

## This document is important and requires your immediate attention

If you are in any doubt about the contents of this document or the actions you should take, you should seek your own advice immediately from a stockbroker, solicitor, accountant or other appropriate independent professional adviser duly authorised under the Financial Services and Markets Act 2000, or if you are not resident in the UK, from another appropriately authorised professional adviser in your own jurisdiction.

If you have sold or otherwise transferred all of your National Express Group PLC shares, please forward this document, together with the accompanying documents (but not the personalised Form of Proxy), as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.

## Chairman's Letter to Shareholders and Notice of Annual General Meeting

Dear Shareholder

I am pleased to invite you to our 2016 Annual General Meeting (the 'Meeting' or 'AGM'), which will be held at 2.00pm on Wednesday 11 May 2016 in Hall 9 at the International Convention Centre, Broad Street, Birmingham, B1 2EA.

The AGM provides an opportunity for shareholders of the Company to meet the Board of Directors and senior management. The formal notice of the AGM is set out on pages 2 to 3 of this document (the 'Notice'). Explanatory notes on the business to be considered at the AGM are on pages 4 to 7 of this document.

### Your vote is important to us. You can vote by:

- i) submitting your vote electronically via the website of our registrars, Equiniti, at [www.sharevote.co.uk](http://www.sharevote.co.uk); or
- ii) completing, signing and returning a proxy form to Equiniti as soon as possible and, in any event, to arrive no later than 2.00pm on Monday 9 May 2016; or
- iii) attending and voting at the AGM.

As a reminder to participants of the Travel West Midlands Share Incentive Plan, please be advised that you are only entitled to attend the AGM or appoint a proxy if you are a shareholder in your own right. However, you may direct the Trustee of the Plan as to how you would like your votes to be cast by lodging your votes online at [www.sharevote.co.uk](http://www.sharevote.co.uk). You will need your voting ID, task ID and SIP reference number shown on the voting instruction card sent to you.

For those attending the AGM, an interactive electronic voting system will provide an immediate display of poll results. The results from this interactive electronic voting system will reflect both proxy votes submitted prior to the Meeting and the votes cast by those shareholders present. The results of the voting on the resolutions will be available at the Meeting and will, shortly afterwards, be announced to the London Stock Exchange and published on the Company's website at [www.nationalexpressgroup.com](http://www.nationalexpressgroup.com).

### Recommendation

The Board of Directors believes that the resolutions to be considered at the AGM will promote the success of and are in the best interests of the Company and its members as a whole.

**Your Board therefore unanimously recommends that you vote in favour of resolutions 1 to 21 inclusive.**

Yours sincerely

**Sir John Armitt, CBE**  
Chairman

8 April 2016



View National Express Group PLC's Report and Accounts for the year ended 31 December 2015 and Notice of Annual General Meeting on the Company's website at [www.nationalexpressgroup.com/ar2015](http://www.nationalexpressgroup.com/ar2015)

# Notice of Annual General Meeting

Notice is hereby given that the 2016 AGM of National Express Group PLC (the 'Company') will be held at 2.00pm on Wednesday, 11 May 2016 in Hall 9 at the International Convention Centre, Broad Street, Birmingham, B1 2EA for the transaction of the following business.

## ORDINARY RESOLUTIONS

### Report and Accounts

1. To receive and adopt the accounts of the Company for the year ended 31 December 2015 and the reports of the Directors and auditor thereon.

### Remuneration Report

2. To approve the Annual Report on Remuneration, set out in pages 83 to 95 of the Directors' Remuneration Report for the year ended 31 December 2015.

### Dividend

3. To declare a final dividend of 7.645 pence per share in respect of the financial year ended 31 December 2015.

### Directors

4. To re-elect Sir John Armit as a Director of the Company.
5. To re-elect Matthew Ashley as a Director of the Company.
6. To re-elect Joaquín Ayuso as a Director of the Company.
7. To re-elect Jorge Cosmen as a Director of the Company.
8. To elect Matthew Crummack as a Director of the Company.
9. To re-elect Dean Finch as a Director of the Company.
10. To re-elect Jane Kingston as a Director of the Company.
11. To elect Mike McKeon as a Director of the Company.
12. To re-elect Chris Muntwyler as a Director of the Company.
13. To re-elect Elliot (Lee) Sander as a Director of the Company.
14. To elect Dr Ashley Steel as a Director of the Company.

### Auditors

15. To re-appoint Deloitte LLP as the auditor of the Company, until the conclusion of the next general meeting of the Company at which accounts are laid.
16. To authorise the Directors to agree and set the remuneration of the auditor.

