# Notice of Annual General Meeting

COMPASS GROUP

Friday, 8 February 2008

**This document is important and requires your immediate attention.**
If you are in any doubt as to the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial advisor authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all your shares in Compass Group PLC, please send this Notice and the accompanying documents to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



COMPASS
GROUP

27 December 2007

Dear Shareholder,

## Annual General Meeting 2008

I have much pleasure in sending you the Notice of this year's Annual General Meeting ('AGM') for shareholders of Compass Group PLC. The Meeting will be held on Friday, 8 February 2008 at 11.00 a.m. at The Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE. Light refreshments will be available after the Meeting. A location map is provided on the reverse of the accompanying form of proxy.

Resolutions 1 to 10 are standard matters that are dealt with at every AGM. Resolutions 11 to 14 are similar to resolutions that shareholders passed at last year's AGM and are likely to be AGM items every year because they enable your directors to take advantage of business opportunities as they arise.

Resolution 15 is proposed in order to amend the Articles of Association following the phased introduction of the Companies Act 2006. The amended Articles of Association will, if approved, come into effect in three stages and will allow the Company, inter alia, to take advantage of recent legislation regarding electronic communications with shareholders and to take account of other changes in English company law. The first group of amendments will come into effect on 6 April 2008 to reflect changes in legislation which have been or will be made by that date. The second group of amendments, reflecting directors' interests, will become effective on 1 October 2008. A final group of amendments, relating broadly to the Company's share capital and its ability to undertake share buy-backs, will become effective on the date on which other sections of the Act are brought into force, which is currently expected to be 1 October 2009. Further details of the proposed amendments to the Articles of Association are set out on pages 5 to 7 below.

I would like to take this opportunity to make special mention of Resolutions 4 to 8 which relate to the election and re-election of directors. I am standing for re-election as a non-executive director together with Steve Lucas, who is Chairman of the Audit Committee. Sir James Crosby, Tim Parker and Susan Murray will be standing for election following their appointments to the Board in February and October 2007. Biographical details for each of the directors standing for election and re-election are set out on page 17 of the Annual Report 2007 and page 14 of the Annual Review 2007. Steve Lucas, Sir James Crosby, Tim Parker and Susan Murray bring considerable management experience and independent perspectives to the Board's deliberations and are considered to be independent of management and free of any relationship or circumstance that could affect, or appear to affect, the exercise of their independent judgements. With the exception of Susan Murray, all of the directors standing for election and re-election at this AGM have been subject to a performance evaluation during the year.

Brief details about the AGM arrangements made for shareholders at The Queen Elizabeth II Conference Centre, are given on page 8 below.

Enclosed with this Notice is a form of proxy for the resolutions being proposed at the AGM and, whether or not you intend coming to the Meeting, you are requested to complete the form and send it to Capita Registrars to arrive no later than 11.00 a.m. on Wednesday, 6 February 2008. Should you prefer, the form of proxy can be completed on the Internet at **www.capitashareportal.com.** If you choose this method you will be required to register for the Share Portal (if you have not done so previously), and the steps for doing this are outlined in the electronic communications section of this Notice on page 7. To do this you will require your investor code, which is printed on the enclosed form of proxy and on your share certificate(s). Whichever method you select to complete the form of proxy, you are still entitled to attend the Meeting and vote in person.

The directors believe that the proposed resolutions set out in the Notice of AGM which follows this letter are in the best interests of the Company and the shareholders as a whole. Accordingly, they unanimously recommend that you vote in favour of each resolution as they themselves intend to do in respect of their own shareholdings in the Company.

I look forward to seeing you at the AGM.

Yours sincerely



**Sir Roy Gardner**
Chairman

# Notice of Annual General Meeting

Notice is hereby given that the seventh Annual General Meeting of Compass Group PLC (the 'Company') will be held in the Fleming Room at the Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE on Friday, 8 February 2008 at 11.00 a.m. in order to transact the following business:

To consider and, if thought fit, to pass the following Resolutions, of which Resolutions 12, 13 and 15 will be proposed as special resolutions and all other Resolutions will be proposed as ordinary resolutions.

### Resolution 1 – Report and Accounts
That the Directors' Annual Report and Accounts and the auditors' report thereon for the financial year ended 30 September 2007 be received and adopted.

### Resolution 2 – Directors' Remuneration Report
That the Directors' Remuneration Report for the financial year ended 30 September 2007 be received and adopted.

