

CO-OPERATIVE GROUP LIMITED

POLICIES AND PROCEDURES MANUAL FOR SOCIETY GENERAL MEETINGS

(the General Meetings Manual)

(approved by the Board on 2 March 2016 and Council on 9 April 2016)

1. INTRODUCTION

- 1.1 This General Meetings Manual, including the Voting Representative Regulations in the Appendix, has been approved by the Board and the Council of Co-operative Group Limited (the **Society**) in accordance with Rule 12.2(f) of the Society's Rules (the **Rules**).
- 1.2 The General Meetings Manual contains information on the procedures which should be followed at Annual General Meetings, Half Yearly Meetings and Special General Meetings of the Society and should be read in conjunction with the Rules and the Purchases Regulations. The General Meetings Manual reflects and expands on the provisions in the Rules concerning the proceedings of Society General Meetings, in particular Rules 32 to 41 (inclusive).
- 1.3 In addition to terms defined elsewhere in the General Meetings Manual, the words and expressions used shall have the meaning given to them in the Rules.

2. CHAIR OF THE MEETING

- 2.1 In accordance with Rule 37.1, the Chair of the Society's Board (the **Group Chair**) shall chair Society General Meetings. If the Group Chair is not available, the Senior Independent Director shall chair the meeting, failing which the other Directors present shall elect one of their number to chair the meeting.
- 2.2 The ruling of the Chair on all questions of order and matters arising in debate at all Society General Meetings shall be final.

3. ATTENDANCE AT GENERAL MEETINGS

3.1 Individual Members

- (a) An Individual Member shall be entitled to attend a Society General Meeting if he / she:
 - (i) is a Member on the date of the notice of the Society General Meeting (i.e. the date of the Board meeting to approve the notice, not the date that notice is sent or that of the Society General Meeting itself);
 - (ii) is a Member on the date of the Society General Meeting;
 - (iii) satisfies the Qualifying Purchases requirements in Part 1 of the Purchases Regulations; and
 - (iv) is not under the age of 16 on the date of the Society General Meeting.

- (b) Alternatively, an Individual Member entitled to attend a Society General Meeting can appoint a Voting Representative to attend and vote on their behalf in accordance with Rules 38.1 and 39 and the Voting Representative Regulations in Appendix 1. A Voting Representative must be an Individual Member of Co-operative Group Limited or a Council Member.

3.2 Independent Society Members

- (a) An Independent Society Member may authorise an individual to act as its Corporate Representative and attend Society General Meetings if the Independent Society Member:
 - (i) is a Member on the date of the notice of the Society General Meeting (i.e. the date of the Board meeting to approve the notice, not the date that notice is sent or that of the Society General Meeting itself);
 - (ii) is a Member on the date of the Society General Meeting; and
 - (iii) satisfies the Qualifying Purchases requirements in Part 1 of the Purchases Regulations.

Such Corporate Representative shall not be entitled to appoint a Voting Representative but shall otherwise be entitled to exercise the same powers on behalf of the Independent Society he / she represents as that body could exercise if it were an Individual Member.

- (b) Corporate Representatives must be validly appointed under Rule 38.6 and need not be an Individual Member of Co-operative Group Limited. The same individual cannot be authorised to attend and vote on behalf of more than one Independent Society Member. If an Independent Society Member appoints a Corporate Representative, the representative may be accompanied by up to four additional persons in accordance with paragraph 3.5(a) below.
- (c) Alternatively, an Independent Society Member entitled to attend a Society General Meeting may appoint a Voting Representative to attend and vote on their behalf in accordance with Rules 38.1 and 39 and the Voting Representative Regulations in Appendix 1. A Voting Representative must be an Individual Member of Co-operative Group Limited, a Council Member or a Corporate Representative validly appointed by another Independent Society Member under Rule 38.6.

3.3 Other representatives

Rule 38 makes provision for the appointment of representatives other than Voting Representatives and Corporate Representatives to attend Society General meetings and vote in particular situations including by attorney or a representative appointed by a court.

3.4 Officers, management and advisors

- (a) Members of the Board, Council and Executive shall be entitled to attend Society General Meetings and shall have the right to address the meeting and answer questions at the discretion of the Chair on the day of the meeting.
- (b) Other members of the senior management of the Group, representatives of the Society's auditors and other persons whose presence the Group Secretary considers to be appropriate shall be entitled to attend Society General Meetings and shall have

the right to address the meeting and answer questions at the discretion of the Chair on the day of the meeting.