### Authority to allot shares

17. That the Directors be generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the 'Act'), to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for, or convert any security into, shares in the Company:

(a) up to an aggregate nominal amount (within the meaning of section 551(3) and (6) of the Act) of £8,528,977.47 (such amount to be reduced by the nominal amount allotted or granted under (b) below in excess of such sum); and

(b) comprising equity securities (as defined in section 560 of the Act) up to an aggregate nominal amount (within the meaning of section 551(3) and (6) of the Act) of £17,057,954.93 (such amount to be reduced by any allotments or grants made under (a) above) in connection with or pursuant to an offer by way of a rights issue in favour of (i) holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment and (ii) holders of any other class of equity securities entitled to participate therein or, if the Directors consider it necessary, as permitted by the rights of those securities, but in either case subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of any regulatory body or stock exchange in, any territory or any other matter whatsoever,

these authorisations to expire at the conclusion of the next Annual General Meeting of the Company (or, if earlier, on 30 June 2017) save that the Company may before such expiry make any offer or agreement which would or might require shares to be allotted or rights to be granted after such expiry and the Directors may allot shares, or grant rights for, or to convert any security into, shares, in pursuance of any such offer or agreement as if the authorities conferred hereby had not expired.

### Authority to make political donations

18. To authorise the Company and all companies that are its subsidiaries at any time during the period for which this resolution is effective, in accordance with sections 366 and 367 of the Companies Act 2006 (the 'Act') to:

(a) make political donations to political parties and/or independent election candidates;

(b) make political donations to political organisations (other than political parties); and

(c) incur political expenditure,

in a total aggregate amount not exceeding £100,000 during the period beginning with the date of the passing of this resolution and ending at the conclusion of the next annual general meeting of the Company (or, if earlier, on 30 June 2017). For the purposes of this resolution 'political donation', 'political party', 'political organisation', 'independent election candidate' and 'political expenditure' are to be construed in accordance with sections 363, 364 and 365 of the Act.

## SPECIAL RESOLUTIONS

### Disapplication of pre-emption rights

19. That, subject to the passing of resolution 17 set out in the notice of the 2016 Annual General Meeting of the Company, the Directors be given power pursuant to sections 570(1) and 573 of the Companies Act 2006 (the 'Act') to:

- (a) allot equity securities (as defined in section 560 of the Act) of the Company for cash pursuant to the authority conferred by that resolution; and
- (b) sell ordinary shares (as defined in section 560(1) of the Act) held by the Company as treasury shares for cash,  
as if section 561 of the Act did not apply to any such allotment or sale, provided that this power shall be limited to the allotment of equity securities for cash and the sale of treasury shares:
  - (i) in connection with or pursuant to an offer of or invitation to acquire equity securities (but in the case of the authority granted under resolution 16 (b), by way of a rights issue only) in favour of holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment or sale (and holders of any other class of equity securities entitled to participate therein or, if the Directors consider it necessary, as permitted by the rights of those securities) but subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of any regulatory body or stock exchange in, any territory or any other matter whatsoever; and
  - (ii) in the case of the authorisation granted under resolution 17 (a) set out in the notice of the 2016 Annual General Meeting of the Company (or in the case of any sale of treasury shares), and otherwise than pursuant to paragraph (i) of this resolution, up to an aggregate nominal amount of £2,558,693.24,

and shall expire at the conclusion of the next annual general meeting of the Company (or, if earlier, on 30 June 2017), save that the Company may before such expiry make any offer or agreement that 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 as if the power conferred hereby had not expired.

### Authority to purchase own shares

20. That the Company be generally and from time to time unconditionally authorised for the purposes of section 701 of the Companies Act 2006 (the 'Act') to make market purchases (within the meaning of section 693(4) of the Act) of the Company's ordinary shares on such terms and in such manner as the Directors shall determine, provided that:

- (a) the maximum aggregate number of ordinary shares which may be purchased is 51,173,864.80, representing approximately 10% of the issued share capital of the Company as at 29 March 2016;
- (b) the minimum price which may be paid for each ordinary share is 5 pence which amount shall be exclusive of expenses, if any;
- (c) the maximum price (exclusive of expenses) which may be paid for each ordinary share is an amount equal to the higher of (i) 105% of the average middle market quotations for an ordinary share of the Company as derived from the Daily Official List published by the London Stock Exchange plc for the five business days prior to the date on which such share is contracted to be purchased; and (ii) the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the trading venues where the purchase is carried out;
- (d) unless previously renewed, revoked or varied, this authority shall expire at the close of the next annual general meeting of the Company (or, if earlier, on 30 June 2017); and
- (e) the Company may, before this authority expires, make a contract to purchase shares which would or might be executed wholly or partly after the expiry of this authority, and may make purchases of shares pursuant to it as if this authority had not expired.

### Notice of general meetings

21. That a general meeting of the Company (other than an annual general meeting) may be called on not less than 14 clear days' notice.

By order of the Board



**Matthew Ashley**  
Group Finance Director

8 April 2016

# Explanatory notes to the resolutions

These notes explain the proposed resolutions.

Resolutions 1 to 18 (inclusive) are proposed as ordinary resolutions which means that for each of those resolutions to be passed, more than half the votes must be cast in favour of the resolution. Resolutions 19 to 21 (inclusive) are proposed as special resolutions which means that for each of those resolutions to be passed, at least 75% of the votes cast must be in favour of the resolution.