### Resolution 3 – Final dividend
To declare a final dividend of 7.2 pence per ordinary share.

### Resolution 4 – Sir James Crosby
That Sir James Crosby be elected as a director of the Company.

### Resolution 5 – Tim Parker
That Tim Parker be elected as a director of the Company.

### Resolution 6 – Susan Murray
That Susan Murray be elected as a director of the Company.

### Resolution 7 – Sir Roy Gardner
That Sir Roy Gardner be re-elected as a director of the Company.

### Resolution 8 – Steve Lucas
That Steve Lucas be re-elected as a director of the Company.

### Resolution 9 – Deloitte & Touche LLP
That the auditors, Deloitte & Touche LLP, be re-appointed as the Company's auditors until the conclusion of the next Annual General Meeting of the Company.

### Resolution 10 – Auditors' remuneration
That the directors be authorised to agree the auditors' remuneration.

### Resolution 11 – Authority to allot shares (section 80)
That the power conferred on the directors by Article 11 of the Company's Articles of Association be renewed for a period expiring at the end of the next Annual General Meeting of the Company after the date on which this Resolution is passed or, if earlier, 7 May 2009 and for that period the section 80 amount is £63,100,000.

### Resolution 12 – Authority to allot shares for cash (section 89)
That, subject to the passing of Resolution 11 above, the power conferred on the directors by Article 12 of the Company's Articles of Association be renewed for a period expiring at the end of the next Annual General Meeting of the Company after the date on which this Resolution is passed or, if earlier, 7 May 2009 and for that period the section 89 amount is £9,400,000.

### Resolution 13 – Purchase of own shares
That the Company be generally and unconditionally authorised, pursuant to Article 58 of the Company's Articles of Association and in accordance with Part V of the Companies Act 1985, to make market purchases (within the meaning of section 163 of that Act) of ordinary shares of 10 pence each in the capital of the Company subject to the following conditions:

13.1 the maximum aggregate number of ordinary shares hereby authorised to be purchased is 189 million;

13.2 the minimum price (exclusive of expenses) which may be paid for each ordinary share is 10 pence;

13.3 the maximum price (exclusive of expenses) which may be paid for each ordinary share is, in respect of a share contracted to be purchased on any day, an amount equal to 105% of the average of the middle market quotations for an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the purchase is made; and

13.4 this authority shall expire, unless previously renewed, varied or revoked by the Company, at the conclusion of the next Annual General Meeting of the Company or 7 August 2009, whichever is the earlier (except in relation to the purchase of ordinary shares, the contract for which was concluded prior to the expiry of this authority and which will or may be executed wholly or partly after the expiry of this authority).

### Resolution 14 – Political donations
That the Company and any company which is or becomes a subsidiary of the Company during the period to which this Resolution relates be and is hereby authorised to:

14.1 make donations to political parties; and

14.2 make donations to political organisations other than political parties; and

14.3 incur political expenditure,

during the period commencing on the date of this Resolution and ending on the date of the Company's next Annual General Meeting, provided that in each case any such donations and expenditure made by the Company or by any such subsidiary shall not exceed £125,000 per company and together with those made by any such subsidiary and the Company shall not exceed in aggregate £125,000.

Any terms used in this Resolution which are defined in Part 14 of the Companies Act 2006 shall bear the same meaning for the purposes of this Resolution 14.

### Resolution 15 – Amendment of Articles of Association
That:

15.1 the amended Articles of Association of the Company produced to the Meeting and initialled by the Chairman for the purpose of identification as New Articles 'A' be adopted as the Articles of Association of the Company, in substitution for, and to the exclusion of, the existing Articles of Association, with effect from 00.01 a.m. on 6 April 2008;

15.2 with effect from 00.01 a.m. on 1 October 2008, the new Articles of Association of the Company adopted pursuant to paragraph 15.1 be amended (i) by the deletion of articles 146 and 147 and the insertion of new articles 146 to 152 and (ii) the amendment of articles 160 and 161, such amendments being produced to the Meeting and initialled by the Chairman for the purpose of identification as New Articles 'B', and all necessary and consequential numbering amendments be made to the Articles of Association;

# Notice of Annual General Meeting

**continued**

15.3 with effect from (and including) the date on which section 28 of the Companies Act 2006 is brought into force, the provisions of the Company's Memorandum of Association which, by virtue of that section, are to be treated as part of the Company's Articles of Association be removed and any limitations previously imposed on the Company's authorised share capital whether by the Company's Memorandum or Articles of Association or by resolution in general meeting be removed; and

15.4 with effect from (and including) the first date on which all sections of Parts 17 and 18 of the Companies Act 2006 have been brought into force, the amended Articles of Association of the Company produced to the Meeting and initialled by the Chairman for the purpose of identification as New Articles 'C' be adopted as the Articles of Association of the Company, in substitution for, and to the exclusion of, the Articles of Association existing immediately prior to that time.

