

Company number: 11066552

TUESDAY



**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ANNA SEED 83 LIMITED (the "Company")**

In accordance with Chapter 2 of Part 13 of the Companies Act 2006, the following resolutions of the members of the Company were passed as written resolutions on

30 April 2019:

**SPECIAL RESOLUTIONS**

1. **THAT**, pursuant to article 8.2(a) of the articles of association of the Company, the Directors of the Company be generally empowered to allot equity securities (as defined by section 560 of the CA 2006) as if article 8.2(b) did not apply to any such allotment, provided that this power shall:
  - (a) be limited to the allotment and issue of ordinary shares in the capital of the Company up to an aggregate nominal amount of £31.32; and
  - (b) expire on the fifth anniversary of the Circulation Date (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry make an offer or agreement which would or might require such equity securities to be allotted and issued after such expiry and the Directors may allot such equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution 1 has expired.
2. **THAT** the draft regulations attached to these written resolutions be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.

.....  
Director  
for and on behalf of the Company

Agreed form

Company No: 11066552

## **ARTICLES OF ASSOCIATION**

Adopted on 30 April 2019

## Part 1 – Interpretation and Limitation of Liability

### 1. Exclusion of other regulations and defined terms

- (1) No regulations or model articles contained in any statute or subordinate legislation apply to the company.

- (2) In the articles, unless the context requires otherwise:

“Allocation Notice” has the meaning given in Article 37(5);

“Alternate Director” has the meaning given in Article 25(1);

“Appointor” has the meaning given in Article 25(1);

“Articles” means the company’s articles of association;

“bankruptcy” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

“Board” means the board of Directors, as constituted from time to time;

“Business Day” means a day on which the English clearing banks are ordinarily open for the transaction of normal banking in the City of London (other than a Saturday or Sunday or a public holiday in England);

“Capitalised Sum” has the meaning given in Article 53(1)(b);

“Chairman” has the meaning given in Article 12(2);

“Companies Acts” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

“Conflict” has the meaning given in Article 15(1);

“conflicts of interest” include a conflict of interest and duty and a conflict of duties and “interest” includes both direct and indirect interests;

“contract” in Article 15(5) includes any transaction or arrangement (whether or not constituting a contract);

“Diageo” means Diageo DV Limited, a company with its registered number as 00014172 whose registered office is at Lakeside Drive, Park Royal, London, NW10 7HQ, United Kingdom;

“Diageo Director” has the meaning given in Article 22(1);

“Diageo Group” means Diageo and each of its parent undertakings and all subsidiary undertakings of each such parent undertaking, and “Diageo group company” means any of them;

“Director” means a director of the company, and includes any person occupying the position of director, by whatever name called;

“Distribution Recipient” has the meaning given in Article 47(2);

“document” includes, unless otherwise specified, any document sent or supplied in electronic form;

“Drag Along Notice” has the meaning given in Article 44(1);

“Drag Price” has the meaning given in Article 44(2);

“Drag Right” has the meaning given in Article 44(1);

“Dragged Shares” has the meaning given in Article 44(1);

“Dragged Shareholders” has the meaning given in Article 44(1);

“Eligible Shareholder” has the meaning given in Article 37(3);

*"Extra New Securities"* has the meaning given in Article 32(2)(d);

*"Extra Shares"* has the meaning given in Article 37(3)(d);

*"Fair Value"* has the meaning given in Article 38(4);

*"Founder"* means Benjamin Branson of Four Winds, The Platt, Amersham, Buckinghamshire, HP 70HX;

*"Founder Director"* has the meaning given in Article 22(2);

*"fully paid"* in relation to a Share, means that the nominal value and any premium to be paid to the company in respect of that Share have been paid to the company;

*"group company"* means a subsidiary undertaking or parent undertaking of the company or a subsidiary undertaking of any parent undertaking of the company;

*"holder"* in relation to Shares means the person whose name is entered in the register of members as the holder of the Shares;

*"Insolvency Event"* means in respect of any person, the occurrence of any of the following (or any analogous procedure or step in any jurisdiction):

- (a) that person stops or suspends payment of any of his debts, or is unable to or admits inability to pay his debts as they fall due;
- (b) that person is declared bankrupt (in the case of an individual) or commences negotiations or enters into any composition or arrangement with one or more of his creditors with a view to rescheduling any of his indebtedness (by reason of actual or anticipated financial difficulties);
- (c) a moratorium is declared in respect of any of the indebtedness of that person;
- (d) any action, proceedings, procedure or step is taken in relation to or towards:
  - (i) the suspension of payments, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of that person; or
  - (ii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of that person or any of his assets;
- (e) any distress, attachment, execution, expropriation, sequestration or other legal process is levied, enforced or sued out on or against the assets of that person; or
- (f) any security on or over the assets of that person becomes enforceable;

*"instrument"* means a document in hard copy form;

*"Majority Shareholder"* means a holder of a majority of the Ordinary Shares;

*"New Securities"* means any debenture, Shares, options or warrants (or loan notes or securities convertible into any debenture, Shares, options or warrants) or other convertible instrument issued by the company after the date of adoption of these Articles (other than: (i) any Preference Shares, or any convertible instruments, to be allotted or granted to Diageo; (ii) any Ordinary Shares to be allotted to Diageo in connection with the conversion or redemption of Preference Shares or convertible instruments; (iii) options to subscribe for Shares issued under any share option plan approved by the Directors; or (iv) any Ordinary Shares allotted to Diageo in connection with (a) the exercise of options to subscribe for Shares issued under any such share option plan, or (b) the exercise of any rights under any "phantom option plan" approved by the Directors pursuant to which the holder of the rights has an entitlement to a cash bonus which tracks the value of Ordinary Shares in the company;

*"New Shareholder"* has the meaning given in Article 44(4);

"Offer" has the meaning given in Article 44(1);

"Ordinary Shares" means ordinary shares of £0.01 each in the capital of the company;

"paid" means paid or credited as paid;

"participate", in relation to a Directors' meeting, has the meaning given in Article 10;

"Permitted Situation" has the meaning given in Article 15(4);

"Permitted Transferee" has the meaning given in Article 38(2);

"Persons Entitled" has the meaning given in Article 53(1)(b);

"Preference Shares" means redeemable preference Shares of £0.00001 each in the capital of the company having the rights set out in the Articles;

"Proportionate Allocation" means, in relation to any allocation of New Securities or Sale Shares being made by the company, the same proportion of those New Securities or Sale Shares (respectively) as the relevant Shareholder's existing (as at the time of the allocation) holding of Ordinary Shares bears to the total number of Ordinary Shares held (as at that time) by all the Shareholders participating in the allocation but, in each case, assuming for these purposes that the conversion into Ordinary Shares of all Preference Shares (and any other convertible instruments) has taken place immediately prior to that allocation;

"Proposed Allottee" has the meaning given in Article 32(2);

"Proposed Purchaser" means a proposed purchaser who at the relevant time has made a *bona fide* offer for Shares;

"Proxy Notice" has the meaning given in Article 62(1);

"Sale Shares" has the meaning given in Article 37(2)(a);

"Selling Shareholder" has the meaning given in Article 44(1);

"Shareholder" means a person who is the holder of a Share from time to time;

"Shares" means shares in the company;

"Transferee" has the meaning given in Article 37(2)(b);

"Transfer Notice" has the meaning given in Article 37(2);

"Transfer Price" has the meaning given in Article 37(2)(c);

"Transferring Shareholder" has the meaning given in Article 37(1);

"transmittee" means a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law; and

"writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- (3) Unless the context otherwise requires, other words or expressions contained in the Articles bear the same meaning as in the Companies Act 2006 as in force on the date when the Articles become binding on the company.

