

# TATE & LYLE

## This document is important. Please read it straight away.

If you have any doubts about the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other professional adviser duly authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all your shares in Tate & Lyle PLC, please send this document, and the accompanying proxy form, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer took place, so they can send it on to the purchaser or transferee.

Dear Shareholder

I enclose your notice of Annual General Meeting (AGM) which will be held on Thursday 22 July 2010 at 11.00 am at the Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE. You can register from 10.00 am, and the meeting will start promptly at 11.00 am.

The Notice of Meeting is set out on pages 2 and 3. An explanation of the resolutions on which you will be asked to vote can be found on pages 6 to 8.

## Annual Report 2010

If you have not asked to be sent a copy of the Annual Report 2010 by post, you can find it on our website at [www.tateandlyle.com/annualreport2010](http://www.tateandlyle.com/annualreport2010).

If you would like to receive a printed copy of the Annual Report 2010, please contact our registrars, Equiniti, at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA.

## Proxy form

All your votes are important to us and I urge you to vote on the resolutions to be proposed at the Meeting. If you cannot attend the AGM, you may appoint a proxy in one of the following ways:

- online via our registrars' website, [www.sharevote.co.uk](http://www.sharevote.co.uk);
- via the CREST electronic proxy appointment service (for CREST members); or
- by completing the enclosed proxy form and returning it to our registrars.

The deadline for the appointment of proxies is 11.00 am on Tuesday 20 July 2010. The appointment of a proxy will not prevent you from attending and voting at the Meeting.

## Shareholders' Questions

You may submit questions relating to the business of the AGM beforehand via email to [agmquestions@tateandlyle.com](mailto:agmquestions@tateandlyle.com) or in the space provided on the reply paid card attached to the proxy form. In addition, shareholders attending the Meeting may submit their questions after they have registered on the day of the AGM. All questions will be considered, and addressed at the AGM or via the website, or on an individual basis as appropriate, according to the nature of the question. Shareholders may also ask questions in person on the business of the Meeting once submitted questions have been dealt with at the AGM.

## Voting at the Meeting

Save for any procedural resolution which will be taken on a show of hands, voting at the AGM will be taken by poll rather than on a show of hands. This is a more transparent method of voting since shareholders' votes are counted according to the number of shares held and is in line with practice adopted by other listed companies in the UK. Each shareholder and proxy present at the Meeting will be invited to complete a poll card indicating how they wish to cast their votes in respect of each resolution. In addition, I will cast the votes for which the Chairman of the Meeting has been appointed as proxy. Poll cards will be collected at the end of the Meeting. Once the results have been verified by Equiniti, they will be published on our website, [www.tateandlyle.com](http://www.tateandlyle.com), and released via a regulatory information service.

## Recommendation

Your directors believe that all the resolutions in the Notice of Meeting are in the best interests of Tate & Lyle and its shareholders and recommend that you vote in favour of them. The directors intend to vote their own shares in favour of these resolutions.

Yours sincerely

**Sir Peter Gershon**  
Chairman

10 June 2010

# Notice of Annual General Meeting 2010

Notice is hereby given that the one hundred and seventh Annual General Meeting (AGM) of Tate & Lyle PLC will be held at the Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE on Thursday 22 July 2010 at 11.00 am for the following purposes:

To consider and, if thought fit, pass the following resolutions 1 to 14 which will be proposed as ordinary resolutions:

1. To receive the report and accounts of the directors and of the auditors for the year ended 31 March 2010.
2. To approve the directors' remuneration report set out in the report and accounts for the year ended 31 March 2010.
3. To declare a final dividend on the ordinary shares of the Company.
4. To re-elect Liz Airey as a director of the Company.
5. To re-elect Evert Henkes as a director of the Company.
6. To re-elect Sir Peter Gershon as a director of the Company.
7. To re-elect Javed Ahmed as a director of the Company.
8. To re-elect William Camp as a director of the Company.
9. To re-elect Douglas Hurt as a director of the Company.
10. To re-appoint PricewaterhouseCoopers LLP as auditors.
11. To authorise the directors to set the remuneration of the auditors.
12. That the Company be and is hereby authorised to:
  - (a) make political donations to political parties, and/or independent election candidates, and/or political organisations other than political parties not exceeding £100,000 in total; and
  - (b) incur political expenditure not exceeding £100,000 in total,

during the period beginning with the date of the passing of this resolution and ending on the date of the AGM in 2011 or on 30 September 2011, whichever is the earlier.

All existing authorisations and approvals relating to political donations or expenditure under Part 14 of the Companies Act 2006 (the Act) are hereby revoked without prejudice to any donation made or expenditure incurred prior to the date hereof pursuant to such authorisation or approval.

For the purposes of this resolution, the expressions 'political donations', 'political parties', 'independent election candidates', 'political organisations' and 'political expenditure' have the meanings set out in Sections 363 to 365 of the Act.

13. That the amendment to the rules of the Tate & Lyle 2003 Performance Share Plan referred to in the Notice of Meeting dated 10 June 2010 and contained in the document produced to this AGM and initialled by the Chairman for the purposes of identification be approved.
14. That the directors be and are hereby generally and unconditionally authorised pursuant to and in accordance with Section 551 of the Act to exercise all the powers of the Company to allot shares or grant rights to subscribe for or to convert any security into shares:
  - (a) up to a nominal amount of £38,338,600; and
  - (b) comprising equity securities (as defined in Section 560(1) of the Act) up to a further nominal amount of £38,338,600 in connection with an offer by way of a rights issue; such authorities to apply in substitution for all previous authorities pursuant to Section 551 of the Act or Section 80 of the Companies Act 1985 and to expire at the conclusion of the Company's AGM in 2011 or on 30 September 2011, whichever is the earlier, but, in each case, so that the Company may make offers and enter into agreements during the relevant period which would, or might, require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authority ends.