By Order of the Board
**Mark J White**
General Counsel and Company Secretary
27 December 2007

Registered Office:
Compass House,
Guildford Street,
Chertsey, Surrey KT16 9BQ

Registered in England and
Wales No. 4083914

## Notes

(i) A shareholder entitled to attend and vote at the 2008 AGM may appoint a proxy or proxies (who need not be a shareholder of the Company) to exercise all or any of his rights to attend, speak and vote at the AGM. Where more than one proxy is appointed, each proxy must be appointed for different shares.

Proxies may only be appointed by:
- completing and returning the form of proxy enclosed with this Notice to Capita Registrars Limited at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU; or
- going to **www.capitashareportal.com** and following the instructions provided there; or
- by having an appropriate CREST message transmitted, if you are a user of the CREST system (including CREST personal members).

Return of the form of proxy will not preclude a shareholder from attending the Meeting and voting in person. You may not use any electronic address provided in the Notice of this Meeting to communicate with the Company for any purposes other than those expressly stated.

(ii) To be effective the form of proxy must be completed in accordance with the instructions and received by the Registrars of the Company by 11.00 a.m. on Wednesday, 6 February 2008.

To appoint a proxy or to give an instruction to a previously appointed proxy via the CREST system, the CREST message must be received by the issuer's agent (ID RA10) by 11.00 a.m. on Wednesday, 6 February 2008. Please note, however, that proxy messages cannot be sent through CREST on weekends, bank holidays or after 8.00 p.m. on any other day. For the purpose of this deadline, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message. CREST personal members or other CREST sponsored members and those CREST members that have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance with appointing proxies via CREST.

For further information on CREST procedures, limitations and system timings, please refer to the CREST manual. We may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

(iii) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those shareholders registered in the Register of Members of the Company as at 6.00 p.m. on 6 February 2008, or in the event that the Meeting is adjourned, in the Register of Members 48 hours before the time of any adjourned meeting, shall be entitled to attend or vote at the Meeting in respect of the number of shares registered in their name at the relevant time. Changes to entries on the Register of Members after 6.00 p.m. on 6 February 2008 or, in the event that the Meeting is adjourned, less than 48 hours before the time of any adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the Meeting.

Copies of the service agreements of the executive directors, the letters of appointment of the non-executive directors, the directors' deeds of indemnity, the Register of Directors' Interests, and current and amended Articles of Association will be available for inspection during normal business hours from the date of dispatch of this Notice until the date of the Meeting (Saturdays, Sundays and public holidays excepted) at the registered office of the Company and will also be made available at the Meeting for a period of 15 minutes prior to and during the continuance of the Meeting. The current and amended Articles of Association will also be available at the offices of Freshfields Bruckhaus Deringer, 65 Fleet Street, London EC4Y 1HS, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this Notice until (and including) the date of the AGM.

# Notice of Annual General Meeting

**continued**

## Explanatory notes

### Resolution 1
The directors are required to present to the Meeting the audited accounts and the Directors' and auditors' report for the financial year ended 30 September 2007.

### Resolution 2
The Directors' Remuneration Report includes the Company's policy on directors' remuneration for the next financial year and for the years subsequent to that, a table containing details of the directors' emoluments and a line graph that shows the total shareholder return ('TSR'), from 1 October 2002, together with the TSR for the FTSE 100 index since that date.

### Resolution 3
If Resolution 3 is approved by shareholders, the final dividend for the year ended 30 September 2007 will be paid on 3 March 2008 to shareholders on the register at the close of business on 1 February 2008.

### Resolutions 4, 5 and 6
The Company's Articles of Association permit any director appointed by the Board since the date of the last AGM to hold office only until the date of the next AGM. The director is then eligible for election by shareholders. Sir James Crosby, Tim Parker and Susan Murray are standing for election as non-executive directors following their appointments in February 2007 and October 2007. Sir James Crosby is the senior independent non-executive director and is Chairman of the Remuneration Committee. Each of Sir James Crosby, Tim Parker and Susan Murray have letters of engagement for an initial period of three years and their appointments are terminable without compensation.

### Resolutions 7 and 8
Under the Company's Articles of Association, one-third of the directors are required to retire by rotation each year and, in addition, no director may serve for more than three years without being re-elected by shareholders. Sir Roy Gardner and Steve Lucas will retire by rotation this year in accordance with the Articles of Association and are proposed for re-election through separate resolutions numbered 7 and 8. Sir Roy Gardner is standing for re-election as a non-executive director. He is the Chairman of the Company and is Chairman of the Nomination and Corporate Responsibility Committees. Sir Roy Gardner's letter of engagement is terminable without compensation. Steve Lucas is standing for re-election as a non-executive director. He is Chairman of the Audit Committee and a member of the Remuneration and Corporate Responsibility Committees. Steve Lucas' letter of engagement was renewed for a further three year term from June 2007 and his appointment is terminable without compensation.

