

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 seek advice from your stockbroker, bank manager, solicitor, accountant or other independent professional adviser duly authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all of your shares in SIG plc, please forward this letter and the Form of Proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.



SIG plc

(Registered in England No. 998314)

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

The Annual General Meeting is to be held at
the Aston Hotel, Britannia Way, Catcliffe, Sheffield S60 5BD
on Thursday 13 May 2010 at 12 noon

The Notice of Annual General Meeting is set out on pages 4 and 5 of this Letter.



SIG plc

(Registered in England No. 998314)

DIRECTORS:

L. O. Tench
C. J. Davies
G. W. Davies
M. J. Chivers
C. V. Geoghegan
D. A. Haxby
V. Murray, OBE
J. C. Nicholls

REGISTERED OFFICE:

Hillsborough Works
Langsett Road
Sheffield
S6 2LW

12 April 2010

Dear Shareholder,

NOTICE OF ANNUAL GENERAL MEETING

I am writing to explain in detail the four items of business contained in Resolutions 9, 10, 11 and 12 of the Notice of Annual General Meeting to be dealt with at this year's Annual General Meeting of SIG plc (the "Company"), to be held at 12 noon on Thursday 13 May 2010 at the Aston Hotel, Britannia Way, Catcliffe, Sheffield S60 5BD (the "2010 AGM" or the "Meeting"). The Notice of Annual General Meeting is set out on pages 4 and 5 of this letter. The Annual Report for the year ended 31 December 2009 accompanies this letter.

In addition to the aforementioned business, Shareholders are being asked through Resolutions 1 to 8 to receive and adopt the Annual Report and Accounts, approve the Directors' Remuneration Report, elect the three Directors appointed during 2009, re-elect Mr. M. J. Chivers, who is retiring by rotation, re-appoint Deloitte LLP as Auditors of the Company for a further year and to authorise the Directors to determine the Auditors' remuneration.

The three Non-Executive Directors standing for election are Mr. C. V. Geoghegan, Mrs. V. Murray (both appointed 1 July 2009) and Mr. J. C. Nicholls (appointed 6 November 2009). It is the view of the Board that each of the Non-Executive Directors standing for election brings considerable management experience and independent perspective to the Board's discussions, and is considered to be independent of management and free from any relationship or circumstance that could affect, or appear to affect, the exercise of their independent judgement. The Board has confirmed, following a performance review, that Mr. M. J. Chivers, who is standing for re-election, continues to perform effectively and demonstrates commitment to his role. Brief biographical notes for each of the Directors standing for election or re-election are included in the notes to this letter. I strongly recommend that you vote in favour of the election and re-election of these Directors.

AUTHORITY TO ALLOT EQUITY SECURITIES (RESOLUTION 9)

Resolution 9 deals with the Directors' authority to allot shares.

At the last Annual General Meeting of the Company held on 13 May 2009, the Directors were given authority to allot ordinary shares in the capital of the Company up to a maximum nominal amount of £19,693,773 representing approximately one third of the Company's then issued ordinary share capital. This authority expires at the end of the 2010 AGM.

Resolution 9 will, if passed, renew this authority to allot but the resolution has been updated to reflect that authority is being given under Section 551 of the Companies Act 2006 (the "2006 Act") (rather than Section 80 of the Companies Act 1985 (the "1985 Act")) and to reflect a change in the language used in the 2006 Act.

In December 2008, the Association of British Insurers ("ABI") revised its guidelines on Directors' authority to allot shares (in line with the recommendations of the report issued in November 2008 by the Rights Issue Review Group). The guidelines state that ABI members will permit, and treat as routine, resolutions seeking authority to allot shares representing up to one third of the Company's issued share capital. In addition they will treat as routine a request for authority to allot shares representing an additional one third of the Company's issued share capital provided that it is only used to allot shares pursuant to a fully pre-emptive rights issue.

In light of these guidelines, the Board considers it appropriate that the Directors be granted authority to allot shares in the capital of the Company up to a maximum nominal amount of £39,388,622, representing the guideline limit of approximately 66% of the Company's issued ordinary share capital as at 7 April 2010 (the latest practicable date prior to publication of this letter). Of this amount 196,943,110 shares (representing approximately 33% of the Company's issued ordinary share capital) can only be allotted pursuant to a rights issue. The power will last until the conclusion of the next Annual General Meeting of the Company or, if earlier, 13 August 2011.