## 2. Liability of members

The liability of the members is limited to the amount, if any, unpaid on the Shares held by them.

## Part 2 – Directors

### Directors' Powers and Responsibilities

#### 3. Directors' general authority

Subject to the Articles, the Directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.

#### 4. Shareholders' reserve power and effect of altering the Articles

- (1) The Shareholders may, by special resolution, direct the Directors to take, or refrain from taking, specified action.
- (2) No such special resolution invalidates anything which the Directors have done before the passing of the resolution.
- (3) No alteration of the Articles invalidates anything which the Directors have done before the alteration was made.

#### 5. Directors may delegate

- (1) Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles:
  - (a) to such person or committee;
  - (b) by such means (including by power of attorney);
  - (c) to such an extent;
  - (d) in relation to such matters or territories; and
  - (e) on such terms and conditions,
 as they think fit.
- (2) If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.
- (3) Where a provision in the Articles refers to the exercise of a power, authority or discretion by the Directors and that power, authority or discretion has been delegated by the Directors to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee.
- (4) The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

#### 6. Committees

- (1) Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by Directors.
- (2) The Directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.

### Decision-Making by Directors

#### 7. Directors to take decisions collectively

- (1) The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 8.

(2) If:

- (a) the company only has one Director; and
- (b) no provision of the Articles requires it to have more than one Director,

the general rule does not apply, and the Director may (for so long as he remains the sole Director) take decisions without regard to any of the provisions of the Articles relating to Directors' decision-making. For the purpose of Article 11, the quorum for the transaction of business by a sole Director is one, and all other provisions of the Articles apply with any necessary modification (unless a provision expressly provides otherwise).

(3) If only one Director is eligible to vote on any authorisation required under Article 15, the general rule does not apply, and the eligible Director may take decisions in relation to the relevant matter without regard to any of the provisions of the Articles relating to Directors' decision-making.

#### **8. Unanimous decisions**

- (1) A decision of the Directors is taken in accordance with this article when all eligible Directors indicate to each other by any means that they share a common view on a matter. If an Alternate Director indicates that he shares the common view, his Appointor need not also indicate his agreement.
- (2) Such a decision may take the form of a resolution in writing, at least one copy of which has been signed by each eligible Director or to which each eligible Director has otherwise indicated agreement in writing. A resolution signed by an Alternate Director need not also be signed by or agreed to by his Appointor.
- (3) References in this article to eligible Directors are to Directors who would have been entitled to vote on the matter and whose vote would have been counted had it been proposed as a resolution at a Directors' meeting.
- (4) A decision may not be taken in accordance with this article if the eligible Directors would not have formed a quorum at such a meeting.

#### **9. Calling a Directors' meeting**

- (1) Any Director may call a Directors' meeting by giving notice of the meeting to the Directors or by authorising the company secretary (if any) to give such notice.
- (2) Notice of any Directors' meeting must indicate:
  - (a) its proposed date and time;
  - (b) where it is to take place; and
  - (c) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- (3) Notice of a Directors' meeting must be given to each Director, but need not be in writing.
- (4) Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company either before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

#### **10. Participation in Directors' meetings**

- (1) Subject to the Articles, Directors "participate" in a Directors' meeting, or part of a Directors' meeting, when:
  - (a) the meeting has been called and takes place in accordance with the Articles; and

- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- (2) In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- (3) If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

#### **11. Quorum for Directors' meetings**

- (1) At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) Subject always to Articles 7(2) and 7(3), the quorum for Directors' meetings may be fixed from time to time by a decision of the Directors, but it must never be less than two, and unless otherwise fixed it is two. In respect of any Directors' meeting to be held prior to Diageo becoming the Majority Shareholder, a Directors' meeting shall not be quorate unless the Founder Director (if in office) and the Diageo Director (if in office) are present (whether in person, by proxy or by means of a communication device including a telephone).
- (3) In the event that, following a properly called Directors' meeting to be held prior to Diageo becoming the Majority Shareholder, either the Founder Director or the Diageo Director is not present (whether in person, by proxy or by means of a communication device including a telephone) (the "Absent Director") 30 minutes after the time appointed for such meeting, the meeting shall be adjourned to the same time and place in the following week, with notice to all Directors of such adjournment (the "Adjourned Board Meeting"). In the event of the Absent Director not being present one hour after the time appointed for any Adjourned Board Meeting, then such meeting may proceed and in such event any two Directors present shall constitute a quorum.
- (4) Subject always to Article 7(2), if the total number of Directors for the time being in office is less than the quorum required, the Directors must not take any decision other than a decision.
  - (a) to appoint further Directors; or
  - (b) to call a general meeting so as to enable the Shareholders to appoint further Directors.

#### **12. Chairing of Directors' meetings**

- (1) The Directors may appoint a Director to chair their meetings.
- (2) The person appointed pursuant to Article 12(1) for the time being is known as the "Chairman".
- (3) The Directors may terminate the Chairman's appointment at any time.
- (4) If the Chairman is not participating in a Directors' meeting within ten minutes of the time at which it was to start, the participating Directors may appoint one of themselves to chair it.

#### **13. No casting vote**

The Chairman or other Director chairing the meeting does not have a casting vote if the numbers of votes at a meeting of Directors for and against a proposal are equal (ignoring any votes which are to be discounted in accordance with the Articles or the Companies Acts).