Biographical details of all the directors standing for election and re-election appear on page 17 of the Annual Report 2007 and on page 14 of the Annual Review 2007.

### Resolutions 9 and 10
Auditors have to be appointed at every general meeting at which accounts are presented to shareholders. The current appointment of Deloitte & Touche LLP as the Company's auditors will end at the conclusion of the AGM and it has advised its willingness to stand for re-appointment. It is normal practice for a company's directors to be authorised to agree how much the auditors should be paid and Resolution 10 grants this authority to the directors.

### Resolutions 11 and 12
Resolution 11 seeks to grant the directors' authority to allot, pursuant to Article 11 of the Company's Articles of Association and section 80 of the Companies Act 1985, relevant securities with a maximum nominal amount of £63,100,000 (the 'section 80 amount'). This represents 631 million ordinary shares of 10 pence each in the capital of the Company, which is approximately one-third of the Company's issued share capital as at 28 November 2007 (being the last practicable date prior to the publication of this Notice). The Company does not currently hold any shares as treasury shares. The authority would, unless previously renewed by shareholders, remain in force up to the conclusion of the AGM of the Company to be held in 2009 or 7 May 2009 if earlier.

Resolution 12, which is being proposed as a special resolution, seeks to renew the directors' authority to issue equity securities of the Company for cash without application of the pre-emption rights pursuant to Article 12 of the Company's Articles of Association and section 89 of the Companies Act 1985. Other than in connection with a rights, scrip dividend, or other similar issue, the authority contained in this Resolution will be limited to a maximum nominal amount of £9,400,000 (the 'section 89 amount'). This represents 94 million ordinary shares of 10 pence each in the capital of the Company, which is approximately 5% of the Company's issued ordinary share capital as at 28 November 2007 (being the last practicable date prior to the publication of this Notice). The authority would, unless previously renewed by shareholders, expire at the conclusion of the AGM of the Company to be held in 2009 or 7 May 2009 if earlier.

Save in respect of issues of shares in respect of various employee share schemes and any share dividend alternatives, the directors have no current plans to utilise either of these authorities although they consider their renewal appropriate in order to retain maximum flexibility to take advantage of business opportunities as they arise. In addition and in line with best practice, the Company has not issued more than 7.5% of its issued share capital on a non-pro rata basis over the last three years.

By virtue of the Companies Act 2006 (the 'CA 2006'), the section 80 and section 89 provisions relating to these authorities will, with effect from the entry into force of Part 17 of the CA 2006, be replaced by broadly equivalent provisions in sections 551 and 561 CA 2006, respectively. The amended Articles of Association which take effect from that date reflect these changes and shareholders will be asked to renew these authorities as section 551 and section 561 authorities, respectively, at subsequent AGMs.

### Resolution 13
This Resolution, which is being proposed as a special resolution, empowers the directors to make limited on-market purchases of the Company's ordinary shares. The power is limited to a maximum of 189 million shares (just under 10% of the issued share capital as at 28 November 2007, being the last practicable date prior to the publication of this Notice) and details the minimum and maximum prices that can be paid, exclusive of expenses. The authority conferred by this Resolution will expire at the conclusion of the Company's next AGM or 18 months from the passing of this Resolution, whichever is the earlier.

The Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003 came into force on 1 December 2003. These regulations allow shares repurchased by the Company to be held as treasury shares. Treasury shares may be cancelled, sold for cash or used for the purpose of employee share schemes. The authority to be sought by this Resolution is intended to apply equally to shares to be held by the Company as treasury shares. No dividends will be paid on shares which are held as treasury shares and no voting rights will be attached to them. Shares held as treasury shares will be treated as if cancelled.

Beyond the share buy-back programme referred to on page 25 of the Annual Report 2007, the directors have no present intention of exercising the authority to purchase the Company's ordinary shares but they consider it desirable to provide maximum flexibility in the management of the Company's capital resources. The directors would only purchase shares if, in their opinion, the expected effect would be to result in an increase in earnings per share and would benefit shareholders generally.

# Notice of Annual General Meeting

**continued**

Any purchases of ordinary shares would be made by means of market purchases through the London Stock Exchange. The Company holds no shares in treasury but the directors currently intend that any shares which are repurchased, outside of the share buy-back referred to above, may be held as treasury shares.