3.5 **Observers**

- (a) If an Independent Society Member entitled to attend a Society General Meeting appoints a Corporate Representative to attend the meeting on its behalf, the Independent Society Member may by resolution of its directors or other governing body appoint up to four additional persons to attend the Society General Meeting in the capacity as an observer (**Observers**).
- (b) Other Observers shall be permitted to attend Society General Meetings with the prior agreement of the Group Secretary.
- (c) Observers shall have no rights to address the meeting or raise questions unless permitted by the Chair. Observers shall not have rights to vote at the meeting.

4. **QUORUM**

- 4.1 In accordance with Rule 35.1, the quorum for Society General Meetings is 20 Members present and entitled to vote on a show of hands (except in the case of Special General Meetings requisitioned by the Council or by Members under Rule 33.3, when the quorum is 500 such Members). In each case, Voting Representatives present and validly appointed in accordance with the Rules shall count as one Member regardless of the number of Members who have appointed them as a Voting Representative.
- 4.2 If a quorum is not present within half an hour of the time of the meeting, the Chair of the meeting shall adjourn it to such hour, date and place as they direct (unless it is a Special General Meeting requisitioned under Rule 33.3 whereupon the Chair of the meeting shall dissolve it).
- 4.3 If a quorum is present at the beginning of a Society General Meeting and subsequently becomes inquorate during the meeting, the meeting shall continue.

5. **MEETING PROCEDURES**

- 5.1 The procedures for Society General Meetings are set out in Rule 37.
- 5.2 In accordance with Rule 32.1(b), the Board is responsible for, and shall take all steps in connection with, convening Annual General Meetings and Half Yearly Meetings, including, but not limited to, the approval and provision of notices, issuing voting papers and proposing motions for resolutions and the conduct of proceedings at such meeting.
- 5.3 At each Society General Meeting there will be an opportunity to address the meeting and to raise questions. The right to address the meeting and to raise questions shall be at the discretion of the Chair on the day of the meeting.
- 5.4 The Chair may call attention to continued irrelevance, repetition or any breach of order on the part of anyone in attendance at Society General Meetings, and may direct such person to discontinue speaking. If anyone interrupts another whilst addressing the meeting, or causes a disturbance and refuses to obey the Chair when called to order, he / she may be expelled from the meeting and shall not be allowed to enter again until an apology satisfactory to those present has been given.

6. MOTIONS

6.1 Motions put to Annual General Meetings or Half Yearly Meetings

- (a) Motions can be put to an Annual General Meeting or Half Yearly Meeting by the Board, the Council, 100 Qualified Members or by not less than four Independent Society Members (who are Qualified Members) in accordance with Rule 32.
- (b) Motions submitted by the Council or by Members must be delivered in writing to the Group Secretary at the registered office of the Society no later than 70 days before the date of the Annual General Meeting or Half Yearly Meeting.
- (c) Applications from Qualified Members shall include the full name and membership number of each Member, in addition to their signatures. Applications from not less than four Independent Society Members (who are Qualified Members) shall be signed by duly authorised persons of each society. The Group Secretary may decline to act upon any application where the authority of a signatory is in doubt (unless the application would be valid if the signature was not present) or where the application is otherwise invalid.
- (d) Valid applications received by the Group Secretary shall be delivered to the Council as soon as practicable following the assessment that the application is valid, following which the Council shall consider and (if appropriate) grant its written approval for each proposed motion for resolution within the timeframe specified in paragraph 6.1(e). The Council must refuse to grant its approval for a motion for a resolution and must not itself put forward a motion for a resolution which it considers:
 - (i) may result in publicity which could adversely impact or diminish confidence in the Society (and for these purposes a resolution pursuant to Rule 57 shall not be considered to adversely impact or diminish confidence in the Society); or
 - (ii) is defamatory; or
 - (iii) does not relate directly to the affairs of the Society; or
 - (iv) has been brought before a Society General Meeting within the last two years, and has been defeated when brought to a vote of the Members; or
 - (v) is frivolous or vexatious; or
 - (vi) would fetter the Board's right and duty to manage the affairs of the Society; or
 - (vii) would fetter the Council's or Senate's powers and responsibilities; or
 - (viii) would make the Society more susceptible to demutualisation.

It shall be the responsibility of the Council, in consultation with the Group Secretary, to propose the wording of the motion for a resolution in a form which is acceptable to the Board for inclusion in the notice of meeting. If the Council does not grant its approval for a motion submitted by Qualified Members, the motion will not be put forward.