#### **14. Transactions or arrangements with the company**

- (1) Provided that he has disclosed to the Directors the nature and extent of any interest of his in accordance with and to the extent required by the Companies Acts, a Director notwithstanding his office:
  - (a) may be a party to, or otherwise interested in, any contract or arrangement with the company or in which the company is otherwise interested;



- (b) may be a director or other officer of, or employed by, or a party to any contract or arrangement with, or otherwise interested in, any group company or in any body corporate promoted by the company or any group company or in which the company or any group company is interested;
  - (c) may act by himself or his firm in a professional capacity for the company (otherwise than as auditor).
- (2) Provided that he has disclosed to the Directors the nature and extent of any interest of his in accordance with and to the extent required by the Companies Acts, a Director notwithstanding his office:
  - (a) may be a director or other officer of, or employed by, or a party to any contract with, or otherwise interested in (including by the holding of Shares), any Diageo group company or in any body corporate promoted by a Diageo group company or in which any Diageo group company is interested; and
  - (b) may act by himself or his firm in a professional capacity for any Diageo group company (otherwise than as auditor),

and any interest described in this Article 14(2) shall not comprise a "Conflict" for the purposes of these articles and shall be exempt from any requirement for authorisation under Article 15(1) or otherwise.
- (3) For the purposes of this article:
  - (a) a Director shall be deemed to have disclosed the nature and extent of an interest which consists of him being a Director, officer or employee of any group company or Diageo group company; and
  - (b) a general notice given to the Directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any contract or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such contract or arrangement of the nature and extent so specified.
- (4) Where a Director is a director or other officer of, or employed by, a company which is a group company or a Diageo group company, he:
  - (a) may in exercising his independent judgement take into account the success of other group companies and/or Diageo group companies, as well as the success of the company; and
  - (b) shall in the exercise of his duties, where that other company is a parent company of the company, or is a member of the Diageo Group, have a duty of confidentiality to that other company in relation to confidential information of that other company, but he shall not be restricted by any duty of confidentiality to the company from providing information to any such other company.

#### 15. Conflicts of interest

- (1) The Directors may, subject to the quorum and voting requirements set out in the Articles, authorise any matter which would otherwise involve a Director breaching his duty under the Companies Acts to avoid conflicts of interest ("Conflict").
- (2) Any Director (including the relevant Director) may propose that the relevant Director be authorised in relation to any matter the subject of a Conflict. Such proposal and any authority given by the Directors shall be effected in the same way that any other matter may be proposed to and decided upon by the Directors under the provisions of the Articles save that the relevant Director shall not count towards the quorum nor vote on any resolution giving such authority and save further that if there are insufficient Directors eligible to vote and therefore to form a quorum, Article 7(3) will apply.
- (3) Where the Directors give authority in relation to a Conflict:

- (a) the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded); and
  - (b) the Directors may revoke or vary such authority at any time but this will not affect anything done by the relevant Director prior to such revocation in accordance with the terms of such authority.
- (4) Where the Directors give authority in relation to a Conflict or where any of the situations referred to in Article 14(1) ("Permitted Situation") applies:
- (a) the Directors may (whether at the relevant time or subsequently) (i) require that the relevant Director is excluded from the receipt of information, the participation in discussion and/or the making of decisions (whether at meetings of the Directors or otherwise) related to the Conflict or Permitted Situation; and (ii) impose upon the relevant Director such other terms for the purpose of dealing with the Conflict as it may determine;
  - (b) the relevant Director will be obliged to conduct himself in accordance with any terms imposed by the board in relation to the Conflict or Permitted Situation; and
  - (c) *the Directors may provide that where the relevant Director obtains (otherwise than through his position as a Director of the company) information that is confidential to a third party, the Director will not be obliged to disclose that information to the company, or to use or apply the information in relation to the company's affairs, where to do so would amount to a breach of that confidence.*
- (5) A Director shall not, by reason of his office or of the fiduciary relationship thereby established, be liable to account to the company or the members for any remuneration, profit or other benefit realised by reason of his having any type of interest in a Conflict authorised under this Article 15, or exempt from authorisation under Article 14(2), or in any Permitted Situation and no contract shall be liable to be avoided on the grounds of a Director having any such interest.
- 16. Directors may vote when interested**
- (1) Subject where applicable to disclosure in accordance with the Companies Acts or the Articles and subject to any terms imposed by the Directors in relation to any Conflict or Permitted Situation, a Director shall be entitled to vote in respect of any matter in which he is interested directly or indirectly (including in relation to any transaction or arrangement described in Article 14(1) or Article 14(2)) and if he shall do so his vote shall be counted and, whether or not he does, his presence at the meeting shall be taken into account in ascertaining whether a quorum is present.
  - (2) Subject to Article 16(3), if a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chairman whose ruling in relation to any Director other than the Chairman is to be final and conclusive.
  - (3) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairman, the question is to be decided by a decision of the Directors at that meeting, for which purpose the Chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.
- 17. Records of decisions to be kept**
- The Directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors.
- 18. Directors' discretion to make further rules**
- Subject to the Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

**19. Change of name**

The company may change its name by a decision of the Directors.

**Appointment of Directors**

**20. Methods of appointing Directors**

- (1) Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director:
  - (a) by ordinary resolution;
  - (b) by a decision of the Directors; or
  - (c) by a notice of his appointment given in accordance with Article 22.
- (2) In any case where, as a result of death, bankruptcy or other events, the company has no Shareholders and no Directors, the transmittee(s) of the last Shareholder have the right, by notice in writing, to appoint one or more persons to be a Director.
- (3) For the purposes of Article 20(2), where 2 or more Shareholders die in circumstances rendering it uncertain who was the last to die, a younger Shareholder is deemed to have survived an older Shareholder.

**21. Termination of Director's appointment**

A person ceases to be a Director as soon as:

- (a) that person ceases to be a Director by virtue of any provision of the Companies Act 2006 or is prohibited from being a Director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months;
- (e) notification is received by the company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms;
- (f) that person has for more than six consecutive months been absent without permission of the Directors from meetings of Directors held during that period and the Directors resolve that that person should cease to be Director; or
- (g) notice of his removal is given in accordance with Article 22.

**22. Appointment and removal of Directors by Shareholders**

- (1) For so long as Diageo and/or members of Diageo's Group hold in aggregate at least 10 per cent. of the Ordinary Shares from time to time (a "Qualifying Stake"), Diageo shall have the right to appoint to the Board and maintain in office such person as Diageo may from time to time nominate as a Director (a "Diageo Director"), and as a member of each and any committee of the Board, and to remove any Director so appointed and, upon his removal (whether by Diageo or otherwise) to appoint another Director in his place. Such appointment or removal shall take effect on delivery of written notice from the Founder to the Company at the company's registered office or at any meeting of the board of Directors (or committee thereof).

- (2) For so long as the Founder is a Shareholder, he shall have the right to appoint and maintain in office, himself or such other one person as he may from time to time nominate as a Director (the "Founder Director"), and as a member of each and any committee of the board of directors, and to remove himself or any Founder Director so appointed and, upon his removal (whether by the Founder or otherwise) to appoint another Director in his place. Such appointment or removal shall take effect on delivery of written notice from Diageo to the Company at the company's registered office or at any meeting of the board of Directors (or committee thereof).
- (3) At any time after Diageo becomes the Majority Shareholder, Diageo shall be entitled to appoint to the Board and maintain in office such number of Directors as Diageo may from time to time nominate as Directors (and as members of each and any committee of the Board), and to remove any Director so appointed and, upon his removal (whether by Diageo or otherwise), to appoint another Director in his place (save, for so long as the Founder is a Shareholder, for the Founder Director, who during that time may only be appointed or removed (save as permitted by law) by the Founder pursuant to Article 22(2) above).