For the purposes of this resolution, 'rights issue' means an offer to:

- (i) ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- (ii) people who are holders of other equity securities if this is required by the rights of those securities or, if the directors consider it necessary, as permitted by the rights of those securities, to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable document) which may be traded for a period before payment for the securities is due, but subject in both cases to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory.

To consider and, if thought fit, pass the following resolutions 15 to 18 which will be proposed as special resolutions:

15. That, subject to the passing of resolution 14 above, the directors be and are hereby empowered to allot equity securities (as defined in Section 560(1) of the Act) wholly for cash:
  - (a) pursuant to the authority given by paragraph (a) of resolution 14 above or where the allotment constitutes an allotment of equity securities by virtue of Section 560 of the Act in each case:
    - (i) in connection with a pre-emptive offer; and
    - (ii) otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount of £5,750,790; and
  - (b) pursuant to the authority given by paragraph (b) of resolution 14 above in connection with a rights issue, as if Section 561(1) of the Act did not apply to any such allotment;
- such power to expire at the conclusion of the Company's AGM in 2011 or on 30 September 2011, whichever is the earlier but so that the Company may make offers and enter into agreements during this period which would, or might, require equity securities to be allotted after the power ends.
- For the purposes of this resolution:
  - (a) 'rights issue' has the same meaning as in resolution 14 above;
  - (b) 'pre-emptive offer' means an offer of equity securities open for acceptance for a period fixed by the directors to (a) holders (other than the Company) on the register on a record date fixed by the directors of ordinary shares in proportion to their respective holdings, and (b) other persons so entitled by virtue of the rights attaching to any other equity securities held by them, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory;
  - (c) references to an allotment of equity securities shall include a sale of treasury shares; and
  - (d) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.
16. That the Company be and is hereby unconditionally and generally authorised for the purpose of Section 701 of the Act to make market purchases (as defined in Section 693 of the Act) of ordinary shares of 25p each in the capital of the Company, provided that:
  - (a) the maximum number of shares which may be purchased is 46,006,320;
  - (b) the minimum price which may be paid for a share is the nominal value of that share;
  - (c) the maximum price which may be paid for a share is the higher of (i) 105 per cent of the average of the middle market quotations of the Company's ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such shares are contracted to be purchased, and (ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange as stipulated in Article 5(1) of the Buy-back and Stabilisation Regulation; and
  - (d) this authority shall expire at the conclusion of the AGM in 2011 or, if earlier, 30 September 2011 (except in relation to the purchase of shares the contract for which was concluded before the expiry of such authority and which might be executed wholly or partly after such expiry) unless such authority is renewed prior to such time.
17. That a general meeting of the Company, other than an annual general meeting, may be called on not less than 14 clear days' notice.
18. That:
  - (a) the Articles of Association of the Company be amended by deleting all the provisions of the Company's Memorandum of Association which, by virtue of Section 28 of the Act, are to be treated as provisions of the Company's Articles of Association; and
  - (b) the Articles of Association as produced to the meeting and initialled by the Chairman for the purpose of identification be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

By order of the Board

**Robert Gibber**  
Company Secretary

10 June 2010

Registered Office:  
Sugar Quay, Lower Thames Street  
London EC3R 6DQ

Registered in England  
Company number 76535

# Notice of Annual General Meeting 2010

## Attending and voting

1. Members of the Company will have the right to attend, speak and vote at the AGM. Registration will start at 10.00 am and tea, coffee and biscuits will be available. A light sandwich lunch will be provided at the conclusion of the Meeting.
2. To be entitled to attend, speak and vote at the AGM (and for the purpose of determining the number of votes they may cast), shareholders must be entered on the Company's Register of Members at 6.00 pm on Tuesday 20 July 2010 (or in the case of an adjournment, 6.00 pm on the date which is two days before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend, speak and vote at the AGM.
3. Any member attending the Meeting has the right to ask questions. The Company must answer any question relating to the business being dealt with at the Meeting but no answer need be given if:
  - (a) to do so would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information;
  - (b) the answer has already been given on a website in the form of an answer to a question; or
  - (c) it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered.

## Appointment of proxies

4. Any member of the Company entitled to attend, speak and vote is entitled to appoint another person as his or her proxy to exercise all or any of his or her rights to attend and to speak and vote at the AGM. A member may appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy need not be a member of the Company.
5. A proxy form is enclosed which shareholders may complete and return to Equiniti, the Company's registrar. Shareholders may register the appointment of their proxy or proxies electronically via Equiniti's website, [www.sharevote.co.uk](http://www.sharevote.co.uk), where you will find full instructions on how to do so. To use this electronic system, you will need the Voting ID, Task ID and Shareholder Reference Number printed on the proxy form. Alternatively, if you have already registered with Equiniti's online portfolio service, Shareview, you can appoint your proxy or proxies electronically by logging on to your portfolio at [www.shareview.co.uk](http://www.shareview.co.uk) and clicking on the link to vote under your Client Name holding detail. Please note that any electronic communication found to contain a computer virus will not be accepted. CREST members may use the CREST electronic appointment service (see below).
6. To be effective, the proxy form (or electronic appointment of a proxy) must be received by Equiniti by 11.00 am on Tuesday 20 July 2010. Appointing a proxy will not prevent a shareholder from attending and voting in person at the AGM.