As at 28 November 2007 (being the last practicable date prior to the publication of this Notice), there were options outstanding over approximately 118 million ordinary shares in the capital of the Company which represent 6.2% of the Company's issued ordinary share capital (excluding treasury shares) at that date. If the authority to purchase the Company's ordinary shares was exercised in full, these options would represent 6.9% of the Company's issued ordinary share capital (excluding treasury shares).

The current Articles of Association provide the Company with the power to purchase its own shares and the Company has sought the authority of the shareholders to do this by way of special resolution. With effect from the entry into force of Part 18 of the CA 2006, the Company will no longer be required to make provision for this power in its Articles of Association. Accordingly, no provision is made in the amended Articles of Association which take effect from that date for the Company to purchase its own shares. However, the Company will still retain a statutory power, under the provisions of the CA 2006, to purchase its own shares, and shareholders will, in accordance with the Listing Rules of the Financial Services Authority (in its capacity as the UK Listing Authority), be asked to approve the renewal of this power at subsequent AGMs.

### Resolution 14

It is not Group policy to make donations to political parties. However, it is possible that certain routine activities undertaken by the Company and its subsidiaries might unintentionally fall within the broad scope of the provisions controlling political donations and expenditure in the CA 2006. Any expenditure that is regulated under this Act must first be approved by shareholders and will be disclosed in next year's annual report. This Resolution, if passed, will renew the directors' authority until the AGM to be held in 2009 (when the directors intend to renew this authority) to make donations and incur expenditure which might otherwise be caught by the terms of that Act, up to a total amount of £125,000 for both the Company and for subsidiary companies.

### Resolution 15

It is proposed in Resolution 15, which is being proposed as a special resolution, to adopt new Articles of Association ('Articles') for the Company in order to amend the Company's current Articles, primarily to take account of changes in English company law brought about by the CA 2006.

The UK Government recently announced that implementation of certain key sections of the CA 2006 is now being delayed until 1 October 2009. The proposed amendments to the Articles address the implementation of the CA 2006 in three main stages: firstly, amendments will be made on 6 April 2008 to reflect those sections of the CA 2006 which have already been implemented or which will be brought into force on 6 April 2008. Secondly, certain provisions relating to directors' interests (see paragraph x. below) will be brought into force when the relevant section of the CA 2006 is implemented on 1 October 2008. Thirdly, as a result of the UK Government's recent announcement, a final set of amendments will be made when Parts 17 and 18 of the CA 2006 come into force, which is expected to be 1 October 2009.

The material differences between the current Articles and the proposed amended Articles are set out below. A copy of the current and amended Articles that reflect the proposed changes are available for inspection as noted on page 3 of this Notice.

Provisions coming into effect on 6 April 2008

i. Articles which duplicate statutory provisions

Provisions in the current Articles which replicate provisions contained in the CA 2006 are in the main amended to bring them into line with the CA 2006. Certain examples of such provisions include provisions as to the form of resolutions, the variation of class rights, the requirement to keep accounting records and provisions regarding the period of notice required to convene general meetings. The main changes made to reflect this approach are detailed below.

ii. Form of resolution

The current Articles contain a provision that, where for any purpose an ordinary resolution is required, a special or extraordinary resolution is also effective and that, where an extraordinary resolution is required, a special resolution is also effective. This provision is being amended, as the concept of extraordinary resolutions has not been retained under the CA 2006.

iii. Variation of class rights

The current Articles contain provisions regarding the variation of class rights. The proceedings and specific quorum requirements for a meeting convened to vary class rights are contained in the CA 2006. The relevant provisions have therefore been amended in the amended Articles.

iv. Convening extraordinary and annual general meetings

The provisions in the current Articles dealing with the convening of general meetings and the length of notice required to convene general meetings are being amended to conform to new provisions in the CA 2006. In particular, an extraordinary general meeting to consider a special resolution can be convened on 14 days' notice whereas previously 21 days' notice was required.

v. Votes of members

Under the CA 2006 proxies are entitled to vote on a show of hands whereas under the current Articles proxies are only entitled to vote on a poll. The time limits for the appointment or termination of a proxy appointment have been altered by the CA 2006 so that the Articles cannot provide that they should be received more than 48 hours before the meeting or, in the case of a poll taken more than 48 hours after the meeting, more than 24 hours before the time for the taking of a poll, with weekends and bank holidays being permitted to be excluded for this purpose. Multiple proxies may be appointed provided that each proxy is appointed to exercise the rights attached to a different share held by the shareholder. Multiple corporate representatives may be appointed. The amended Articles reflect all of these new provisions.