**The Board unanimously recommends that you vote in favour of resolutions 1 to 21 inclusive.**

## ORDINARY RESOLUTIONS

### Resolution 1 – Annual Report and Accounts

The Directors are required to present to the AGM the Company's audited accounts and the reports of the Directors and the auditor of the Company for the year ended 31 December 2015 (the '2015 Annual Report'). The full Annual Report and Accounts may be accessed on the Company's website ([www.nationalexpressgroup.com/ar2015](http://www.nationalexpressgroup.com/ar2015)) or, alternatively, a copy may be obtained by writing to the Company Secretary at National Express Group PLC, National Express House, Birmingham Coach Station, Mill Lane, Digbeth, Birmingham B5 6DD.

### Resolution 2 – Directors' Remuneration Report

Resolution 2 seeks shareholder approval for the Annual Report on Remuneration, which forms part of the Directors' Remuneration Report and which can be found on pages 83 to 95 of the 2015 Annual Report. In accordance with section 439 of the Act, this is an advisory vote.

### Resolution 3 – Final dividend

The Directors recommend a final dividend of 7.645 pence per ordinary share for the financial year ended 31 December 2015. The final dividend cannot exceed the amount recommended by the Directors. If approved by shareholders, the final dividend will be paid on 20 May 2016 to all shareholders on the register of members as at the close of business on 29 April 2016.

### Resolutions 4 to 14 – Election or Re-election of Directors

In accordance with the UK Corporate Governance Code, all the Directors will retire at the 2016 AGM and offer themselves for election or re-election.

Biographies of each Director proposed to be elected or re-elected are below and on the Company's website at [www.nationalexpressgroup.com](http://www.nationalexpressgroup.com). The Board considers annually the performance of all the Directors. Following this review the Board believes the performance of all the Directors standing for election or re-election continues to be effective and that they demonstrate commitment to their roles. The Board therefore recommends each Director for election or re-election.

#### **Sir John Armit, CBE, Chairman (70)**

Sir John Armit, CBE, is currently Deputy Chairman of Berkeley Group Holdings PLC, Chairman of the City and Guilds Group and a member of the Board of Transport for London and of the National Infrastructure Commission. He is also President of the Institution of Civil Engineers. Sir John was Chairman of the Olympic Delivery Authority from 2007 to 2014 and Chairman of the Engineering and Physical Science Research Council from 2007 to 2012. From 2001 to 2007 he was Chief Executive of Network Rail and its predecessor, Railtrack. In 1997, he was appointed as Chief Executive of Costain Group PLC, a position he held until 2001. Before this, Sir John was Chief Executive of Union Railways, the company responsible for the development of the high speed Channel Tunnel Rail Link. This followed a 27-year career at John Laing PLC.

#### **Matthew Ashley, Group Finance Director (42)**

Matthew Ashley joined National Express as Group Financial Controller in 2010 from Deloitte where he was a Director specialising in transport and infrastructure and the auditing of listed companies, having qualified as a Chartered Accountant in 1998. He was then promoted to the role of Finance Director of the UK Bus division in 2013 before becoming interim Group Finance Director in October 2014. Following a search process led by the Nomination Committee, Matthew was appointed to the Board as Group Finance Director on 28 January 2015. He has no external directorships.

#### **Joaquín Ayuso, Independent Non-Executive Director (60)**

Joaquín Ayuso is Board Vice Chairman for Ferrovial, the €8 billion Spanish transport infrastructure and services group that employs over 70,000 people worldwide. He has been with Ferrovial since 1981 and was appointed CEO in 2002 and held that position until October 2009. During this period, Ferrovial expanded internationally with business interests in the UK, US, Canada, Latin America and Europe. He is also currently a Non-Executive Director of Bankia, President of the Board of Autopista del Sol SA, Independent Director of Hispania Activos Inmobiliarios SA and Senior Advisor to AT Kearney in Spain and Portugal.

### **Jorge Cosmen, Deputy Chairman (47)**

Jorge Cosmen was appointed to the Board at the time of the ALSA transaction. He was appointed Deputy Chairman in October 2008. He was Corporate Manager for the ALSA Group from 1995, becoming Chairman in 1999. Between 1986 and 1995, he worked in sales, distribution and banking. He is a Business Administration graduate and has an International MBA from the Instituto de Empresa in Madrid. He is a Non-executive Director of Bankia, as well as of other private companies.

### **Matthew Crummack, Independent Non-Executive Director (45)**

Matthew Crummack is currently a Member of the Strategic Advisory Committee of lastminute.com group, the online travel and leisure retailer, where he was previously CEO from 2011 until its acquisition by the Bravofly Rumbo Group in March 2015. He served as Deputy CEO and Chief Integration Officer until 31 December 2015. Matthew was formerly a Senior Vice President of Lodging at Expedia and has previously worked for Nestlé UK and spent eight years at Procter & Gamble in a variety of roles. He is also a Director of his own UK-based company, Interventus Limited.