## Appointment of proxies through CREST

7. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST-sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
8. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Equiniti (ID RA19) by no later than 11.00 am on Tuesday 20 July 2010. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Equiniti is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
9. CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers, are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The CREST manual can be reviewed at [www.euroclear.com/CREST](http://www.euroclear.com/CREST).
10. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

## Shareholder information

11. A copy of this Notice of Meeting and other information required by section 311A of the Companies Act 2006 can be found at [www.tateandlyle.com](http://www.tateandlyle.com).

## Electronic communication

12. You may not use any electronic address provided either in this Notice of Meeting or any related documents including the Proxy Form to communicate with the Company for any purpose other than those expressly stated.

**Corporate representatives**

13. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.

**Members' statement of audit concerns**

14. Shareholders should note that, on a request made by shareholders of the Company under Section 527 of the Act, the Company may be required to publish on a website a statement setting out any matter relating to:
  - (a) the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the AGM; or
  - (b) any circumstance connected with the auditors of the Company ceasing to hold office since the previous meeting at which annual reports and accounts were laid in accordance with Section 437 of the Act. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 (requirements as to website availability) of the Act. Where the Company is required to place a statement on a website under Section 527 of the Act, it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM for the relevant financial year includes any statement that the Company has been required under Section 527 of the Act to publish on a website.

**Nominated persons**

15. A person who is not a shareholder of the Company, but has been nominated by a shareholder to enjoy information rights in accordance with Section 146 of the Act (Nominated Person) does not have the right to appoint a proxy, although he/she may have a right under an agreement with the shareholder to be appointed (or to have someone else appointed) as a proxy. Alternatively, if Nominated Persons do not have such a right, or do not wish to exercise it, they may have a right under an agreement with the relevant shareholder to give instructions as to the exercise of voting rights.
16. If you have been nominated to receive general shareholder communications directly from the Company, it is important to remember that your main contact in terms of your investment remains the registered shareholder or custodian or broker who administers the investment on your behalf. Therefore, any changes or queries relating to your personal details and holding (including any administration) must continue to be directed to your existing contact at your investment manager or custodian. The Company cannot guarantee to deal with matters that are directed to it in error. The only exception to this is where the Company, in exercising one of its powers under the Act, writes to you directly for a response.

**American Depository Receipts (ADRs)**

17. Holders of ADRs should complete ADR proxy cards in relation to the voting rights attached to the ordinary shareholding represented by their ADRs. Such cards should be returned to the US Depositary, The Bank of New York Mellon, as indicated, as soon as possible and no later than 5.00 pm Eastern Standard Time on 14 July 2010. Should you have any additional queries, the US Depositary can be contacted at + 1 888 269 2377 (for calls from the USA only) or + 1 201 680 6825 (for calls from outside the USA).

**Issued share capital**

18. As at 28 May 2010, being the last practicable date prior to the publication of the Notice of Meeting, the total number of issued ordinary shares was 460,575,700. The Company held 512,490 shares in treasury and therefore the total number of voting rights was 460,063,210. On a vote by show of hands, every member who is present has one vote and every proxy present who has been duly appointed by a member entitled to vote has one vote. On a poll every member who is present in person or by proxy has one vote for every ordinary share of which he or she is the holder.

**Inspection of documents**

19. The following documents will be available for inspection during normal business hours at the registered office of the Company during normal business hours on any weekday (Saturday, Sunday and public holidays excluded), and on the date of the AGM when they will also be available for inspection at the Queen Elizabeth II Conference Centre from 10.45 am until the close of the Meeting:
  - copies of service contracts and letters of appointment of the directors;
  - a copy of the rules of the Performance Share Plan 2010 marked up to show the change proposed in Resolution 13;
  - a copy of the current Articles of Association; and
  - a copy of the proposed new Articles of Association marked up to show the changes proposed in Resolution 18.

**General enquiries**

20. The Company's registrar, Equiniti, can be contacted on 0871 384 2063 or +44 (0)121 415 0235 (for calls from outside the UK). Lines are open from 8.30 am to 5.30 pm, UK time, Monday to Friday. Calls to 0871 numbers are charged at 8 pence per minute from a BT landline. Charges from other telephone providers may vary.

# Explanatory notes to the business of the Annual General Meeting 2010

This year, shareholders will be asked to approve 18 resolutions. Resolutions 1 to 14 will be proposed as ordinary resolutions. This means that more than 50% of the votes cast must support these resolutions if they are to be passed. Resolutions 15 to 18 will be proposed as special resolutions. At least 75% of the votes cast must support these resolutions if they are to be passed.

## **Resolution 1: Report and accounts for the year ended 31 March 2010**

The directors are legally required to present their report and audited accounts for the year ended 31 March 2010 to shareholders. A copy of the Annual Report 2010 is available on our website, [www.tateandlyle.com/annualreport2010](http://www.tateandlyle.com/annualreport2010) and copies will also be available at the AGM.

## **Resolution 2: Approval of the directors' remuneration report for the year ended 31 March 2010**

Company law requires that all listed companies must give shareholders the opportunity to cast an advisory vote on the directors' remuneration report. A copy of this year's report can be found on pages 47 to 56 of the Annual Report 2010.

## **Resolution 3: Declaration of a final dividend**

You will be asked to declare a final dividend of 16.1 pence per ordinary share for the year ended 31 March 2010. If approved, the dividend will be paid on 30 July 2010 to shareholders on the Register of Members at the close of business on 25 June 2010.

## **Resolutions 4 to 9: Re-election of directors**

The Company's Articles of Association require all directors to seek re-election by shareholders at least once every three years. In addition, any director appointed by the Board must stand for re-election at the first AGM following his/her appointment. The Board has also agreed that the Chairman be subject to annual re-election.