- (e) Motions for resolution proposed by the Council, and motions for resolution which have received the prior written approval of the Council in accordance with paragraph 6.1(d), must be delivered in writing to the Board at the Registered Office not later than 56 days preceding the date of the Annual General Meeting or Half Yearly Meeting (as applicable). The Board is responsible for putting such motions, in addition to motions proposed by the Board itself, to an Annual General Meeting or Half Yearly Meeting (as applicable).

7. VOTING

7.1 Entitlement to vote

Members entitled to attend Society General Meetings in accordance with Rule 38.1 and paragraphs 3.1 and 3.2 above may vote or appoint a Voting Representative to vote on their behalf on motions for resolution at Society General Meetings.

7.2 Voting on a motion for resolution

- (a) Voting on a motion for resolution at Society General Meetings shall be by poll unless otherwise specified in the materials provided to eligible Members in advance of the Society General Meeting or required by the Rules.

- (b) On any matter to be decided by a show of hands:

- (i) each Individual Member, being either present in person or by Voting Representative or by attorney or another representative present shall have one vote; and
- (ii) each Independent Society Member being present by Corporate Representative, by Voting Representative or by attorney or another representative shall have one vote,

save where a Voting Representative has been appointed by more than one Member and the Voting Representative has been instructed to vote for and against a particular motion by different Members, in which case the Voting Representative will have one vote for and one vote against the motion.

- (c) Either before or on the declaration of the result of the show of hands a poll may be demanded by:

- (i) the Chair of the meeting; or
- (ii) five Independent Society Members who are entitled to vote at the meeting and are represented by Corporate Representative, by Voting Representative, by attorney or by another representative permitted by the Rules; or
- (iii) 20 Individual Members who are entitled to vote at the meeting and are present in person, by Voting Representative, by attorney, by another representative permitted by the Rules or by a person specified in Rule 38.5,

and in the event of such a demand, a poll shall be taken in accordance with Rule 37.9.

- (d) Subject to Rules 38.1 and 51, on any matter to be decided by a poll:
 - (i) each Individual Member, being either present in person, by Voting Representative, by attorney or by another representative permitted by the Rules shall have one vote; and
 - (ii) each Independent Society Member, being either present by Corporate Representative, by Voting Representative, by attorney or by another representative permitted by the Rules shall have weighted votes as specified in Rule 38.3 and Part 2 of the Purchases Regulations.
- (e) In accordance with Rule 37.12, in the event of an equality of votes, whether on a show of hands or on a poll, the Chair of the meeting shall have a second or casting vote.

7.3 Abstentions / withheld votes

To abstain from voting is, in effect, no vote at all. Members can abstain from voting and these votes shall not be counted and will not be included in the final result.

7.4 Counting of Votes

- (a) Voting and the counting of votes at Society General Meetings may be managed on the Society's behalf by a recognised independent scrutineer appointed by the Group Secretary.
- (b) The Board may make arrangements for electronic voting at the meeting, both on a show of hands and on a poll.
- (c) If on a show of hands or on a poll any votes are counted that ought not to have been counted or any votes are not counted that ought to have been counted, the error shall not invalidate the decision arrived at unless it has been in the opinion of the Chair of the meeting of sufficient magnitude so to do.

8. ADJOURNMENT

The Chair of the meeting may adjourn the meeting from time to time and from place to place in accordance with Rule 37.

9. DISPUTES

The Group Secretary's decision on procedural matters not covered by the Rules or this General Meetings Manual (including the Voting Representative Regulations in Appendix 1), or on any disputes as to the interpretation of or arising out of this General Meetings Manual (including the Voting Representative Regulations in Appendix 1), shall be final.

10. CHANGES TO THE GENERAL MEETINGS MANUAL

- 10.1 In accordance with Rule 12.3, the Group Secretary shall evaluate the adequacy of the General Meetings Manual on an annual basis and shall be responsible for updating it.
- 10.2 No changes should be made to the General Meetings Manual that would make it inconsistent with the Rules, the Statutes or any guidance published by the Registration Authority.

10.3 Subject to paragraph 10.2 above, any changes to the General Meetings Manual must be agreed by the Board and the Council.

APPENDIX 1

VOTING REPRESENTATIVE REGULATIONS

1. INTRODUCTION

- 1.1 These Voting Representative Regulations explain how a Member can instruct a Voting Representative online or by post to vote at the Society General Meeting on his / her (or, in the case of an Independent Society Member, its) behalf.
- 1.2 The Voting Representative Regulations reflect and expand on the provisions in the Rules concerning the appointment of a Voting Representative, in particular Rules 34.3, 38.2, 38.3 and 39.