### **Dean Finch, Group Chief Executive (49)**

Prior to joining National Express, Dean Finch was Group Chief Executive of Tube Lines from May 2009. Before that, he worked for over ten years in senior roles within FirstGroup plc. He joined FirstGroup in 1999 having qualified as a Chartered Accountant with KPMG, where he worked for 12 years specialising in Corporate Transaction Support Services, including working for the Office of Passenger Rail Franchising on the privatisation of train operating companies. At FirstGroup, he was Managing Director of the Rail Division from 2000 to 2004 and was then appointed to the main board as Group Commercial Director in 2004, before being made Group Finance Director. With the completion of the Laidlaw acquisition, he became Chief Operating Officer in North America before returning to the UK as Group Chief Operating Officer. Dean is also currently a Non-executive Director of the Royal Free London NHS Foundation Trust.

### **Jane Kingston, Independent Non-Executive Director (58)**

Jane Kingston served as Group Human Resources Director for Compass Group PLC from 2006 until her retirement in 2016. Prior to this, she served as Group Human Resources Director for BPB PLC from 2002 until its acquisition by Saint Gobain SA in 2006. Jane's earlier career in HR has spanned a variety of sectors including engineering and building materials with Enodis PLC and Blue Circle PLC (now Lafarge SA) and garment and textiles with Coats Viyella PLC, as well as the British car industry. She has significant international experience, having had responsibility for the people agenda in most parts of the world at some point during her career.

### **Mike McKeon, Independent Non-Executive Director (59)**

Mike McKeon was Group Finance Director of Severn Trent plc from 2005 until his retirement from the board in 2015. Prior to that, between 2000 and 2005, he was Group Finance Director of Novar plc. He has held various senior roles, both in the UK and internationally, at Rolls-Royce plc, CarnaudMetalbox, Elf Atochem and PricewaterhouseCoopers. Mike is currently Senior Independent Director and Chairman of the Audit Committee at investment trust, The Merchants Trust PLC. He is a Chartered Accountant.

### **Chris Muntwyler, Independent Non-Executive Director (63)**

Chris Muntwyler is CEO and Chairman of the Swiss Management Consulting company Conlogic Ltd. He is also Non-Executive Director of Panalpina World Transport (Holding) Ltd (Switzerland) and the Austrian Post Ltd (Austria). During his 27 years at Swissair he held top executive positions in Switzerland, Sweden and North America. In 1999 he joined DHL Express serving as Managing Director of Switzerland, Germany and Central Europe and from 2005 to 2008 as CEO of DHL Express (UK) Ltd based in London.

### **Lee Sander, Senior Independent Director (59)**

Elliot 'Lee' Sander is the former Chief Executive Officer of the Metropolitan Transportation Authority of New York and the former Commissioner of the New York City Department of Transportation. He is the Chairman of the Regional Plan Association, a non-governmental organisation that has played a guiding role in the planning of the New York Metropolitan area. Lee was Group Chief Executive for Global Transportation at AECOM, a global architecture and engineering firm. He served as President of The HAKS Group Inc and The I. Grace Company, which also specialised in architecture, engineering, and construction in the public and private sectors. In addition, Lee founded the Rudin Center for Transportation Policy and Management at New York University.

### **Dr Ashley Steel, Independent Non-Executive Director (56)**

Dr Ashley Steel is a former Vice Chairman at KPMG and was Global Chair for its transport, leisure and logistics practice until her retirement from the firm in September 2014. Ashley has significant international experience and has advised numerous FTSE and Fortune 500 boards. Her other sector experience includes professional services, technology, media, business services and healthcare. Ashley is currently a Non-Executive Director of the Civil Aviation Authority and serves on the International Business Advisory Board at British Airways. She is also Special Adviser to a global aviation technology company owned by Warburg Pincus and an Independent Non-Executive Director to global law firm, Ince & Co. Ashley has a PhD in Management from Henley Business School.

### **Resolutions 15 and 16 – Re-appointment and remuneration of the auditor**

Shareholders are required to re-appoint the auditor at each general meeting at which audited accounts are presented to shareholders. Resolution 15 proposes the re-appointment of Deloitte LLP as auditor of the Company until the conclusion of the Company's next general meeting at which accounts are laid. It is normal practice for the Directors to be authorised to determine the level of the auditor's remuneration for the ensuing year. Resolution 16 proposes to give such authority to the Directors in respect of the auditor.

### **Resolution 17 – Authority to allot shares**

The Directors of a company may allot shares and rights to subscribe for, or convert any security into, shares only if authorised to do so by shareholders.

The same authorities granted at the last AGM are due to expire at this year's AGM. Accordingly, resolution 17 will be proposed as an ordinary resolution to grant new authorities to allot shares and rights to subscribe for, or convert any security into, shares. If given, these authorities will expire at the conclusion of the AGM of the Company in 2017 (or, if earlier, on 30 June 2017).

Paragraph (a) of resolution 17 will allow the Directors to allot ordinary shares up to a maximum nominal amount of £8,528,977.47, representing approximately one third of the Company's existing issued share capital as at 29 March 2016, being the latest practicable date prior to publication of this Notice. In accordance with the latest institutional guidelines issued by the Investment Association (the 'IA'), paragraph (b) of resolution 17 will also allow Directors to allot, including the ordinary shares referred to in paragraph (a) of resolution 19, further ordinary shares in connection with a pre-emptive offer by way of a rights issue to ordinary shareholders up to a maximum nominal amount of £17,057,954.93, representing approximately two thirds of the Company's existing issued share capital calculated as at 29 March 2016.