This year, the directors standing for re-election are: the Chairman, Sir Peter Gershon; Liz Airey and Evert Henkes, who were last re-elected in 2007; and Javed Ahmed, William Camp and Douglas Hurt, who were appointed by the Board during the year.

Each director standing for re-election has been through a formal performance review process, further details of which can be found in the Annual Report 2010. Following this process, the Board agreed that the performance of each of the directors standing for re-election at the AGM was entirely satisfactory and that they each demonstrate the commitment expected of a director of Tate & Lyle.

The Board has concluded that each of the non-executive directors standing for re-election is independent under the terms of the Combined Code.

Biographical details of the six directors standing for re-election can be found in Appendix 1 on page 8.

## **Resolution 10: Re-appointment of auditors**

The Company is required to re-appoint auditors at each general meeting at which accounts are laid. The Board, on the recommendation of the Audit Committee, which evaluated the independence of the external auditors and the effectiveness of the audit process, is proposing that PricewaterhouseCoopers LLP be re-appointed as the Company's auditors.

## **Resolution 11: Auditors' remuneration**

This resolution proposes that the directors be authorised to set the auditors' remuneration.

## **Resolution 12: Political donations**

Resolution 12 asks shareholders to renew the authority given at the 2009 AGM to enable the Company to support individuals and organisations that may fall within the scope of a 'political party', an 'independent election candidate' or a 'political organisation' and to incur 'political expenditure' as defined in the Companies Act 2006 (the Act).

Tate & Lyle's policy is not to make donations to EU political candidates, parties or organisations and there is no intention of changing that policy. However, the Act includes a broad definition of donations in this context, which may include some normal business activities that would not otherwise be regarded as being political in nature. Consequently, the Board, in common with many other companies, on a precautionary basis and to avoid contravening the Act, considers it prudent to ask shareholders to renew this authority for a further period, which will expire at the next AGM or on 30 September 2011, whichever is the earlier.

## **Resolution 13: Amendment to the rules of the Tate & Lyle 2003 Performance Share Plan (PSP)**

During the year, Tate & Lyle's Remuneration Committee undertook a comprehensive review of the Company's executive remuneration arrangements. The review included extensive consultations with major shareholders and shareholder bodies. Further details of this review can be found in Appendix 3 on pages 10 and 11.

One of the Remuneration Committee's conclusions from the review was that it should seek shareholder approval to increase the annual limit on individual awards under the PSP. The current limit is 175% of base salary, expressed as the face value of shares awarded. The Remuneration Committee proposes an increase in the limit to allow for awards of up to 250% of base salary under the PSP for the Chief Financial Officer and executives who are members of the Group Executive Committee in 2010, with the flexibility to make awards of up to 300% of base salary in future years, as necessary to ensure market competitiveness and taking account of Group performance.

This increase in the individual award limit is balanced by more demanding performance and shareholding requirements.

There will be a new executive shareholding requirement of 300% of base salary for the executives reporting to the Chief Executive (compared with 100% of base salary currently).

PSP awards will be subject to robust performance conditions, requiring outstanding levels of both profit growth and return on capital, for awards to vest in full (see Appendix 3). In the case of the Chief Financial Officer and executives who are members of the Group Executive Committee only 15% of each PSP award will vest at the threshold level of performance, compared with 25% currently.

Accordingly, resolution 13 seeks shareholder approval to increase the annual limit for individual awards under the PSP from 175% of base salary to 250% of base salary and to allow the Remuneration Committee to make awards of up to 300% of base salary in future years if, in its opinion, this becomes necessary to ensure market competitiveness and taking account of Group performance. Other aspects of the PSP rules are unchanged.

#### **Resolution 14: Authority to allot ordinary shares**

It is standard practice for listed companies to renew the directors' authority to allot shares at each annual general meeting. Paragraph (a) of resolution 14 will allow the directors to allot new shares and grant rights to subscribe for, or convert other securities into, shares up to a nominal value of £38,338,600 (consisting of 153,354,400 ordinary shares), representing one-third of the Company's ordinary share capital in issue (excluding treasury shares) as at 28 May 2010. As at this date, the Company held 512,490 ordinary shares in treasury, representing 0.11% of the issued share capital excluding treasury shares.

In line with guidance issued by the Association of British Insurers (ABI), it is also proposed under paragraph (b) of resolution 14 to authorise the directors to allot new shares and grant rights to subscribe for, or convert other securities into, shares only in the case of a rights issue up to a further nominal value of £38,338,600, which represents an additional one-third of the Company's ordinary share capital in issue (excluding treasury shares) as at 28 May 2010.

If the resolution is passed, the authority will remain in force until the next AGM or 30 September 2011, whichever is the earlier. The directors intend to exercise this authority in connection with the Company's employee share schemes and scrip dividend scheme. The directors believe that the authorities in this resolution should be obtained to give flexibility for business opportunities as they arise. If the authority given by paragraph (b) of resolution 14 is used, the directors intend to follow best practice in respect of its use, including all directors standing for re-election at the next annual general meeting, as recommended by the ABI.

#### **Resolution 15: Disapplication of pre-emption rights**

As in previous years, it is proposed to authorise the directors to allot shares for cash without first offering them to existing shareholders in proportion to their existing holdings.

The purpose of paragraph (a) of resolution 15 is to authorise directors to allot new shares pursuant to the authority given by paragraph (a) of resolution 14, or to sell treasury shares, for cash in connection with a pre-emptive offer or rights issue or otherwise up to a maximum nominal value of £5,750,790 (consisting of 23,003,160 ordinary shares) which is 5% of the ordinary share capital in issue on 28 May 2010, in each case without the need first to offer such shares to existing shareholders in proportion to their existing holdings. This authority will remain in force until the next AGM or 30 September 2011, whichever is the earlier.