The Company is aware of concerns that have been raised about the effect of section 323(4) CA 2006 which provides that where a corporate shareholder appoints multiple corporate representatives and they exercise their powers to vote at a general meeting in different ways the power is treated as not exercised. The Company is subject to the new law regardless of any amendment to its Articles but intends to engage with relevant shareholder groups and to take account of best practice to allow, as far as possible, multiple corporate representatives to attend general meetings of the Company and ensure their votes are counted. The Company understands that representations have been made to the UK Government to change the provisions of the CA 2006 in this regard.

# Notice of Annual General Meeting

**continued**

vi. Directors' fees

There are currently six non-executive directors together with the Chairman. In view of the increasing time commitment involved and in line with market trends, the Board believes it is appropriate to recommend an increase in the overall limit of fees payable to all the non-executive directors to £1.5 million p.a. in order to provide flexibility for the future. Individual non-executive directors' fees will continue to be determined each year.

vii. Age of directors on appointment or re-election

The current Articles contain a provision requiring a director's age to be disclosed in the notice convening a meeting at which the director is proposed to be elected or re-elected, if he has attained the age of 70 years or more. This provision has been removed from the amended Articles.

viii. Electronic and web communications

Provisions of the CA 2006 which came into force in January 2007 enable companies to communicate with shareholders by electronic and/or website communications. The amended Articles continue to allow communications to shareholders in electronic form and, in addition, they also permit the Company to take advantage of the new provisions relating to website communications. Before the Company can communicate with a shareholder by means of website communication, the relevant shareholder must be asked individually by the Company to agree that the Company may send or supply documents or information to him by means of a website, and the Company must either have received a positive response or have received no response within the period of 28 days beginning with the date on which the request was sent. The Company will notify the shareholder (either in writing, or by other permitted means) when a relevant document or information is placed on the website and a shareholder can always request a hard copy version of the document or information.

The Company has not yet decided whether to utilise the provisions of the CA 2006 in this regard but seeks to take the power to do so. Shareholders are encouraged to make use of communications by electronic means but are entitled to continue to receive communications in paper format should they so wish.

ix. Directors' indemnities and loans to fund expenditure

The CA 2006 has in some areas widened the scope of the powers of a company to indemnify directors and to fund expenditure incurred in connection with certain actions against directors. In particular, a company that is a trustee of an occupational pension scheme can now indemnify a director against liability incurred in connection with the company's activities as trustee of the scheme. In addition, the existing exemption allowing a company to provide money for the purpose of funding a director's defence in court proceedings now expressly covers regulatory proceedings and applies to associated companies. The amended Articles reflect the wider provisions of the CA 2006.

Provisions coming into effect on 1 October 2008

x. Directors' interests

The CA 2006 sets out directors' general duties. The provisions largely codify the existing law, but with some changes. Under the CA 2006 a director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with a company's interests. The requirement is very broad and could apply, for example, if a director becomes a director of another company or a trustee of another organisation. The CA 2006 allows directors of public companies to authorise conflicts and potential conflicts where the Articles contain a provision to this effect. The CA 2006 also allows the Articles to contain other provisions for dealing with directors' conflicts of interest to avoid a breach of duty. The amended Articles give the directors authority to approve such situations and to include other provisions to allow conflicts of interest to be dealt with in a similar way to the current position.

There are safeguards which will apply when directors decide whether to authorise a conflict or potential conflict. Firstly, only independent directors (i.e. those who have no interest in the matter being considered) will be able to take the relevant decision, and secondly, in taking the decision the directors must act in a way they consider, in good faith, will be most likely to promote a company's success. The directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate.

From 1 October 2008, it is also proposed that the amended Articles should contain provisions relating to confidential information, attendance at Board meetings and availability of Board papers to protect a director being in breach of duty if a conflict of interest or potential conflict of interest arises. These provisions will only apply where the position giving rise to the potential conflict has previously been authorised by the directors.

Provisions reflecting changes to the Company's Memorandum of Association

xi. The Company's objects

The provisions regulating the operations of the Company are currently set out in the Company's Memorandum and Articles of Association. The Company's Memorandum of Association contains, among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake. This is drafted to give a wide scope.

The CA 2006 significantly reduces the constitutional significance of a company's memorandum of association. The CA 2006 provides that a memorandum of association, in the future, will record only the names of subscribers and the number of shares each subscriber has agreed to take in a company. Under the CA 2006 the objects clause and all other provisions which are currently contained in a company's memorandum of association will be deemed to be contained in a company's Articles but a company can remove these provisions by special resolution.