The Directors do not have any current intention to exercise these authorities. However, the Directors consider it appropriate to maintain the flexibility that these authorities provide. It is intended to renew this authority at successive AGMs. The Company does not currently hold any of its shares in treasury. If the Directors do exercise the authority conferred by resolution 17 (b), the Directors intend to follow best practice as regards its use as recommended by the IA.

### **Resolution 18 – Authority to make political donations**

Part 14 of the Act, amongst other things, prohibits the Company and its subsidiaries from making political donations or from incurring political expenditure in respect of a political party or other political organisation or an independent election candidate unless authorised by the Company's shareholders. Aggregate donations made by the Company and its subsidiaries of £100,000 or less in any 12 month period will not be caught.

It remains the Company's policy not to make any political donations or incur any political expenditure and neither the Company nor any of its subsidiaries has any intention of using the authority for this purpose. However, the Act defines "political party", "political organisation", "political donation" and "political expenditure" very widely and the Company or any of its subsidiaries may incur expenditure such as advertising, sponsorship or attendance at events organised by political parties, or the hiring of stands and exhibition space at national and regional political conferences which may fall within the wide definitions. Accordingly, the Company wishes to ensure that neither it nor any of its subsidiaries inadvertently commits any breaches of the Act and resolution 18 seeks authority for the Company and its subsidiaries to incur such expenditure up to a maximum of £100,000 in aggregate.

## **SPECIAL RESOLUTIONS**

### **Resolution 19 – Disapplication of pre-emption rights**

The Directors require additional authority from shareholders to allot equity securities of the Company or sell treasury shares where they propose to do so for cash and otherwise than to existing shareholders pro rata to their holdings. The authority granted at the last AGM is due to expire at this year's AGM. Accordingly, resolution 19 will be proposed as a special resolution to grant such authority. Apart from offers or invitations in proportion to the respective number of shares held, the power will be limited to the allotment of equity securities and sale of treasury shares for cash up to an aggregate nominal value of £2,558,693.24 which represents approximately 10% of the issued share capital of the Company as at 29 March 2016, being the latest practicable date before publication of this Notice. If given, this authority will expire at the conclusion of the AGM of the Company in 2017 (or, if earlier, on 30 June 2017).

The figure of 10% (increased from 5% last year) reflects the Pre-Emption Group 2015 Statement of Principles for the disapplication of pre-emption rights (the "Statement of Principles"). Your Directors will have due regard to the Statement of Principles in relation to any exercise of this power; in particular they do not intend to allot shares for cash on a non-pre-emptive basis pursuant to this power:

- (i) in excess of an amount equal to 5% of the total issued ordinary share capital of the Company excluding treasury shares; or
- (ii) in excess of an amount equal to 7.5% of the total issued ordinary share capital of the Company excluding treasury shares in any rolling three-year period, without prior consultation with shareholders,

in each case other than in connection with an acquisition or specified capital investment (within the meaning of the Statement of Principles from time to time) which is announced contemporaneously with the allotment, or which has taken place in the preceding six month period and is disclosed in the announcement of the allotment.

### **Resolution 20 – Authority to purchase own shares**

The Company may buy its own shares with the authority of shareholders. Resolution 20, which will be proposed as a special resolution, seeks to renew the current authority given at the 2015 AGM of the Company until the conclusion of the AGM in 2017 (or, if earlier, until 30 June 2017). The resolution specifies the maximum number of shares that may be purchased, which represents approximately 10% of the Company's issued share capital, as at 29 March 2016, being the latest practicable date before publication of this Notice. Resolution 20 also specifies the highest and lowest prices at which shares may be purchased by the Company under this authority.

Any shares purchased under this authority will either be treated as cancelled or held as treasury shares. Listed companies, with authorisation from shareholders, may buy and hold their own shares in treasury instead of cancelling them immediately. Shares held as treasury shares can in the future be cancelled, re-sold or used to provide shares for employee share schemes. No dividends are paid on shares whilst held in treasury and no voting rights attach to treasury shares.

For information, as at 29 March 2016, being the latest practicable date before publication of this Notice, there were 379,709 options outstanding over the Company's shares representing approximately 0.07% of the issued share capital of the Company. The same authority given at the 2015 AGM was not used during the year and the Directors have no present intention of exercising the authority conferred by resolution 20. The authority is being sought in order to preserve flexibility and if resolution 20 is approved, this authority will be used only if it is likely to lead to an increase in earnings per share and the Directors are satisfied that this is in the best long-term interests of the shareholders.

### **Resolution 21 – Notice of general meetings**

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

The flexibility offered by this resolution will be used where, taking into account the circumstances, the Directors consider this appropriate in relation to the business to be considered at the meeting in question and where it is thought to be to the advantage of shareholders as a whole.