The purpose of paragraph (b) of resolution 15 is to authorise the directors to allot new shares pursuant to the authority given by paragraph (b) of resolution 14, or sell treasury shares, for cash in connection with a rights issue without the shares first being offered to existing shareholders in proportion to their existing holdings. This is in line with corporate governance guidelines.

The Board considers the authority in resolution 15 to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a pre-emptive offer or rights issue without the need to comply with the strict requirements of the statutory pre-emption provisions.

The Board intends to adhere to the provisions in the Pre-emption Group's Statement of Principles not to allot shares for cash on a non pre-emptive basis (other than pursuant to a rights issue or pre-emptive offer) in excess of an amount equal to 7.5% of the total issued ordinary share capital of the Company within a rolling three-year period without prior consultation with shareholders.

#### **Resolution 16: Company's authority to purchase its own shares**

As in previous years, shareholders will be asked to renew the Company's authority to purchase up to 10% of its issued ordinary shares. The resolution specifies the maximum number of shares that may be purchased and the minimum or maximum prices at which they may be bought. The directors would only use this authority after taking account of the market conditions prevailing at the time, the investment needs of the Company, its opportunities for expansion and its overall financial position. The directors would exercise the authority to purchase ordinary shares only if they considered it to be in the best interests of shareholders and after considering the effects on earnings per share.

Pursuant to the Act, the Company can hold the shares which have been repurchased itself as treasury shares and either resell them for cash, cancel them, either immediately or at a point in the future, or use them for the purposes of its employee share schemes.

The total number of ordinary shares which may be issued on the exercise of outstanding options as at 28 May 2010 (the latest practicable date prior to the posting of this document) is 9,581,936, which represents approximately 2.08% of the issued share capital at that date (excluding shares held in treasury). If the Company were to purchase shares up to the maximum permitted by this resolution, the proportion of ordinary shares subject to outstanding options would represent approximately 2.31% of the issued share capital (excluding shares held in treasury) as at 28 May 2010.

# Explanatory notes to the business of the Annual General Meeting 2010

## **Resolution 17: Notice period for general meetings**

Changes made to the Act by the Companies (Shareholders' Rights) Regulations 2009 (the Shareholders' Rights Regulations) increase the notice period required for general meetings of the Company to 21 days unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days. (AGMs will continue to be held with at least 21 clear days' notice.)

Before the Shareholders' Rights Regulations came into force on 3 August 2009, the Company was able to call general meetings other than an AGM on 14 clear days' notice without obtaining such shareholder approval. In anticipation of the implementation of the Shareholders' Rights Regulations, at the Company's last AGM, shareholders approved a notice period for general meetings of not less than 14 clear days (other than for annual general meetings), effective until the next AGM. In order to preserve this ability, resolution 17 seeks such approval. The approval will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed. The shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole.

The Company will also need to meet the requirements for electronic voting under the Shareholders' Rights Directive before it can call a general meeting on 14 clear days' notice.

## **Resolution 18: Articles of Association**

This resolution seeks shareholders' approval to adopt new Articles of Association in order to update the current Articles of Association primarily to take account of the coming into force of the Shareholders' Rights Regulations and the implementation of the last parts of the Act. The principal amendments to be effected by the resolution are set out in Appendix 2 on page 9. Other changes, which are of a minor, technical or clarifying nature and also some more minor changes which merely reflect changes made by the Act or the Shareholders' Rights Regulations have not been noted in Appendix 2. The new Articles of Association showing all changes to the current Articles of Association are available for inspection, as noted on page 5 of this Notice of Meeting.

## Appendix 1: Biographies of Directors standing for re-election

### **Sir Peter Gershon, Chairman**

Became Chairman on 23 July 2009 after joining the Board in February 2009. Formerly Chief Executive of the Office of Government Commerce, Managing Director of Marconi Electronic Systems and a member of the GEC plc board. Currently Chairman of Premier Farnell plc, GHG Limited (General Healthcare Group) and Vertex Data Science Limited; and a member of the Advisory Board of the UK Defence Academy and the Court and Council of Imperial College.

### **Javed Ahmed, Chief Executive**

Joined the Group as Chief Executive on 1 October 2009 from Reckitt Benckiser plc. Started his career with Procter & Gamble and then spent five years with Bain & Co. Joined Benckiser (later Reckitt Benckiser plc) in 1992. Subsequently held a number of senior positions, both in the UK and internationally, including Senior Vice President, Northern Europe; President, North America; Executive Vice President, North America, Australia and New Zealand; and Executive Vice President, Europe.

### **Liz Airey, Non-executive director**

Joined the Board in January 2007. Formerly Finance Director of Monument Oil and Gas plc (1990 – 1999). Currently Chairman of the JP Morgan European Fledgeling Investment Trust PLC, Chairman of the Unilever UK Pension Fund, Senior Independent Director of Jupiter Fund Management plc and a non-executive director of Dunedin Enterprise Investment Trust PLC.

### **Evert Henkes, Non-executive director**

Joined the Board in December 2003. Worked for Shell for 30 years, before retiring in 2003 and held a number of senior management positions in Europe and Asia Pacific culminating in his appointment as Chief Executive of Shell Chemicals in 1998. Currently a non-executive director of Outokumpu OYJ, Air Products and Chemicals Inc, and SembCorp Industries Ltd.

### **William Camp, Non-executive director**

Joined the Board on 1 May 2010. Worked for 22 years for Archer Daniels Midland Company, before retiring in 2007, and held a variety of management positions including Executive Vice President, Asia Strategy; Executive Vice President, Processing; and Senior Vice President, Global Oil Seeds, Cocoa and Wheat Milling. Based in the USA and currently serves on the boards of Chiquita Brands International Inc, Grain Storage Inc and Oasis Foods Company.