2. CHOOSING A VOTING REPRESENTATIVE

- 2.1 Members who qualify in accordance with the Rules to attend a meeting of the Society and to vote will receive (or be given access to) a notice of meeting and a voting form (a **Voting Form**) prior to the meeting. Where a Member has supplied an email address to the Society and consented to receive information concerning governance matters electronically in accordance with the Rules (including via a link to the website), the Member will be notified by email how to access the notice of meeting and Voting Form on the website. Otherwise, a Member will receive his, her (or in the case of an Independent Society Member, its) documentation via the post (or by a combination of the post and the website where the Member has agreed or is deemed to have agreed to access documents on a website in accordance with Rule 126.6).
- 2.2 A Member who is unable to attend the Society General Meeting in person is encouraged to vote by using the Voting Form to appoint a Voting Representative to attend and vote on their behalf at the meeting. By completing, signing and returning the Voting Form, or by completing the Voting Form online, the Chair of the Society General Meeting (who will usually be the Chair of the Society's Board) will act as a Member's Voting Representative unless he / she (or, in the case of an Independent Society Member, it) chooses another Individual Member of Co-operative Group Limited, a Council Member or (in the case of an Independent Society Member) a Corporate Representative validly appointed by another Independent Society Member under Rule 38.6 who will be attending the Meeting in person. If a Member wishes to choose someone other than the Chair as their Voting Representative, they will be asked to provide the personal details and (if applicable) membership number of that Member. If a Member appoints someone other than the Chair as his / her / its Voting Representative and that person is ineligible or, for whatever reason, fails to attend the meeting in person, then the Member shall be deemed to have withheld his / her / its vote.

3. COMPLETING A VOTING FORM TO APPOINT A VOTING REPRESENTATIVE

- 3.1 A Voting Representative must be appointed by a Voting Form in such form and including such declarations as the Board may from time to time determine. The Voting Form must enable the Member appointing the Voting Representative to direct him / her how to vote (whether for, against or vote withheld) on each motion to be proposed to the meeting or at any adjourned meeting. The Voting Form will not confer authority on the Voting Representative to cast a vote on any motion at his or her discretion. If a Member does not

provide instructions as to how to vote on a particular motion, the Member shall be deemed to have withheld his or her vote on that motion.

- 3.2 In accordance with Rule 39.4, the Voting Form will confer authority on the Voting Representative to demand or join in demanding a poll, to speak at the meeting and to vote in relation to any adjournment of the meeting and at any adjourned meeting.
- 3.3 A Member who is completing a Voting Form by post should complete the relevant section of the Voting Form sent to him or her, sign and date the declaration and return the Voting Form in the envelope provided.
- 3.4 A Member who is completing a Voting Form online should complete the relevant section of the online voting facility on the website, a link to which will have been sent to him or her by post and / or email.

4. CASTING OF VOTES BY A VOTING REPRESENTATIVE

When attending a Society General Meeting on behalf of a Member, a Voting Representative will have the following rights to cast votes on motions put to the meeting:

- (a) in accordance with Rule 38.2, on a show of hands, the Voting Representative will have one vote (except where the Voting Representative has been appointed by more than one Member and the Voting Representative has been instructed to vote for and against a particular motion by different Members, in which case the Voting Representative will have one vote for and one vote against the motion); and
- (b) in accordance with Rule 38.3, on a poll, a Voting Representative will be able to cast one vote on behalf of each Member instructing him or her on each motion (except that the votes cast on behalf of Independent Society Members will be weighted in accordance with Rule 38.3 and Part 2 of the Purchases Regulations).

5. PROVISION FOR DELIVERY OF VOTING FORMS

- 5.1 In accordance with Rule 39.3, the Voting Form must be received at the Registered Office (or such other place as may be specified in the relevant notice of meeting, which may include an electronic address specified for the purpose) not less than four clear Working Days before the meeting.
- 5.2 In relation to any question:
 - (a) regarding the authenticity and time of receipt of any communication in electronic form which purports to appoint, or to revoke the appointment of a Voting Representative, or to notify the Society of an event terminating such an appointment; or
 - (b) dealing with which of two or more appointments of Voting Representatives received from the same Member in respect of the same meeting is to be treated as valid,

the decision of the Group Secretary (following consultation with any external scrutineers or other professional service providers appointed in connection with the meeting) will be final.