The changes to the Act mean 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 all shareholders for that meeting.

# Important Information

## Proxies

A shareholder is entitled to appoint another person as his or her proxy to exercise all or any of his or her rights to attend, to speak and to vote at the Meeting. A shareholder 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 different shares held by them. A proxy need not be a shareholder of the Company.

If shareholders wish to appoint a proxy, they should complete a Form of Proxy (a Form of Proxy is enclosed with this Notice) and send it to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA to be received not later than 2.00pm on 9 May 2016. Shareholders may also appoint a proxy online using the service provided by the Company's Registrars at [www.sharevote.co.uk](http://www.sharevote.co.uk) or, if they are a CREST member, by using the electronic proxy service provided by Euroclear (see further details on page 10). The valid appointment of a proxy will not prevent a shareholder from attending and voting at the AGM in person, should they wish to do so.

If a shareholder appoints a proxy (either via the Form of Proxy, online or CREST), the proxy will be entitled to attend, speak and vote on the shareholder's behalf at the AGM and at any adjournment of that meeting. The appointed proxy will use his/her discretion as to how to vote on any resolution which the shareholder has not given specific instructions and on any other business transacted at the meeting.

If you are a shareholder and do not have a proxy form and believe that you should have one, or if you require additional forms, please contact our Registrars, Equiniti, at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA or telephone the shareholder helpline number on 0371 384 2152 for UK callers. The Equiniti overseas shareholder helpline number is +44 121 415 7047. Textel (for the hard of hearing) is also available on 0371 384 2255. Lines are open from 8.30am to 5.30pm Monday to Friday.

## Information for participants in the Travel West Midlands Share Incentive Plan

If you are a participant in the Travel West Midlands Share Incentive Plan you may instruct the Trustees to vote the shares held by them on your behalf by lodging your votes online at [www.sharevote.co.uk](http://www.sharevote.co.uk) no later than 2.00pm on 6 May 2016. You will need your voting ID, task ID and SIP reference number shown on the voting instruction card sent to you. Participants are not entitled to attend the AGM or appoint a proxy unless they are a shareholder in their own right.

## Voting at the AGM

Votes at the AGM on all matters except for procedural issues will be taken on a poll. Voting by poll at the Meeting will be conducted using an electronic system called Votenow provided by Equiniti, the Company's Registrars, rather than a show of hands. The Directors believe that this produces more democratic results, as all shares represented at the Meeting and those lodged before the Meeting are included in the results of the voting on a one share one vote basis. The results of the voting on each resolution will be made available at the Meeting and published on the Company's website, [www.nationalexpressgroup.com](http://www.nationalexpressgroup.com).

## Right to attend and vote

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (the 'Regulations'), the Company specifies that in order to have the right to attend and vote at the Meeting (and also for the purpose of determining how many votes a person entitled to attend and vote may cast), a person must be entered on the register of members of the Company at 6.00pm on 9 May 2016 or, in the event of any adjournment, at 6.00pm on the date which is two days before the day of the adjourned Meeting. Changes to entries on the register of members after this time shall be disregarded in determining the right of any person to attend or vote at the Meeting.

Non-shareholders (who are accompanying shareholders) will only be admitted to the AGM at the discretion of the Company.

## Documents on display

Copies of the Executive Directors' service contracts and letters of appointment of the Non-Executive Directors will be available for inspection at the registered office of the Company during usual business hours on any weekday (Saturday, Sunday or public holidays excluded) from the date of this Notice until the time of the AGM and will be available for inspection at the AGM for at least 15 minutes prior to the start of the Meeting until its conclusion.

## 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 Companies Act 2006 (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 an agreement to give instructions to the shareholder as to the exercise of voting rights.

## Voting by corporate representatives

A shareholder of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the AGM. In accordance with the provisions of the Act, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual shareholder of the Company, provided that they do not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative.

## **Members' right to ask questions**

All shareholders and their proxies attending the AGM have the right to ask questions. To be fair to all shareholders who wish to ask a question, you are requested to ask only one question which is relevant to the business of the Meeting. It would be helpful if you could state your name before you ask your question. The Company must cause to be answered any such question relating to the business being dealt with at the Meeting but no 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. The Chairman may also nominate a Company representative to answer a specific question after the Meeting or refer the shareholder or proxy to information on the Company's website.

## **AGM resolutions/business**

Under section 338 and section 338A of the Act, members meeting the threshold requirements in those sections have the right to require the Company (i) to give, to members of the Company entitled to receive notice of the meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting; and/or (ii) to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may be properly included in the business. A resolution may properly be moved or a matter may properly be included in the business unless (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise), (b) it is defamatory of any person, or (c) it is frivolous or vexatious. Such a request may be in hard copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it, must be received by the Company not later than the date six clear weeks before the meeting, and (in the case of a matter to be included on the business only) must be accompanied by a statement setting out the grounds for the request.