### **23. Directors' remuneration**

- (1) Directors may undertake any services for the company that the Directors decide.
- (2) Directors are entitled to such remuneration as the Directors determine:
  - (a) for their services to the company as Directors; and
  - (b) for any other service which they undertake for the company.
- (3) Subject to the Articles, a Director's remuneration may take any form.
- (4) Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.
- (5) Directors are not accountable to the company for any remuneration which they receive as Directors or other officers or employees of the company, any group company or any other body corporate in which the company is interested, and the receipt of such benefit shall not disqualify any person from being a Director of the company.
- (6) The Directors may provide benefits, whether by the payment of a pension, allowance or gratuities, or any death, sickness or disability benefits or by insurance or otherwise, for any Director or former Director who holds or has held any office or employment with the company, predecessor in business of the company or with any undertaking which is or has been a group company and for any member of his family (including a spouse or former spouse) or any person who is or was dependent on him, and may (before as well as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

### **24. Directors' expenses**

- (1) The company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:
  - (a) meetings of Directors or committees of Directors;
  - (b) general meetings; or
  - (c) separate meetings of the holders of any class of Shares or of debentures of the company,
 or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.
- (2) Subject to the Companies Acts, the Directors shall have power to make arrangements to provide a Director with funds to meet expenditure incurred or to be incurred by him for the purpose of the company or for the purpose of enabling him properly to perform his duties as an officer of the company or to avoid him incurring any such expenditure.

### Alternate Directors

**25. Appointment and removal of Alternate Directors**

- (1) Any Director (other than an Alternate Director) (the "Appointor") may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to:
  - (a) exercise that Director's powers; and
  - (b) carry out that Director's responsibilities,
 in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor (such person known as an "Alternate Director").
- (2) Any appointment or removal of an Alternate Director must be effected by notice in writing to the company signed by the Appointor, or in any other manner approved by the Directors.
- (3) The notice must:
  - (a) identify the proposed Alternate Director; and
  - (b) in the case of a notice of appointment, contain a statement signed by the proposed Alternate Director that the proposed Alternate Director is willing to act as the alternate of the Director giving the notice.

**26. Rights and responsibilities of Alternate Directors**

- (1) An Alternate Director has the same rights, in relation to any Directors' meeting and all meetings of committees of Directors of which his Appointor is a member or Directors' written resolutions, as the alternate's Appointor.
- (2) Except as the Articles specify otherwise, Alternate Directors:
  - (a) are deemed for all purposes to be Directors;
  - (b) are liable for their own acts and omissions;
  - (c) are subject to the same restrictions as their Appointor; and
  - (d) are not deemed to be agents of or for their Appointor.
- (3) Subject to the Articles, a person who is an Alternate Director but not also a Director:
  - (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating); and
  - (b) may sign or otherwise indicate his agreement to a written resolution (but only if it is not signed or to be signed or otherwise agreed by that person's Appointor).

No alternate may be counted as more than one Director for such purposes.
- (4) Subject to the Articles, a Director who is also an Alternate Director has an additional vote on behalf of each Appointor who:
  - (a) is not participating in a Directors' meeting; and
  - (b) would have been entitled to vote if he was participating in it.
- (5) An Alternate Director is not entitled to receive any remuneration from the company for serving as an Alternate Director except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the company.

**27. Termination of Alternate Directorship**

- (1) An Alternate Director's appointment as an alternate terminates:

- (a) when the alternate's Appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;
- (b) on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;
- (c) on the death of the alternate's Appointor; or
- (d) when the alternate's Appointor's appointment as a Director terminates.

### **Part 3 – Shares and Distributions**

#### **Shares**

#### **28. All Shares to be fully paid**

- (1) No Share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.
- (2) This does not apply to Shares taken on the formation of the company by the subscribers to the company's memorandum.

#### **29. Powers to issue different classes of Share**

- (1) Subject to the Articles, but without prejudice to the rights attached to any existing Share, the company may issue further classes of Shares with such rights or restrictions as may be determined by ordinary resolution or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the Directors may decide.
- (2) The company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the Directors may determine the terms, conditions and manner of redemption of any such Shares.
- (3) The rights, restrictions, terms and conditions attached to any Shares issued pursuant to Article 29(1) or Article 29(2) shall apply as if the same were set out in the Articles.

#### **30. Payment of commissions on subscription for Shares**

- (1) The company may pay any person a commission in consideration for that person:
  - (a) subscribing, or agreeing to subscribe, for Shares; or
  - (b) procuring, or agreeing to procure, subscriptions for Shares.
- (2) Any such commission may be paid:
  - (a) in cash, or in fully paid Shares or other securities, or partly in one way and partly in the other; and
  - (b) in respect of a conditional or an absolute subscription.

#### **31. Standing authority to allot Preference Shares**

- (1) Save to the extent authorised by these Articles, or authorised from time to time by an ordinary resolution of the shareholders, the directors shall not exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the company.
- (2) Subject to the remaining provisions of this Article 31 and to Article 32, the directors are generally and unconditionally authorised, for the purposes of section 551 of the 2006 Act and generally, to exercise any power of the Company to:

- (a) offer or allot;
- (b) grant rights to subscribe for or to convert any security into;
- (c) otherwise deal in, or dispose of,

any Preference Shares in the company to Diageo, at any time and subject to any terms and conditions as the directors think proper.

(3) The authority referred to in Article 31(2):

- (a) shall be limited to a maximum nominal amount of £1,000,000,000;
- (b) shall only apply insofar as the company has not renewed, waived or revoked it by ordinary resolution; and
- (c) *may only be exercised for a period of five years commencing on the date on which these Articles are adopted, save that the directors may make an offer or agreement which would, or might, require Preference Shares to be allotted after the expiry of such authority (and the directors may allot Preference Shares in pursuance of an offer or agreement as if such authority had not expired).*

**32. Pre-emption rights on allotment**

- (1) Sections 561 and 562 of the Companies Act 2006 shall not apply to an allotment of equity securities (as defined in the Companies Act 2006) made by the company.

- (2) Unless otherwise agreed between the Shareholders in writing, any New Securities shall, before they are allotted or granted on any terms to any person(s) (the "Proposed Allottee(s)"), be first offered by the company to the Shareholders by notice in writing:

- (a) giving details of the number and subscription price of the New Securities;
- (b) inviting each Shareholder to apply for some or all of his Proportionate Allocation of the New Securities at the subscription price and on no less favourable terms than those to be offered to the Proposed Allottee(s);
- (c) stating that each Shareholder will have a period of at least 28 days from the date of the notice in which to apply; and
- (d) inviting each Shareholder to indicate if he wishes to apply for New Securities in excess of his Proportionate Allocation ("Extra New Securities") and, if so, the number of Extra New Securities he wishes to apply for.