### **Douglas Hurt, Non-executive director**

Joined the Board on 10 March 2010. A Chartered Accountant, he is currently Finance Director of IMI plc. Prior to joining IMI plc in 2006, he held a number of financial and operational roles, including US and European senior management positions, at GlaxoSmithKline.

## Appendix 2: Summary of the principal changes to the Articles of Association

The remaining provisions of the Companies Act 2006 (the Act) which had not already been implemented came into force on 1 October 2009. Although amendments have been made to the Articles from time to time, the Board considers that this is an appropriate time to review the Articles against best practice and to take account of the provisions of the Act and the coming into force of the Companies (Shareholders' Rights) Regulations 2009 as well as other recent legislative and regulatory changes.

Resolution 18 proposes that new Articles of Association (the New Articles) be adopted to update the Company's current Articles of Association (the Current Articles). In order to make the New Articles clearer and more accessible to shareholders, they have been re-ordered for clarity, with regulations which are no longer required or which have ceased to be relevant to the Company having been removed and a number of the remaining regulations having been amended to accommodate changes introduced by the Act and other legislation. Generally the opportunity has been taken to bring clearer language into the New Articles and in some areas to conform the language of the New Articles with that used in the model articles for public companies produced by the Department for Business, Innovation and Skills.

The majority of the changes made to the New Articles are not material, so although the wording, numbering and order of the articles will change, the meaning and effect of most provisions will not.

The principal changes proposed in the New Articles are summarised below. Other changes, which are of a minor, technical or clarifying nature, consequential changes as a result of re-numbering provisions of the articles and some minor changes which merely reflect changes made by the Act, have not been noted.

### **1. 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 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 Act significantly reduces the constitutional significance of a company's memorandum. The Act provides that, with effect from 1 October 2009, a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in a company. Under the Act, the objects clause and all other provisions which are contained in a company's memorandum, for existing companies at 1 October 2009, are deemed to be contained in a company's articles of association but the company can remove these provisions by special resolution.

Further, the Act states that, unless a company's articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have an objects clause. For this reason the Company is proposing to remove its objects clause together with all other provisions of its Memorandum which, by virtue of the Companies Act 2006, are treated as forming part of the Company's Articles of Association as of 1 October 2009. Resolution 18(i) confirms the removal of these provisions for the Company. As the effect of this resolution will be to remove the statement currently in the Company's Memorandum of Association regarding limited liability, the New Articles also contain an express statement regarding the limited liability of shareholders.

### **2. Articles which duplicate statutory provisions**

Provisions in the Current Articles which replicate provisions contained in the Act are generally to be removed in the New Articles or amended to bring them into line with the Act.

### **3. Authorised share capital and unissued shares**

The Act abolishes the requirement for a company to have an authorised share capital and the New Articles 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 Act, save in respect of employee share schemes.

### **4. Redeemable shares**

Under the Companies Act 1985, if a company wished to issue redeemable shares, it had to include in its articles the terms and manner of redemption. The Act enables directors to determine such matters instead provided they are so authorised by the articles. The New 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.

### **5. Authority to purchase own shares, consolidate and sub-divide shares, and reduce share capital**

Under the Companies Act 1985, a company required 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. Under the Act 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 New Articles.

### **6. Voting by proxies on a show of hands**

The Shareholders' Rights Regulations have amended the Act so that it now provides that each proxy appointed by a member has one vote on a show of hands unless the proxy is appointed by more than one member in which case the proxy has one vote for and one vote against if the proxy has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution. The Current Articles have been amended to reflect these changes.

### **7. Notice of general meetings**

The Shareholders' Rights Regulations amend the Act to require a company to give 21 clear days' notice of general meetings unless the company offers members an electronic voting facility and a special resolution reducing the period of notice to not less than 14 days has been passed. Annual general meetings must be held on 21 clear days' notice. The New Articles remove provisions in the Current Articles dealing with notice of general meetings on the basis that this is dealt with in the Act.

### **8. Directors' fees**

The New Articles increase the aggregate fees that may be paid to the directors of the Company (otherwise than in an executive capacity, for serving on a committee or performing services outside the scope of ordinary directors' duties) from £350,000 to £450,000. This limit was last amended in 1998 when it was increased from an individual limit of £15,000 per director to an aggregate limit of £350,000. In light of the increased number of non-executive directors and the need to maintain flexibility to deal with issues such as succession planning, the Company is therefore seeking the increased limit in the New Articles.

## Appendix 3: Executive remuneration review

The Remuneration Committee undertook a comprehensive review of executive remuneration during the financial year ended 31 March 2010 and is proposing to implement a number of changes to remuneration policy for executive directors and other members of the Group Executive Committee to take effect during the financial year ending 31 March 2011. The changes to remuneration are designed to support the Group's new focus, with a greater emphasis on sustained performance and shareholder value growth. They also reflect Tate & Lyle's international business profile and management team; more than three-quarters of the Group's revenues are generated outside the UK.

The review included extensive consultations with large shareholders and shareholder bodies. As a result of the consultations, a number of modifications to the proposals were made, to take account of the comments and suggestions from shareholders.

The proposed changes to remuneration policy are balanced. Alongside changes to the amount of long-term incentive (LTI) and annual bonus that can be earned for outstanding performance, there is:

- a threefold increase in the executive shareholding requirement;
- an additional return on capital performance condition in the LTI;
- a higher earnings per share growth performance requirement, at threshold, in the LTI;
- a reduction in the amount of LTI that vests at threshold performance;
- additional performance conditions in the annual bonus plan;
- a new requirement to defer part of annual bonus into Company shares; and
- a 'claw-back' facility for bonuses paid.

