29 March 2019. Payment of the final dividend will bring the total dividend for the year ended 31 December 2018 to 9.0 pence per share.

Resolutions 3 to 7: Re-election of Directors

In line with the 2018 UK Corporate Governance Code, each Director wishing to remain a Director is subject to election or re-election by shareholders at each AGM. The Directors' biographies set out on pages 38 and 39 of the Annual Report describe the particular skills and experiences that each brings to the Board and explains why the contribution of those standing for election or re-election is and continues to be important to the Company's long-term success.

Resolutions 8 and 9: Appointment and remuneration of the Company's Auditors

Resolutions 8 and 9 are standard resolutions proposing the re-appointment of KPMG LLP ("KPMG") as the Company's Auditors and authorising the Audit Committee of the Board, acting for and on behalf of the Directors, to determine the remuneration of the Company's Auditors. KPMG were first appointed as the Company's Auditors in respect of the Company's accounts for the year ended 31 December 2015.

Resolution 10: Directors' Remuneration Report

Shareholders will be invited to approve the Directors' Remuneration Report for the year ended 31 December 2018, set out on pages 48 to 63 of the Annual Report (other than the part containing the Directors' Remuneration Policy which is included in this year's report for reference only, having been approved at the Company's AGM last year).

Resolution 11: Allotment of new shares

This resolution seeks authority for the Directors to allot Relevant Securities similar to the authority given to the Directors at the Company's last AGM, held on 25 April 2018.

This resolution complies with the Investment Association Share Capital Management Guidelines issued in July 2016.

If passed, the resolution will authorise the Directors to allot Relevant Securities up to a maximum nominal amount of £5,500,000 which represents approximately one-third of the Company's issued Ordinary Shares (excluding treasury shares) as at 15 March 2019.

As at close of business on 15 March 2019, the Company did not hold any treasury shares.

The authority granted by this resolution will expire on 30 June 2020 or, if earlier, on the conclusion of next year's AGM.

The Directors have no present intention to use this authority. As is normal practice, the Directors intend to seek renewal of this authority at subsequent AGMs.

In this resolution, Relevant Securities means:

- shares in the Company, 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 Company where the grant of the right itself constituted a Relevant Security; or
 - a right to convert securities into shares in the Company 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 Company 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.

Resolutions 12 and 13: Pre-emption rights

These resolutions, if passed, will give the Directors power, pursuant to the authority to allot granted by resolution 11, to allot equity securities (as defined by section 560 of the Act) or to sell treasury shares for cash without first offering them to existing shareholders in proportion to their existing holdings (a) 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 £5,500,000 which represents approximately one-third of the Company's issued Ordinary Shares (excluding treasury shares) as at 15 March 2019; and (b) in any other case, up to a maximum nominal cumulative amount across both resolutions of £1,668,000 which represents slightly less than 10% of the Company's issued Ordinary Shares (excluding treasury shares) as at 15 March 2019, which is the latest practicable date before publication of this notice.

These resolutions are in line with guidance issued by the Investment Association (as updated in July 2016) and the Pre-Emption Group's Statement of Principles (as updated in March 2015) (the "Statement of Principles"), and the template resolutions published by the Pre-Emption Group in May 2016.

Explanatory Notes continued

In compliance with the Statement of Principles, the Directors confirm that they will not allot shares for cash on a non-pre-emptive basis pursuant to the authority under resolution 13 other than in connection with an acquisition or specified capital investment which is announced contemporaneously with the issue or which has taken place in the preceding six-month period and disclosed in the announcement of the allotment.

In addition, the Directors also confirm that in accordance with the Statement of Principles, they do not intend to issue shares for cash representing more than 7.5% of the Company's issued share capital in any rolling three-year period, other than to existing shareholders, save as permitted in connection with an acquisition or specified capital investment as described above, unless shareholders have been notified and consulted in advance.

The power granted by these resolutions will expire at close of business on 30 June 2020 or, if earlier, the conclusion of the next AGM of the Company.

The Directors have no present intention to exercise this authority.

Resolution 14: Authority for market purchases by the Company of its own shares

The authority for the Company to purchase its own Ordinary Shares granted at last year's AGM will expire on the date of the forthcoming AGM. The Directors wish to renew this authority and a special resolution will be proposed to give the Company the authority to purchase its own Ordinary Shares in the market as permitted by the Act. The resolution gives authority for the Company to purchase up to 16,600,000 of its Ordinary Shares, representing just under 10 per cent of the Company's issued Ordinary Share capital (excluding treasury shares) as at 15 March 2019.

The resolution specifies the minimum and maximum prices which may be paid for any Ordinary Shares purchased under this authority. The authority will expire on the earlier of close of business on 30 June 2020 and the end of the Company's 2020 AGM.

Although the Directors have no present intention of exercising the authority to purchase the Company's Ordinary Shares, they consider that it is in the best interests of the Company to have available this authorisation, in case of circumstances when it would be appropriate to use it. They would only use it when satisfied that this would result in an increase in earnings per share and was in the best interests of shareholders generally.

The Company may either cancel any shares it purchases under this authority or transfer them in to treasury (and subsequently sell or transfer them out of treasury or cancel them), depending on which course of action is considered by the Directors to be in the best interests of shareholders at the time.

As at 15 March 2019, there were share scheme award options over 3,347,941 Ordinary Shares in the capital of the Company, which represents 2% of the Company's issued Ordinary Share capital. If the authority to purchase the Company's Ordinary Shares were exercised in full, these options would represent 2.2% of the Company's issued Ordinary Share capital. As at 15 March 2019, the Company did not hold any treasury shares in the Company and no warrants over Ordinary Shares in the capital of the Company existed.

Resolution 15: General meeting notice

Under the Act, the minimum notice period for general meetings of listed companies is 21 days. However it is possible to reduce this period to 14 days (other than for AGMs) provided that certain requirements are satisfied.

At the last AGM, the shareholders approved a notice period of not less than 14 clear days (other than for AGMs) effective until the forthcoming AGM. The Directors believe it is in the best interests of shareholders to preserve this ability and this resolution, which will be proposed as a special resolution, seeks such approval. The approval will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed.

It is intended that this flexibility will only be used for non-routine business and where merited in the interests of shareholders generally.

It should also be noted that in order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to shareholders for that meeting. This condition is met if there is a facility to appoint a proxy by means of a website.