- (3) On expiry of an offer made to Shareholders in accordance with Article 32(2) (or sooner if applications or refusals have been received from all Shareholders and all requisite approvals have been given), the company shall allot or grant (as the case may be) the New Securities as follows:

- (a) first, each Shareholder shall be allocated his Proportionate Allocation or, if fewer, the number of New Securities for which he has applied; and
- (b) second, any remaining unallocated New Securities shall be allocated either: (i) in accordance with applications for Extra New Securities; or (ii) if the number of Extra New Securities applied for exceeds the number of remaining unallocated New Securities, among those Shareholders applying for Extra New Securities in proportion to their respective Proportionate Allocations but so that no applicant shall be allocated more Extra New Securities than he has applied for and so that if there is a surplus further allocations shall be made on the same basis (and if necessary more than once) until all New Securities offered by the company (and for which applications have been received) have been allocated, following which the Directors may, subject to this agreement and the Companies Act 2006, allot or grant (as the case may

be) such New Securities as have not been taken up in such manner as they think fit, but on no more favourable terms than those offered to Shareholders pursuant to this Article 32; and

- (c) fractional entitlements to New Securities resulting from the operation of this Article 32 shall be rounded down to the nearest whole number.

**33. Company not bound by less than absolute interests**

Except as required by law, no person is to be recognised by the company as holding any Share upon any trust, and except as otherwise required by law or the Articles, the company is not in any way to be bound by or recognise any interest in a Share other than the holder's absolute ownership of it and all the rights attaching to it.

**34. Share certificates**

- (1) The company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.
- (2) Every certificate must specify:
  - (a) *in respect of how many Shares, of what class, it is issued;*
  - (b) *the nominal value of those Shares;*
  - (c) *that the Shares are fully paid; and*
  - (d) *any distinguishing numbers assigned to them.*
- (3) No certificate may be issued in respect of Shares of more than one class.
- (4) If more than one person holds a Share, only one certificate may be issued in respect of it.
- (5) Certificates must:
  - (a) *have affixed to them the company's common seal; or*
  - (b) *be otherwise executed in accordance with the Companies Acts.*

**35. Replacement share certificates**

- (1) If a certificate issued in respect of a Shareholder's Shares is:
  - (a) *damaged or defaced; or*
  - (b) *said to be lost, stolen or destroyed,*
 that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares.
- (2) A Shareholder exercising the right to be issued with such a replacement certificate:
  - (a) *may at the same time exercise the right to be issued with a single certificate or separate certificates;*
  - (b) *must return the certificate which is to be replaced to the company if it is damaged or defaced; and*
  - (c) *must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide.*

**36. Share transfers**

- (1) Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of the transferor.



- (2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share.
- (3) The company may retain any instrument of transfer which is registered.
- (4) The transferor remains the holder of a Share until the transferee's name is entered in the register of members as holder of it.
- (5) The Directors may refuse to register the transfer of a Share if the transfer contravenes any restrictions on transfer agreed in writing between the Shareholders from time to time, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal. Otherwise, the Directors must not refuse to register the transfer of a Share unless they suspect that the proposed transfer may be fraudulent.

**37. Transfers of Shares subject to pre-emption rights**

- (1) Unless otherwise agreed between the Shareholders in writing, transfers of Shares by a Shareholder shall be subject to the provisions of this Article 37 (any such Shareholder wishing to pursue such a transfer being a "Transferring Shareholder").
- (2) A Transferring Shareholder shall, before transferring or agreeing to transfer any Shares, give notice in writing (which cannot be withdrawn without the consent of the board of Directors) (a "Transfer Notice") to the company, constituting the company the agent of the Transferring Shareholder and specifying:
  - (a) the number and class of Shares which he wishes to transfer ("Sale Shares");
  - (b) the name of the proposed transferee (the "Transferee"); and
  - (c) the price (in cash) per Share at which he wishes to transfer the Sale Shares (the "Transfer Price").
- (3) As soon as practicable following receipt of a Transfer Notice, the company shall give notice in writing to each Shareholder other than the Transferring Shareholder (each an "Eligible Shareholder"):
  - (a) including details of the number of the Sale Shares offered, as well as the name of the Transferee;
  - (b) inviting him to apply for some or all of his Proportionate Allocation of the Sale Shares at the Transfer Price;
  - (c) stating that he will have a period of at least 28 days from the date of the notice in which to apply; and
  - (d) inviting him to indicate if he wishes to apply for Sale Shares in excess of his Proportionate Allocation ("Extra Shares") and, if so, the number of Extra Shares applied for.
- (4) On expiry of an offer made in accordance with Article 37(3) (or sooner if applications or refusals have been received from all Eligible Shareholders), the company shall allocate the Sale Shares as follows:
  - (a) first, each Eligible Shareholder shall be allocated his Proportionate Allocation or, if fewer, the number of Sale Shares for which he has applied;
  - (b) second, any remaining unallocated Extra Shares shall be allocated either: (i) in accordance with applications for Extra Shares; or (ii) if the number of Extra Shares applied for exceeds the number of remaining unallocated Sale Shares, among those Eligible Shareholders applying for Extra Shares in proportion to their respective Proportionate Allocations but so that no applicant shall be allocated more Extra Shares than he has applied for and so that, if there is a surplus, further allocations shall be made on the same basis (and if necessary more than once) until all Sale Shares have been allocated; and

- (c) fractional entitlements to Sale Shares resulting from the application of this Article 37(4) shall be rounded down to the nearest whole number.
- (5) The company shall give written notice of allocation (an "Allocation Notice") to the Transferring Shareholder which shall specify the number of Sale Shares to be allocated to each applying Shareholder and the place and time (being not less than 7, nor more than 14, days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares to applying Shareholders.
- (6) On receipt of an Allocation Notice, the Transferring Shareholder shall, against payment of the Transfer Price for the relevant Sale Shares, transfer the Sale Shares in accordance with the requirements specified in the Allocation Notice.
- (7) If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 37(8), the Transferring Shareholder may, within 30 Business Days after service of the Allocation Notice, transfer the unsold Sale Shares not included within the Allocation Notice to any person at a price not less than the Transfer Price.
- (8) The right of the Transferring Shareholder to transfer Shares under Article 37(7) does not apply if the board of Directors is of the opinion on reasonable grounds that:
- (a) the Transferee is a competitor (or a nominee for a competitor, or is a group company of a competitor) of the company or any of the company's subsidiary undertakings;
  - (b) the sale of the Sale Shares is not *bona fide* or the price is subject to a deduction, rebate or allowance to the Transferee; or
  - (c) the Transferring Shareholder has failed, or refused to provide promptly, information available to him and reasonably requested by the board of Directors for the purpose of enabling it to form the opinion mentioned above.
- (9) For the avoidance of doubt, neither Diageo nor any Diageo group company shall be considered a 'competitor' of the company for the purposes of Article 37(8)(a).
- 38. Compulsory Share transfers on insolvency etc.**
- (1) A person entitled to any Shares in consequence of the incapacity or death of a Shareholder shall be deemed to have given a Transfer Notice in respect of those Shares offering to sell such Shares to the other Shareholders at the Fair Value (*pro rata* to their existing holdings of Ordinary Shares, assuming for these purposes that the conversion into Ordinary Shares of all Preference Shares (and any other convertible securities or instruments) in issue at that time had taken place immediately prior to the giving of the Transfer Notice).
- (2) If a Shareholder suffers an Insolvency Event, then that Shareholder (and any person to whom that Shareholder has transferred Shares (a "Permitted Transferee")) shall be deemed to have given a Transfer Notice in respect of all the Shares held by that Shareholder and its Permitted Transferees offering to sell such Shares to the other Shareholders at the Fair Value (*pro rata* to their existing holdings of Ordinary Shares, assuming for these purposes that the conversion into Ordinary Shares of all Preference Shares (and any other convertible securities or instruments) in issue at that time had taken place immediately prior to the giving of the Transfer Notice).
- (3) The company shall appoint an expert to determine the Fair Value of any Shares subject to any Transfer Notice deemed to be served under this Article 38 promptly upon becoming aware of the event(s) triggering that deemed service. The expert shall be an independent firm of chartered accountants selected by the board of Directors.
- (4) The "Fair Value" of the Shares shall be determined by the expert on the following assumptions and bases:
- (a) valuing the Shares as on an arm's length sale between a willing seller and a willing buyer;