The Directors have no present intention of exercising this authority.

As at the date of this letter the Company does not hold any ordinary shares in the capital of the Company in treasury.

PRE-EMPTIVE ALLOTMENT OF EQUITY SECURITIES (RESOLUTION 10)

Resolution 10 will give the Directors authority to allot shares in the capital of the Company, pursuant to the authority granted under Resolution 9 above, for cash without complying with the pre-emption rights in the 2006 Act in certain circumstances. In the light of the ABI guidelines described in relation to Resolution 9 above, this authority will permit the Directors to allot:

- (a) shares up to a nominal amount of £39,388,622 (representing approximately two thirds of the Company's issued share capital) on an offer to existing Shareholders on a pre-emptive basis. However unless the shares are allotted pursuant to a rights issue (rather than an open offer), the Directors may only allot shares up to a nominal amount of £19,694,311 (representing one third of the Company's issued share capital) (in each case subject to any adjustments, such as for fractional entitlements and overseas Shareholders, as the Directors see fit); and
- (b) shares up to a maximum nominal value of £2,954,147, representing approximately 5% of the issued ordinary share capital of the Company as at 7 April 2010 (the latest practicable date prior to publication of this letter) otherwise than in connection with an offer to existing Shareholders.

As with Resolution 9, the terms of Resolution 10 have been updated to reflect that it is being passed pursuant to Sections 570 and 573 of the 2006 Act rather than Section 95 of the 1985 Act.

The Directors have no present intention of exercising this authority.

Your Directors will have due regard to institutional guidelines in relation to any exercise of this power, in particular the requirement for advance consultation and explanation before making any non pre-emptive cash issue pursuant to this resolution which exceeds 7.5% of the Company's issued share capital in any rolling three year period.

AUTHORITY TO PURCHASE ORDINARY SHARES (RESOLUTION 11)

It is a requirement of Section 693 of the 2006 Act that a company shall not make a market purchase of its own shares unless the purchase has first been authorised by the Company in general meeting. Accordingly, Resolution 11, to be proposed at the 2010 AGM as a special resolution, gives the Directors power to make market purchases of the Company's shares up to a maximum of £5,908,293 (representing approximately 10% of the current issued ordinary share capital of the Company as at 7 April 2010) and sets maximum and minimum prices. This power will expire on the conclusion of the 2011 Annual General Meeting. It is intended that purchases will only be made on the London Stock Exchange. This is not intended to imply that shares will be purchased. The Directors believe that it is in the best interests of all Shareholders that the Company should have the flexibility to make market purchases of its own shares, taking into account the financial resources of the Company, the Company's share price and future funding opportunities. The effect of such purchases would be to reduce the number of shares in issue and, accordingly, the Directors would make such purchases only if it would be in the best interests of Shareholders generally and, in any case, if it would result in an increase in earnings per share. Listed companies purchasing their own shares are allowed to hold them in treasury as an alternative to cancelling them. Shares held in treasury in this manner would be available for resale by the Company at a later date providing additional flexibility in the management of the Company's capital base.

Accordingly, if Resolution 11 is passed at the 2010 AGM, the Company may either cancel or hold, as treasury shares, any of its own shares that it purchases pursuant to the authority conferred by Resolution 11. No dividends will be paid on shares whilst held in treasury and no voting rights will attach to the treasury shares. The Company currently holds no ordinary shares in treasury.

The Directors have no current intention of using the powers sought under Resolution 11 but consider it advisable to pass this resolution in order that they can be prepared to take advantage of future situations which may arise.

As at 7 April 2010 (the latest practicable date prior to the publication of this letter), there were options outstanding over 1,061,138 ordinary shares in the capital of the Company representing 0.02% of the Company's issued ordinary share capital. If the authority to purchase the Company's ordinary shares was exercised in full, these options would represent 0.02% of the Company's issued ordinary share capital.