## **Total number of shares and voting rights**

As at 29 March 2016, being the latest practicable date prior to the publication of this Notice, the Company's issued share capital comprised 511,738,648 ordinary shares of 5 pence with no shares held in Treasury. Each ordinary share carries the right to one vote at a general meeting of the Company. Therefore, the total voting rights in the Company at 29 March 2016 are 511,738,648.

## **Website publication of audit concerns**

Under section 527 of the Act, shareholders 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 (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Act, (in each case) that the shareholders propose to raise at the relevant 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 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 auditor no 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.

## **Online shareholder communications**

As a shareholder you can choose to vote by proxy and to receive communications and documents from the Company electronically. This helps us to reduce distribution and printing costs. In order to sign up for this service you will need to access the Company's Registrars' online service at [www.shareview.co.uk](http://www.shareview.co.uk). This is a secure site where you are able to view your shareholdings. You will need your eleven digit shareholder reference number, which is shown on your share certificate or dividend voucher.

Please note that the Company takes all reasonable precautions to ensure no viruses are present in any electronic communication it sends out but the Company cannot accept responsibility for loss or damage arising from the opening or use of any email or attachments from the Company and recommends that the shareholders subject all messages to virus checking procedures prior to use. Any electronic communication received by the Company, including lodgement of an electronic proxy form, that is found to contain any virus will not be accepted.

To sign up to receive documents electronically:

- log onto [www.shareview.co.uk](http://www.shareview.co.uk)
- click on 'Register' and follow the simple instructions – you will need your shareholder reference number
- you will be asked to choose a password and at the end of the registration process your User ID will appear on screen. You should make a note of this and your chosen password. You will not be able to use the service until you have received an Activation Code which will be sent to you in the post to your home address. You will need to enter the Activation Code the first time you log in to Shareview after entering your User ID and password
- if you are already registered with Shareview, you do not need to register again but should check that your mailing preference is shown as 'email'.

A copy of this Notice, and other information required by section 311A of the Act can be found at [www.nationalexpressgroup.com/investors/agm/2016](http://www.nationalexpressgroup.com/investors/agm/2016).

To vote by proxy electronically:

- log onto [www.sharevote.co.uk](http://www.sharevote.co.uk)
- follow the instructions as to how to submit your vote. For security identification you will need to input the Voting ID, Task ID and Shareholder Reference Number which you will find on your Form of Proxy.

Should you have any queries about signing up for online communications please contact our Registrars, Equiniti, on the shareholder helpline number 0371 384 2152 for UK callers. The Equiniti overseas shareholder helpline number is +44 121 415 7047. Textel (for the hard of hearing) is also available on 0371 384 2255. Lines are open from 8.30am to 5.30pm Monday to Friday.

#### **Instructions for electronic appointment through CREST**

If you are a CREST member and want to appoint a proxy using the Euroclear electronic proxy appointment service, you can do so using the procedures described in the CREST manual which can be viewed at [www.euroclear.com](http://www.euroclear.com). If you are a CREST personal member, a CREST sponsored member or a CREST member that has appointed a voting service provider you should request the sponsor or voting service provider to take the appropriate action on your behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CRESTproxy instruction') must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Equiniti Limited (ID RA19) no later than 48 hours before the time at which the Meeting is due to begin. 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 our Registrars will be able to retrieve the message by enquiry to CREST in the manner prescribed in CREST.

After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

Euroclear does not make available special procedures for any particular messages. Normal system timings and limitations therefore apply in relation to the input of CREST proxy instructions. CREST members (or appointee members) are responsible for taking (or arranging for their CREST sponsor or voting service provider to take) any necessary action to ensure that a message is transmitted by means of the CREST system by any particular time. CREST members and CREST sponsors or voting service providers are referred to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