- (b) if the company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - (c) that the Shares are capable of being transferred without restriction;
  - (d) valuing the Shares as a rateable proportion of the total value of all the Company's fully diluted share capital (and assuming the conversion of all Preference Shares and other convertible securities or instruments issued by the Company to Diageo or any other person) without any premium or discount being attributable to the percentage of the issued share capital of the company which they represent; and
  - (e) reflecting any other factors which the expert reasonably believes should be taken into account.
- (5) The expert shall be requested to determine the Fair Value within 20 Business Days of its appointment and to notify the company of its determination. The expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- (6) The costs of the expert shall be paid by the Company.

#### **39. Transmission of Shares**

- (1) If title to a Share passes to a transmittee, the company may only recognise the transmittee as having any title to that Share.
- (2) Subject to Article 39(3), a transmittee who produces such evidence of entitlement to Shares as the Directors may properly require:
- (a) may, subject to the Articles, choose either to become the holder of those Shares or to have them transferred to another person; and
  - (b) subject to the Articles, and pending any transfer of the Shares to another person, has the same rights as the holder from whom the transmittee derived such entitlement had.
- (3) Transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of Shares to which they are entitled, by reason of the event which gave rise to the transmission, unless they become the holders of those Shares.

#### **40. Exercise of transmittees' rights**

- (1) Transmittees who wish to become the holders of Shares to which they have become entitled must notify the company in writing of that wish.
- (2) If the transmittee wishes to have a Share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.
- (3) Any transfer made or executed under this Article 40 is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.

#### **41. Transmittees bound by prior notices**

If a notice is given to a Shareholder in respect of Shares and a transmittee (or any person nominated under Article 39(2)) is entitled to those Shares, the transmittee (and any person nominated under Article 39(2)) is bound by the notice if it was given to the Shareholder before the transmittee's name has been entered in the register of members.

#### **42. Purchase of own Shares**

Subject to the Companies Act 2006 but without prejudice to any other provision of the Articles, the company may purchase its own Shares with cash up to any amount in a financial year not exceeding the lower of:

- (a) £15,000; and
- (b) the nominal value of 5 per cent. of the company's fully paid share capital as at the beginning of the financial year.

**43. Rights and restrictions attaching to Shares**

- (1) Each holder of Ordinary Shares shall be entitled to receive notice of, and to attend all general meetings. Each Ordinary Share shall entitle the holder thereof to one vote at general meeting. Ordinary Shares shall carry the right to participate in dividends *pari passu*.
- (2) Each holder of Preference Shares shall be entitled to receive notice of, and to attend all general meetings. No Preference Share shall entitle the holder to any vote at general meetings. Preference Shares shall not carry the right to participate in dividends.
- (3) On any liquidation, dissolution or winding-up of the company, whether voluntary or involuntary, the surplus assets of the company remaining after payment of its liabilities shall be applied (to the extent that the company is lawfully permitted to do so) as follows:
  - (a) firstly, in paying to each of the holder(s) of the Preference Shares, in priority to any other classes of Shares, an amount per Preference Share held equal to the subscription price paid for such Shares (provided that if there are insufficient surplus assets to pay such amount in full, the remaining surplus assets shall be distributed to the holders of the Preference Shares *pro rata* to their respective holdings of Preference Shares); and
  - (b) secondly, distributing the balance of surplus assets (if any) among the holders of Ordinary Shares *pro rata* to the number of Ordinary Shares held.
- (4) Preference Shares shall be issued as redeemable and convertible into Ordinary Shares on such terms and conditions and in such manner and at such a conversion rate as the Directors may determine.

**44. Drag-along right**

- (1) If the holders of more than 50 per cent. of the Ordinary Shares in issue from time to time (the "Selling Shareholders") wish to transfer their Shares pursuant to a *bona fide* arm's length offer (the "Offer") by a Proposed Purchaser (and any Member(s) of the same Group as the Proposed Purchaser, or persons acting in concert with the Proposed Purchaser) to acquire the entire issued share capital of the Company, and provided that any right of Diageo as may exist to require holders of Ordinary Shares to sell their Shares to Diageo has expired or been exercised, then, if after going through the pre-emption process in Article 37, the Selling Shareholders have received Allocation Notices for less than all of their Shares, the Selling Shareholders shall have the right (but not the obligation) to revoke any Transfer Notices served under Article 37 and require that all holders of Shares who are not Selling Shareholders (the "Dragged Shareholders") transfer such Shares ("Dragged Shares") as are held by them to the Proposed Purchaser or as the Proposed Purchaser directs (the "Drag Right"), by giving written notice (the "Drag Along Notice") to that effect to all such holders specifying that the Dragged Shareholders are required to transfer such Shares pursuant to this Article 44 and the consideration to be received by such Dragged Shareholders pursuant to such sale shall be determined in accordance with this Article 44.
- (2) The Selling Shareholders may require the Dragged Shareholders to transfer to the Proposed Purchaser all of their Shares within 20 Business Days of the date of the Drag Along Notice. The transfer shall be on the same terms and at the same price per Share (including, for the avoidance of doubt, any amount in respect of any other consideration which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the Shares of the Selling Shareholders) (the "Drag Price") as shall have been agreed between the Selling Shareholders and the Proposed Purchaser and shall be subject to the completion of the transfer(s) pursuant to the Offer by the Selling Shareholders to the Proposed Purchaser on such terms.

- (3) If there is any dispute about the calculation of the consideration payable to a Dragged Shareholder for his Shares it shall be referred for determination to an expert, being an independent firm of chartered accountants nominated by the board of Directors. In making such determination the expert shall act as expert and not arbitrator and such determination shall be final and binding on the parties. The cost of any such determination shall be borne by the Selling Shareholders.
- (4) If any person, following the issue of a Drag Along Notice, becomes or is entitled to become a Shareholder of the Company pursuant to the exercise of a pre-existing warrant or option to acquire Shares or pursuant to the conversion of any convertible loan or security of the Company prior to the proposed date for the transfer of the Dragged Shares (a "New Shareholder"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice and the New Shareholder shall then have the right to accept such offer and the provisions of this Article 44 shall apply *mutatis mutandis* to the New Shareholder.