The Remuneration Committee has also agreed to provide a more detailed disclosure in each year's Directors' remuneration report on the extent to which annual bonus performance conditions have been met.

The proposed changes are also accompanied by a closure of the UK defined benefit pension plan for future accrual, from April 2011, which means that UK executives who participate in this plan (ie. those who joined the Group before 1 April 2002) will no longer be able to accrue pension on a defined benefit basis.

The remuneration arrangements for the Chief Executive, Javed Ahmed (details of which were disclosed in the 2009 and 2010 Annual Reports) were agreed less than a year ago on his appointment, and were therefore excluded from this review. His remuneration arrangements will remain unchanged. However, the new annual bonus and LTI performance conditions will apply to Javed Ahmed, to ensure consistency of business objectives.

### **Annual bonus for the year ending 31 March 2011**

#### *1. Performance metrics*

There will be a new approach to performance metrics for annual bonus, designed to reflect the key value drivers for the business. There will be three performance metrics: sales growth, profitability and cash conversion cycle, to reflect management's ability to grow the business, generate underlying profit and convert profit into cash. Sales growth will be measured by a contribution metric (net sales less raw material cost), profit will be based on the current metric (profit before tax, exceptional items and amortisation), and cash conversion cycle will be based on net working capital. The greatest emphasis will be on profit; before any bonus becomes payable under any of the criteria, an acceptable level of profit will need to be achieved. To achieve the maximum bonus payout, performance against all three metrics will need to be outstanding.

Performance achievement relative to each of the metrics will be disclosed in the Directors' remuneration report, to provide a clearer explanation to shareholders of the basis for annual bonus awards that have been made.

#### *2. Target and maximum bonus payable*

The target level of annual bonus will remain unchanged at 50% of base salary. However, the maximum bonus will be set at 175% of base salary, for achieving outstanding performance across all three metrics.

#### *3. Delivery in shares*

The portion of any annual bonus above 100% of base salary will be delivered in market-purchased Tate & Lyle PLC shares, which will be deferred for a further two years. These shares will not benefit from any matching but will normally be subject to continued employment with a payment in lieu of an accrued dividend when the shares vest. This will contribute to executives' increased shareholding requirements (see below) and provide a focus on sustained shareholder value growth and risk management.

The balance of the annual bonus will be delivered in non-deferred cash.

#### *4. Claw-back*

The Committee will have the authority to claw back up to 100% of annual bonus, in certain situations such as employee misconduct or misstatement of financial results.

## **Long-term incentive – Tate & Lyle 2003 Performance Share Plan (PSP)**

### *1. Award size and shareholding requirement*

The PSP rules currently permit a maximum annual individual award of 175% of annual base salary. The Remuneration Committee would like to be able to make awards of up to 250% of annual base salary in 2010, and is therefore seeking shareholder approval at the 2010 AGM for an increase in the award limit. The proposed new limit is 250% of base salary, but with the flexibility for the Remuneration Committee to make awards of up to 300% of base salary in future years, where necessary to ensure market competitiveness and taking account of company performance.

This larger award size is subject to a new approach to performance conditions and targets (see below). It is also accompanied by an increase in the executive shareholding requirement to three times base salary, from the current one times base salary level. The increased shareholding is expected to be accumulated within 5 years. As a further incentive to drive higher levels of performance, the percentage of the total PSP award that vests at threshold performance will also reduce to 15% (from 25% currently), for the Chief Financial Officer and other executives who are members of the Group Executive Committee. This means that whereas under the existing limit of 175% of base salary, 43.75% of base salary would vest at threshold performance ( $175\% \times 25\%$ ), under the new requirement only 37.5% of base salary would vest at this level ( $250\% \times 15\%$ ).

The USA is the largest operating base and source of sales and profits for the company. The LTI award limit of 250% of base salary will enable the Committee to make awards that take better account of market practice amongst companies operating in the North American market.

Shareholder approval of this amendment to the rules of the PSP is being sought at the 2010 AGM (Resolution 13).

### *2. Performance conditions*

The Committee's view is that performance conditions for the PSP should give management a clear line of sight between their performance and reward, as this will maximise the motivational impact of the Plan. As Tate & Lyle has few, if any, directly comparable peers, relative total shareholder return does not provide this line of sight. The broad peer group that has been used for previous PSP awards includes companies across many different sectors, and therefore does not give a like-for-like comparison.

It is therefore proposed to apply financial performance conditions to the award. These will be metrics that are important drivers of shareholder value. The Committee is aware that financial performance conditions are sometimes criticised for being susceptible to manipulation. The Committee will therefore make any necessary adjustments to the performance outcomes to ensure that the results are a true reflection of the actual performance achieved. For the avoidance of doubt, the Committee must also be satisfied that the level of vesting is justified by the performance of the Group over the performance period.

For the awards in 2010 the proposed metrics are:

(a) Adjusted diluted earnings per share (EPS) metric: 50% of total award.

Performance is measured by comparing the compound annual growth rate (CAGR) of the Company's adjusted diluted EPS from continuing operations over the three-year performance period against the predetermined targets.

The minimum adjusted diluted EPS growth requirement will be 6% CAGR, compared with 5% for awards made in 2009. The requirement for full vesting of this component will be 15% CAGR.

(b) Adjusted Return on Capital Employed (ROCE): 50% of the total award.

Performance is measured by the adjusted ROCE on continuing operations achieved at the end of the three-year performance period against the predetermined targets. These targets of 13% at threshold and 16% at maximum vesting represent an increase of 100 basis points and 400 basis points respectively relative to the adjusted ROCE achieved in the year ended 31 March 2010. Tate & Lyle is a relatively capital intensive business and therefore at current levels of capital will need to generate significant growth in profits to meet its adjusted ROCE targets.