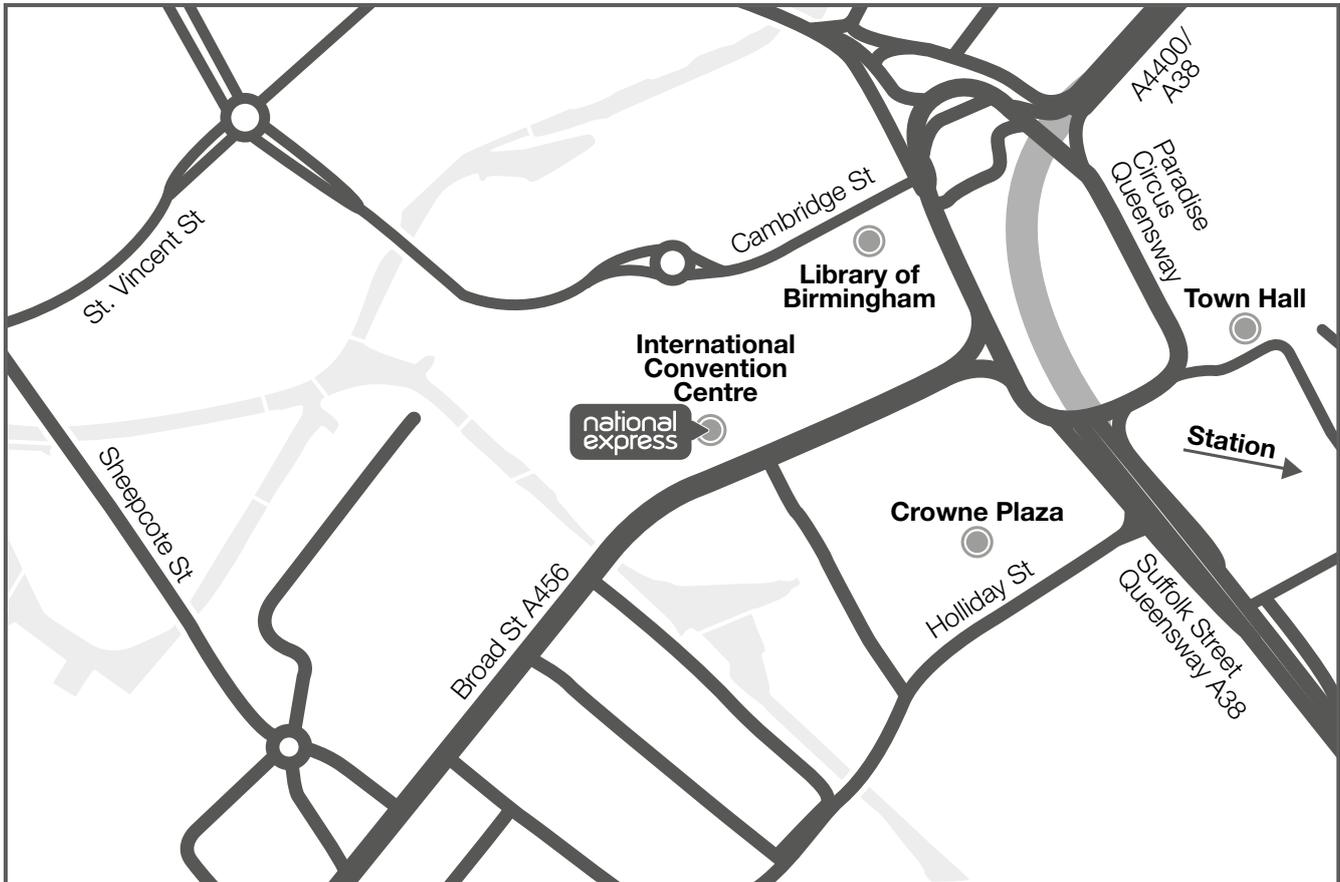
National Express Group PLC may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

#### **Communication**

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 Company for any purposes other than those expressly stated.

## Location of 2016 AGM

The 2016 Annual General Meeting of National Express Group PLC will be held at 2.00pm on Wednesday, 11 May 2016 in Hall 9 at the International Convention Centre, Broad Street, Birmingham, B1 2EA.



### Directions

#### By foot

The International Convention Centre ('ICC') is located in the well-known, accessible Broad Street area of Birmingham city centre, adjacent to Brindley Place and Centenary Square. Walking to the ICC from any part of Birmingham city centre is easy, well signposted and takes approximately 10-15 minutes.

#### By bus

A number of bus routes stop near to the venue. For more information, please go to <http://nxbus.co.uk/routes/west-midlands/>

#### By train

The ICC is served by the UK's largest interchange rail station, Birmingham New Street and the smaller Five Ways Station. Both stations are a short walk from the ICC and taxi ranks are situated close by. Birmingham New Street has direct and regular services to Birmingham International railway station which directly links to Birmingham International Airport and The NEC. It also has many direct services to London Euston, including a service that takes just 80 minutes and runs every 20 minutes.

#### By road

The ICC is located centrally in Birmingham city centre and is easily accessible by road from all over the UK. Visitors from any direction can travel in to Birmingham using many different routes connected to the following motorways: M1, M5, M6, M6 Toll, M40 and M42.

There is abundant, secure multi-storey parking available located within the Barclaycard Arena, which is just a short walk away from the ICC. Both the ICC and Barclaycard Arena are signposted on motorways and major roads and are marked on most road maps.

**Wheelchair access**

The ICC is accessible to wheelchair users via ramps or lifts. Hall 9 is on the canal side level and is accessible by lift. Tactile signage is fitted in the majority of lifts. Assistance Dogs are welcome at the venue. For vehicles displaying blue badges, parking is free of charge at or near the main entrance. Spaces need to be booked in advance so please telephone the ICC on +44 (0) 121 780 4949.

**Medical emergencies**

In the event of a medical emergency, please notify a member of Security or any member of the venue's staff for assistance.

**Hearing impairments**

An induction loop system, which can be linked to visitors' hearing aids, is operated in selected halls at the ICC.

**Toilets**

Public toilets are available on all levels. There are also unisex, wheelchair-accessible toilets.

**Security**

For security reasons and to speed up admission, please do not bring suitcases, large bags, a camera, laptop computer or tape recorder to the AGM venue. If you do, you may be asked to deposit them in the cloakroom for collection after the meeting.

Please note that those attending the AGM will not be permitted to hand out leaflets or pamphlets in the venue.