#### **45. Defaulting Transferees**

- (1) If a Shareholder makes default in transferring any Shares as required pursuant to the Articles, the following shall apply to the transfer of such Shares:
  - (a) each of the Directors, or any other person duly nominated by a resolution of the board of Directors for this purpose, shall be deemed to be the duly appointed agent and attorney of the relevant defaulting Shareholder with full power to exercise, complete and deliver in the name and on behalf of the Shareholder all documents necessary to give effect to the transfer of beneficial and legal title to the relevant Shares pursuant to the Articles;
  - (b) the Company may receive and give a good discharge for the purchase money for and on behalf of the relevant defaulting Shareholder and (subject to the transfer being duly stamped) enter the name of the relevant transferee in the register of members of the Company as the holder by transfer of the Shares so purchased by him; and
  - (c) the Company shall immediately pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the relevant defaulting Shareholder until he delivers his certificate or certificates for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the board of Directors, in respect of any lost certificate) to the Company, when he shall be paid the purchase money.
- (2) Each Shareholder hereby agrees that any power of attorney given pursuant to the Articles shall be irrevocable and is given by way of continuing security for such Shareholder's obligations hereunder.

#### **Dividends and Other Distributions**

##### **46. Procedure for declaring dividends**

- (1) The company may by ordinary resolution declare dividends, and the Directors may decide to pay interim dividends.
- (2) A dividend must not be declared unless the Directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Directors.
- (3) No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights.
- (4) Unless the Shareholders' resolution to declare or Directors' decision to pay a dividend, or the terms on which Shares are issued, specify otherwise, a dividend must be paid by reference to each Shareholder's holding of Shares in the class in respect of which the dividend is paid on the date of the resolution or decision to declare or pay it.
- (5) If the company's share capital is divided into different classes, no interim dividend may be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

- (6) The Directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- (7) *If the Directors act in good faith, they do not incur any liability to the holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on Shares with deferred or non-preferred rights.*

**47. Payment of dividends and other distributions**

- (1) Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be paid by one or more of the following means:

- (a) transfer to a bank or building society account specified by the Distribution Recipient either in writing or as the Directors may otherwise decide;
- (b) sending a cheque made payable to the Distribution Recipient by post to the Distribution Recipient at the Distribution Recipient's registered office address or address as notified to the company in writing by or on behalf of such Distribution Recipient (if the Distribution Recipient is a holder of the Share), or (in any other case) to an address specified by the Distribution Recipient either in writing or as the Directors may otherwise decide;
- (c) sending a cheque made payable to such person by post to such person at such address as the Distribution Recipient has specified either in writing or as the Directors may otherwise decide; or
- (d) any other means of payment as the Directors agree with the Distribution Recipient either in writing or by such other means as the Directors decide.

- (2) In the Articles, the "Distribution Recipient" means, in respect of a Share in respect of which a dividend or other sum is payable:

- (a) the holder of the Share; or
- (b) if the Share has two or more joint holders, whichever of them is named first in the register of members; or
- (c) if the holder is no longer entitled to the Share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

**48. No interest on distributions**

The company may not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by:

- (a) the terms on which the Share was issued; or
- (b) the provisions of another agreement between the holder of that Share and the company.

**49. Unclaimed distributions**

- (1) All dividends or other sums which are:

- (a) payable in respect of Shares; and
- (b) unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the Directors for the benefit of the company until claimed.

- (2) The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.

- (3) If:

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment; and
  - (b) the Distribution Recipient has not claimed it,
- the Distribution Recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

**50. Non-cash distributions**

- (1) Subject to the terms of issue of the Share in question, the company may, by ordinary resolution on the recommendation of the Directors or by a decision of the Directors, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, Shares or other securities in any company).
- (2) For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:
  - (a) fixing the value of any assets;
  - (b) paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients; and
  - (c) vesting any assets in trustees.

**51. Waiver of distributions**

Distribution Recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the company notice in writing to that effect, but if:

- (a) the Share has more than one holder; or
- (b) more than one person is entitled to the Share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the Share.

**52. Distribution in specie on winding-up**

If the company is wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by law, divide among the Shareholders in specie the whole or any part of the assets of the company and may, for that purpose, value any assets and determine how the division shall be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the Shareholders as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

**Capitalisation of Profits**

**53. Authority to capitalise and appropriation of Capitalised Sums**

- (1) Subject to the Articles, the Directors may, if they are so authorised by an ordinary resolution:
  - (a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of any of the company's reserves or funds, including but not limited to the share premium account, capital redemption reserve, merger reserve or revaluation reserve; and

- (b) appropriate any sum which they so decide to capitalise (a "Capitalised Sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "Persons Entitled") and in the same proportions.
- (2) Capitalised sums must be applied:
  - (a) on behalf of the Persons Entitled; and
  - (b) in the same proportions as a dividend would have been distributed to them.
- (3) Any Capitalised Sum may be applied in paying up new Shares of a nominal amount equal to the Capitalised Sum which are then allotted credited as fully paid to the Persons Entitled or as they may direct.
- (4) A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the Persons Entitled or as they may direct.
- (5) Subject to the Articles the Directors may:
  - (a) apply Capitalised Sums in accordance with Article 53(3) and Article 53(4) partly in one way and partly in another;
  - (b) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article 53 (including the issuing of fractional certificates or the making of cash payments); and
  - (c) authorise any person to enter into an agreement with the company on behalf of all the Persons Entitled which is binding on them in respect of the allotment of Shares and debentures to them under this Article 53.

## **Part 4 – Decision-Making by Shareholders**

### **Organisation of General Meetings**

#### **54. Attendance and speaking at general meetings**

- (1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- (2) A person is able to exercise the right to vote at a general meeting when:
  - (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
  - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- (3) The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- (4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- (5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.



**55. Quorum for general meetings**

- (1) Subject to Article 55(3) a quorum for general meetings shall be two persons entitled to vote upon the business to be transacted at the meeting, one of whom, for so long as he is a Shareholder, must be the Founder or his proxy and one of whom, for so long as it is a Shareholder, must be the duly authorised corporate representative of Diageo.
- (2) In the event that, following a properly called general meeting to be held at any time prior to Diageo becoming the Majority Shareholder, either the Founder or his proxy or the Diageo corporate representative are not present (whether in person or by means of a communication device including a telephone) (the "Absent Shareholder") 30 minutes after the time appointed for such general meeting, the meeting shall be adjourned to the same time and place in the following week, with notice to all Shareholders of such adjournment (the "Adjourned General Meeting"). In the event of the Absent Shareholder not being present one hour after the time appointed for any Adjourned General Meeting, then such meeting may proceed and in such event any two Shareholders present shall constitute a quorum.
- (3) After Diageo becomes the Majority Shareholder, the quorum for general meetings shall be any two persons entitled to vote on the business to be transacted at the meeting.
- (4) No business other than the appointment of the Chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

**56. Chairing general meetings**

- (1) If the Directors have appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so.
- (2) If the Directors have not appointed a Chairman, or if the Chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
  - (a) the Directors present; or
  - (b) (if no Directors are present), the meeting,
 must appoint a Director or Shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- (3) The person chairing a meeting in accordance with this Article 56 is referred to as the "chairman of the meeting".