ADOPTION OF NEW ARTICLES OF ASSOCIATION (RESOLUTION 12)

The Company proposes to adopt new Articles of Association (the "New Articles"). These incorporate amendments to the current Articles of Association to reflect the changes in company law brought about by the 2006 Act which came into full effect on 1 October 2009 and changes made to the 2006 Act in August 2009 to implement the EU Shareholder Rights Directive in the UK, as well as some minor technical or clarifying changes.

The principal changes in the New Articles relate to Shareholder meetings and resolutions, the Company's constitution and share capital.

ADOPTION OF NEW ARTICLES OF ASSOCIATION (RESOLUTION 12) CONTINUED

In August 2009, changes were made to the provisions in the 2006 Act on company meetings by The Companies (Shareholders' Rights) Regulations 2009 ("Shareholders' Rights Regulations") to implement the EU Shareholder Rights Directive in the UK. The New Articles incorporate amendments in relation to meetings to ensure consistency with the 2006 Act (as amended by the Shareholders' Rights Regulations).

Under the 2006 Act all provisions of the Company's memorandum, but most significantly the objects clause, were deemed to form part of the Company's Articles from 1 October 2009. It is possible for the objects clause to be removed or amended by amending the Articles by special resolution. It is not necessary under the 2006 Act for a company to set out its objects. The 2006 Act provides that, unless the Articles state otherwise, a company's objects will be unrestricted.

One of the other key provisions of the memorandum which is deemed to form part of the Company's Articles from 1 October 2009 is the restriction created by the existing authorised share capital statement. The 2006 Act removes the requirement for a company to place limits on its authorised share capital.

By adopting the new Articles which do not contain the objects clause or the authorised share capital statement, the Company will remove these provisions, which would otherwise be deemed to form part of the Company's Articles under Section 28 of the 2006 Act, from its articles.

For a more detailed explanation of these and other amendments please refer to the attached Appendix.

A copy of the New Articles is available for inspection, as noted on pages 9 to 12 of this document.

RECOMMENDATION AND ACTION TO BE TAKEN

Your Directors believe that all the proposals to be considered at the 2010 AGM will promote the success of the Company and are in the best interests of the Company and its Shareholders as a whole. They recommend that you in vote favour of the proposed Resolutions as they intend to do in respect of their personal shareholdings in the Company, which, in aggregate, amount to 555,830 shares.

Whether or not you are able to attend the 2010 AGM, your vote is still important and I would encourage you, regardless of the number of shares you own, to complete, sign and return the accompanying Form of Proxy so as to reach the Company's Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, not less than 48 hours before the time fixed for the holding of the 2010 AGM. Alternatively, Shareholders may also register their proxy appointment and voting instructions electronically. Please refer to the notes on pages 6 to 8 of this Notice for further details on how to appoint a proxy and vote electronically. The completion and return of a Form of Proxy will not prevent you from attending and voting in person at the 2010 AGM if you so wish.

Yours faithfully



LESLIE TENCH
Chairman

SIG PLC NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the members of SIG plc (the "Company") will be held at the Aston Hotel, Britannia Way, Catcliffe, Sheffield S60 5BD on Thursday 13 May 2010 at 12 noon (the "2010 AGM" or the "Meeting") to consider and, if thought fit, to pass Resolutions 1 to 9 inclusive as ordinary resolutions and Resolutions 10, 11 and 12 as special resolutions.

1. To receive and adopt the financial statements for the year ended 31 December 2009 together with the reports of the Directors and Auditors thereon.
2. To approve the Directors' Remuneration Report for the year ended 31 December 2009.
3. To elect Mr. C. V. Geoghegan as a Director.
4. To elect Mrs. V. Murray as a Director.
5. To elect Mr. J. C. Nicholls as Director.
6. To re-elect Mr. M. J. Chivers, who retires by rotation, as a Director.
7. To re-appoint Deloitte LLP as Auditors to the Company, to hold office until the conclusion of the next general meeting at which financial statements are laid before the Company.
8. To authorise the Directors to determine the Auditors' remuneration.
9. That the Directors be and they are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company ("Rights"):
 - (a) up to an aggregate nominal amount of £19,694,311; and
 - (b) up to a further aggregate nominal amount of £19,694,311 provided that: (i) they are equity securities (within the meaning of Section 560(1) of the Companies Act 2006); and (ii) they are offered by way of a rights issue to holders of ordinary shares on the register of members at such record dates as the Directors may determine where the equity securities respectively attributable to the interests of the ordinary Shareholders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares held or deemed to be held by them on any such record dates, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter,