Shares awarded under the PSP in 2010 will vest in accordance with the following schedule:

| Percentage of award vesting                   | CAGR of adjusted diluted EPS during the 3-year performance period (50% of award) | Adjusted ROCE achieved at the end of the 3-year performance period (50% of award) |
|---|--|---|
| 0%  | Below 6%   | Below 13%   |
| 15%   | 6%   | 13%   |
| On a straight-line basis between 15% and 100% | Between 6% and 15%   | Between 13% and 16%   |
| 100%  | 15% or more  | At 16% or above   |

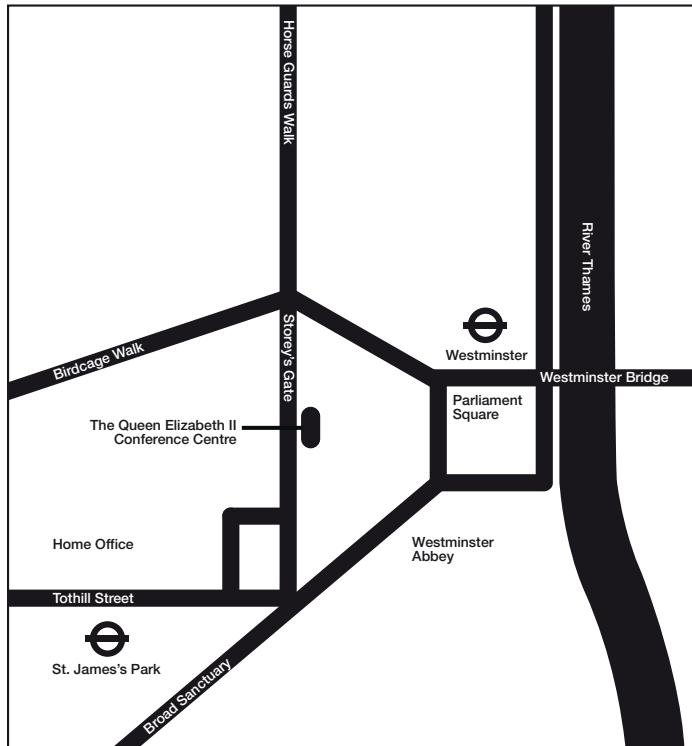
### **Retirement benefits**

From April 2011, the Chief Financial Officer, Tim Lodge, and other members of the Group Executive Committee in the UK defined benefit pension plan will no longer be able to accrue defined benefit pension for future service. Pension benefit in respect of future service will be on a defined contribution (or cash equivalent) basis only. This will help to control the cost and risks for the Company in delivering executive retirement benefits.

## Explanatory notes relating to the completion of the proxy form

1. Every member has the right to appoint (an)other person(s) of his/her choice, who need not be a member, as his/her proxy to exercise all or any of his/her rights to attend, speak and vote on his/her behalf at the Meeting. If you wish to appoint a person other than the Chairman, please insert the name of your chosen proxy holder in the space provided. If the proxy is being appointed in relation to part of your holding only, enter the number of shares over which they are authorised to act as your proxy next to the proxy's name. If you do not specify the number of shares, they will be authorised in respect of your full voting entitlement.
2. To appoint more than one proxy, additional proxy forms may be obtained by contacting our registrars, Equiniti, on 0871 384 2063 or +44 (0)121 415 0235 (for calls from outside the UK), or you may photocopy the proxy form. Please indicate next to the proxy holder's name the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by putting an 'X' in the box provided if the proxy instruction is one of multiple instructions being given. All proxy forms must be signed and should be returned together in the same envelope. Calls to 0871 numbers are charged at 8 pence per minute from a BT landline. Charges from other telephone providers may vary.
3. Please indicate how you wish your proxy to vote on each resolution by marking the appropriate box with an 'X'. Please note that a 'vote withheld' has no legal effect and will count neither for nor against a resolution. If you do not select any of the options, your proxy can vote as he/she chooses or can decide not to vote at all. The proxy can also do this on any other resolution that is put to the Meeting or at any adjournment of the Meeting.
4. The completion and return of the proxy form will not preclude a member from attending the Meeting and voting in person.
5. If the member is a corporation, the proxy form must be executed under seal or signed by a duly authorised officer or attorney.
6. For joint holders, the signature of any one of them will suffice. The vote of the senior joint holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.
7. Any alteration to the proxy form should be initialled by the person who signed it.
8. To be valid, the proxy form and the power of attorney or other authority (if any) under which it is signed and dated must be received by Equiniti no later than 11.00 am on Tuesday 20 July 2010.
9. If you wish to use an envelope, please address it to Equiniti, Freepost SEA 10846, Aspect House, Spencer Road, Lancing BN99 6ZL. No stamp is needed if it is posted in the UK. If the proxy form is posted outside the UK, you should return it in an envelope using the address on the back of the proxy form. You will need to pay postage.
10. You can submit your proxy electronically at [www.sharevote.co.uk](http://www.sharevote.co.uk) and to do this you will need to use the Voting ID, Task ID and Shareholder Reference Number on the proxy form. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual.
11. Preference shareholders are not entitled to vote on resolutions 2 to 9 inclusive.

### How to find the Queen Elizabeth II Conference Centre.



**Tate & Lyle PLC Annual General Meeting**  
Thursday, 22 July 2010 at 11.00 am.  
Queen Elizabeth II Conference Centre,  
Broad Sanctuary, Westminster,  
London SW1P 3EE