Further the CA 2006 states that unless a company's Articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. Once the relevant section of CA 2006 comes into force (which is expected to be on 1 October 2009), the Company proposes to remove its objects clause and all other associated provisions contained in the Memorandum of Association to allow it to have the widest possible scope for its activities.

# Notice of Annual General Meeting

**continued**

Provisions coming into effect on implementation of Parts 17 and 18, CA 2006 (expected 1 October 2009)

xii. Authorised share capital and unissued shares

The CA 2006 abolishes the requirement for a company to have an authorised share capital. The Company is proposing changes to its Articles to reflect this. Directors will still be limited as to the number of shares they can at any time allot because allotment authority continues to be required under the CA 2006.

xiii. Redeemable shares

At present if a company wishes to issue redeemable shares, it must include in its Articles the terms and manner of redemption. When Part 18 of the CA 2006 comes into force, the CA 2006 will enable directors to determine such matters instead, provided they are so authorised by the Articles. The amended Articles contain such an authorisation. The Company has no plans to issue redeemable shares but if it did so the directors would need shareholders' authority to issue new shares in the usual way.

xiv. Authority to purchase own shares, consolidate and sub-divide shares, and reduce share capital

Under the law currently in force a company requires specific enabling provisions in its Articles to purchase its own shares, to consolidate or sub-divide its shares and to reduce its share capital or other undistributable reserves as well as shareholder authority to undertake the relevant action. The current Articles include these enabling provisions. When Part 17 of the CA 2006 comes into force, a company will only require shareholder authority to do any of these things and it will no longer be necessary for Articles to contain enabling provisions. Accordingly the relevant enabling provisions have been removed in the amended Articles.

xv. Further articles which duplicate statutory provisions

Certain further miscellaneous provisions in the current Articles which replicate provisions contained in the CA 2006 and which are expected to come into force on 1 October 2009 will also be amended to bring them into line with the terms of the CA 2006.

## General matters

### Total voting rights

As at 28 November 2007 (being the last practicable date prior to the publication of this Notice) the Company's issued share capital consists of 1,894,687,283 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 28 November 2007 are 1,894,687,283.

### Electronic communications

We seek to encourage our shareholders to receive their shareholder communications by e-mail and from the Internet rather than on paper. The Company may send shareholder information, including annual reports, notices of general meetings and forms of proxy to you in electronic form or by means of a website, but the directors do not currently wish to require shareholders to receive information in this way. Details of how to make this choice are set out below.

Each year, millions of annual and interim reports are printed and sent by companies to their shareholders – usually on paper. Opting to receive information electronically will provide you with speedier access to the very latest information about the Company, whilst also being kinder to the environment. To encourage our shareholders to convert to e-communications and as a way of saying 'thank you', we will arrange for a tree to be dedicated to you in the UK. The Company is working with The CarbonNeutral Company for this project.

Registering for e-communications will have a number of advantages, including:

- speedier delivery of documents;
- cost savings for the Company on the delivery of documents;
- ability to access reports and results on the Internet when you need them, wherever you are;
- opportunity to proactively manage your shareholding, including changes to personal details;
- confirmation of receipt of proxy appointments; and
- saving resources.

To receive your shareholder communications electronically and have a tree dedicated to you, simply:

- go to the website, www.capitashareportal.com;
- click on 'Register for the Share Portal' on the right hand side of the page;
- type in 'Compass' and click 'Search';
- click on 'Compass Group PLC'; and
- enter your details including your investor code (which you will find on your share certificate or on your dividend tax voucher) to register for the Share Portal.

You will then be able to access your shareholding and register to receive all future communications electronically. If you have any questions, please contact Capita Registrars.

The next opportunity for us to notify you electronically will be for the Interim Report for 2008, which will be published in May/June 2008. If you have registered, an e-mail will be sent in May/June 2008 notifying you that the report has been published and this will include a link to the relevant page on our website. A similar procedure will be followed for future shareholder documentation. There are no particular software requirements to view these documents, other than those described and available on our website www.compass-group.com.

The provision of a facility to communicate with shareholders electronically does not discriminate between registered shareholders of the same class. The facility is available to all registered shareholders on equal terms and participation is made as simple as possible. Please note that it is a shareholder's responsibility to notify our Registrars (through **www.capitashareportal.com** or by post) of any change to their e-mail address. Before electing for electronic communication, shareholders should ensure that they have the appropriate computer capabilities. The Company takes all reasonable precautions to ensure no viruses are present in any communication it sends out, but cannot accept any responsibility for loss or damage arising from the opening or use of any e-mail or attachments from the Company and recommends that shareholders subject all messages to virus checking procedures prior to use. Please note that any electronic communication sent by a shareholder to the Company or the Registrar containing a computer virus will not be accepted.