**57. Attendance and speaking by Directors and non-Shareholders**

- (1) Directors may attend and speak at general meetings, whether or not they are Shareholders.
- (2) The chairman of the meeting may permit other persons who are not:
  - (a) Shareholders of the company; or
  - (b) otherwise entitled to exercise the rights of Shareholders in relation to general meetings,
 to attend and speak at a general meeting.

**58. Adjournment**

- (1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.
- (2) The chairman of the meeting may adjourn a general meeting at which a quorum is present, if:
  - (a) the meeting consents to an adjournment; or

- (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- (3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- (4) Subject to Article 55(3), when adjourning a general meeting, the chairman of the meeting must:
  - (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors; and
  - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (5) Subject to Article 55(3), if the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
  - (a) to the same persons to whom notice of the company's general meetings is required to be given; and
  - (b) containing the same information which such notice is required to contain.
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

#### **Voting at General Meetings**

##### **59. Voting: general**

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.

##### **60. Errors and disputes**

- (1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- (2) Any such objection must be referred to the chairman of the meeting, whose decision is final.

##### **61. Poll votes**

- (1) A poll on a resolution may be demanded:
  - (a) in advance of the general meeting where it is to be put to the vote; or
  - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- (2) A poll may be demanded by:
  - (a) the chairman of the meeting;
  - (b) the Directors;
  - (c) two or more persons having the right to vote on the resolution;
  - (d) a person or persons representing not less than one tenth of the total voting rights of all the Shareholders having the right to vote on the resolution; or
  - (e) a person or persons holding Shares in the company conferring a right to vote on the resolution, being Shares on which an aggregate sum has been paid up equal to not less than 10% of the total sum paid up on all the Shares conferring that right.

A demand for a poll by a proxy counts, for the purposes of Article 61(2)(c) above, as a demand by a member, for the purposes of Article 61(2)(d) above, as a demand by a member representing the voting rights that the proxy is authorised to exercise, and, for the purposes of Article 61(2)(e) above, as a demand by a member holding the Shares to which those rights are attached.

- (3) A demand for a poll may be withdrawn if:
  - (a) the poll has not yet been taken; and
  - (b) the chairman of the meeting consents to the withdrawal.
- (4) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

## **62. Content of Proxy Notices**

- (1) Proxies may only validly be appointed by a notice in writing (a "Proxy Notice") which:
  - (a) states the name and address of the Shareholder appointing the proxy;
  - (b) identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;
  - (c) is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and
  - (d) is delivered to the company in accordance with the Articles and any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate.
- (2) The company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.
- (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- (4) Unless a Proxy Notice indicates otherwise, it must be treated as:
  - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
  - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

## **63. Delivery of Proxy Notices**

- (1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the company by or on behalf of that person.
- (2) An appointment under a Proxy Notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given.
- (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- (4) The Directors may require the production of any evidence which they consider necessary to determine the validity of any Proxy Notice.

## **64. Amendments to resolutions**

- (1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
  - (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the

meeting is to take place (or such later time as the chairman of the meeting may determine); and

- (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
  - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- (3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

**65. Class meetings**

The provisions of the Articles relating to general meetings shall apply, with any necessary modifications, to any separate general meeting of the holders of Shares of a class. For this purpose, a general meeting at which no holder of a Share other than an Ordinary Share may, in his capacity as a member, attend or vote shall also constitute a separate general meeting of the holders of the Ordinary Shares.

**Part 5 – Administrative Arrangements**

**66. Means of communication to be used**

- (1) Subject to the Articles, anything sent or supplied by or to the company under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.
- (2) Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
- (3) A Director may agree with the company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

**67. When notice or other communication deemed to have been received**

Any notice, document or information sent or supplied by the company to the Shareholders or any of them:

- (a) *by post, shall be deemed to have been received 24 hours after the time at which the envelope containing the notice, document or information was posted unless it was sent by second class post, or there is only one class of post, or it was sent by air mail to an address outside the United Kingdom, in which case it shall be deemed to have been received 48 hours after it was posted. Proof that the envelope was properly addressed, prepaid and posted shall be conclusive evidence that the notice, document or information was sent;*
- (b) *by being left at a Shareholder's registered office address or address as notified in writing to the company by or on behalf of such shareholder, or such other postal address as notified by the Shareholder to the company for the purpose of receiving company communications, shall be deemed to have been received on the day it was left;*
- (c) *by electronic means, shall be deemed to have been received 24 hours after it was sent. Proof that a notice, document or information in electronic form was addressed to the electronic*

address provided by the Shareholder for the purpose of receiving communications from the company shall be conclusive evidence that the notice, document or information was sent; and

- (d) by making it available on a website, shall be deemed to have been received on the date on which notification of availability on the website is deemed to have been received in accordance with this Article 67 or, if later, the date on which it is first made available on the website.

**68. Company seals**

- (1) Any common seal may only be used by the authority of the Directors.
- (2) The Directors may decide by what means and in what form any common seal is to be used.
- (3) Unless otherwise decided by the Directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- (4) For the purposes of this Article 68, an authorised person is:
  - (a) any Director of the company;
  - (b) the company secretary (if any); or
  - (c) any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.

**69. No right to inspect accounts and other records**

Except as provided by law or authorised by the Directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a Shareholder.

**70. Provision for employees on cessation of business**

The Directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a Director or former Director or shadow Director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

**Directors' Indemnity and Insurance**

**71. Indemnity**

- (1) Subject to Article 71(4), a relevant Director may be indemnified out of the company's assets against:
  - (a) any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company;
  - (b) any liability incurred by that Director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme;
  - (c) any other liability incurred by that Director as an officer of the company or an associated company.
- (2) The company may fund a relevant Director's expenditure for the purposes permitted under the Companies Acts and may do anything to enable a relevant Director to avoid incurring such expenditure as provided in the Companies Acts.
- (3) No relevant Director shall be accountable to the company or the members for any benefit provided pursuant to this Article 71 and the receipt of any such benefit shall not disqualify any person from being or becoming a Director of the company.

- (4) This Article 71 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

**72. Insurance**

The Directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant Director in respect of any relevant loss.

**73. Definitions**

In Articles 71 and 72:

- (a) *companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate;*
- (b) *a “relevant Director” means any Director or former Director of the company or of an associated company; and*
- (c) *a “relevant loss” means any loss or liability which has been or may be incurred by a relevant Director in connection with that Director’s duties or powers in relation to the company, any associated company or any pension fund or employees’ share scheme of the company or associated company.*