The Company's obligation is satisfied when it transmits an electronic message. It cannot be held responsible for a failure in transmission beyond its control. In the event that the Company becomes aware that an electronic transmission is not successfully transmitted, a paper notification will be sent to the shareholder at their registered address. Shareholders wishing to continue to receive shareholder information in the traditional paper format should take no action, or may confirm this via the www.capitashareportal.com website.

# Notice of Annual General Meeting

**continued**

## AGM information

### Time of the Meeting

The doors of The Queen Elizabeth II Conference Centre will be open at 9.30 a.m. and the AGM will start promptly at 11.00 a.m. If you are planning to attend the AGM, The Queen Elizabeth II Conference Centre is located in the City of Westminster and a map is printed on the reverse of the attendance card attached to the form of proxy, which accompanies this Notice.

### Attending the AGM

If you are coming to the AGM, please bring your attendance card with you. It authenticates your right to attend, speak and vote at the AGM and will speed your admission. You may find it useful to also bring this Notice of AGM and the Annual Report 2007 or Annual Review 2007 so that you can refer to them at the AGM. All joint shareholders may attend and speak at the AGM. However, only the first shareholder listed on the Register of Members is entitled to vote. All shareholders will have the opportunity to ask questions at the AGM. When invited by the Chairman, if you wish to ask a question, please wait for a Company representative to bring you a microphone. It would be helpful if you could state your name before you ask your question.

At the discretion of the Company, and subject to sufficient seating capacity, a shareholder may enter with one guest, provided that the shareholder and their guest register to enter the AGM at the same time.

### Not attending the AGM

Whoever you appoint as a proxy can vote or abstain from voting as he or she decides on any other business, which may validly come before the AGM. This includes proxies appointed using the CREST service. Details of how to complete the appointment of a proxy either electronically or on paper are given in the notes to this Notice or on the accompanying form of proxy.

### Venue arrangements

For security reasons, all hand baggage may be subject to examination. Please note that laptop computers, tape recorders, cameras and similar such equipment may not be brought into the AGM. Briefcases, umbrellas and other bulky items should be deposited in the cloakroom, situated on the ground floor.

Smoking will not be permitted inside The Queen Elizabeth II Conference Centre.

Please ensure that mobile telephones and pagers are switched off throughout the AGM.

Tea and coffee will be available in the reception area before the AGM. Light refreshments will be served after the AGM.

The following facilities will be available at The Queen Elizabeth II Conference Centre:

- sound amplification/hearing loop;
- wheelchair access; and
- sign language interpreters.

Anyone accompanying a shareholder in need of assistance will be admitted to the AGM. If any shareholder with a disability has any question regarding attendance at the AGM, please contact the Group Company Secretariat at Compass Group PLC, Compass House, Guildford Street, Chertsey, Surrey KT16 9BQ by 25 January 2008.

### Security

Security staff will be on duty to assist shareholders. The Company will not permit behaviour that may interfere with another person's security, safety or the good order of the AGM.

If you would like to receive this Notice and/or a copy of the Annual Report 2007 or the Annual Review 2007 in an appropriate alternative format, such as Braille or an audio version on CD, please contact the Group Company Secretariat at Compass Group PLC, Compass House, Guildford Street, Chertsey, Surrey KT16 9BQ.

### Enquiries

Capita Registrars maintain the Company's share register. If you have any enquiries about the AGM or about your shareholding, you should contact Capita Registrars at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.

The Bank of New York Mellon maintains the Company's American Depository Receipt register. If you have any enquiries about your holding of Compass American Depository Shares, you should contact Bank of New York Mellon, Investor Relations, PO Box 11258, Church Street Station, New York, NY 10286-1258, USA.

### Data protection statement

Your personal data includes all data provided by you, or on your behalf, which relates to you as a shareholder, including your name and contact details, the votes you cast and your Reference Number (attributed to you by the Company). The Company determines the purposes for which and the manner in which your personal data is to be processed. The Company and any third party to which it discloses the data (including the Company's Registrars) may process your personal data for the purposes of compiling and updating the Company's records, fulfilling its legal obligations and processing the shareholder rights you exercise.

**Published information**
**+audio**
**in CD format**
**+Braille**

COMPASS
GROUP

## Registered office

Compass Group PLC
Compass House
Guildford Street
Chertsey
Surrey KT16 9BQ
United Kingdom

Registered No: 4083914




This document is printed on 9 lives offset, which is 100% recycled fibre totally chlorine free, certified in accordance with PEFC and FSC. The mill is ISO 14001 and ISO 9001 Certified.