provided that this authority shall expire at the end of the next Annual General Meeting of the Company or, if earlier, on 13 August 2011, save that the Company shall be entitled to make offers or agreements before the expiry of such authority which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors shall be entitled to allot shares and grant Rights pursuant to any such offer or agreement as if this authority had not expired; and all unexercised authorities previously granted to the Directors to allot shares and grant Rights be and are hereby revoked.
10. That the Directors be and they are hereby empowered pursuant to Section 570 and Section 573 of the Companies Act 2006 to allot equity securities (within the meaning of Section 560 of the Companies Act 2006) for cash either pursuant to the authority conferred by Resolution 9 above or by way of a sale of treasury shares as if Section 561(1) of the Companies Act 2006 did not apply to any such allotment provided that this power shall be limited to:
 - (a) the allotment of equity securities in connection with an offer of securities (but in the case of the authority granted under paragraph (b) of Resolution 9 by way of rights issue only) in favour of the holders of ordinary shares on the register of members at such record dates as the Directors may determine where the equity securities respectively attributable to the interests of the ordinary Shareholders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares held or deemed to be held by them on any such record dates, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter; and
 - (b) the allotment (otherwise than pursuant to sub-paragraph (a) of this Resolution 10) to any person or persons of equity securities up to an aggregate nominal amount of £2,954,147,

and shall expire upon the expiry of the general authority conferred by Resolution 9 above, save that the Company shall be entitled to make offers or agreements before the expiry of such power which would or might require equity securities to be allotted after such expiry and the Directors shall be entitled to allot equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired.

11. That the Company be generally and unconditionally authorised, pursuant to and in accordance with Sections 693 and 701 of the Companies Act 2006, to make market purchases (as defined in Section 693(4) of the Companies Act 2006) of up to 59,082,930 ordinary shares of 10p each in the capital of the Company (being approximately 10% of the issued ordinary share capital of the Company as at 7 April 2010) on such terms and in such manner as the Directors of the Company may from time to time determine, provided that:
- (a) the amount paid for each ordinary share (exclusive of expenses) shall not be more than 5% above the average of the middle market quotations for an ordinary share in the Company as derived from the Daily Official List of The London Stock Exchange plc for the five business days immediately preceding the date on which the contract for the purchase is made;
 - (b) the minimum price which may be paid for an ordinary share (exclusive of expenses) is 10p; and
 - (c) the authority herein contained shall expire at the conclusion of the 2011 Annual General Meeting of the Company provided that the Company may, before such expiry, make a contract to purchase its ordinary shares which would or might be executed wholly or partly after such expiry, and the Company may make a purchase of its ordinary shares in pursuance of any such contract as if the authority conferred hereby had not expired.
12. That with effect from the end of the Meeting:
- 12.1 the Articles of Association of the Company be amended by deleting all of the provisions of the Company's memorandum of association which, by virtue of Section 28 of the Companies Act 2006, are to be treated as provisions of the Company's Articles of Association; and
 - 12.2 the Articles of Association produced to the Meeting and initialled by the Chairman of the Meeting for the purposes of identification, be and are hereby adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association of the Company.

By order of the Board



RICHARD MONRO
Secretary
12 April 2010

REGISTERED OFFICE
Hillsborough Works
Langsett Road
Sheffield S6 2LW
Registered No. 998314

NOTES TO THE SIG PLC NOTICE OF ANNUAL GENERAL MEETING

NOTES:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to exercise all or any of his rights to attend, speak and vote at the Meeting. A member can appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him.
2. A proxy need not also be a member of the Company but must attend the Meeting in person. A Form of Proxy accompanies this Notice of Annual General Meeting and the notes to the Form of Proxy set out the details of how to appoint a proxy.
3. A copy of this notice has been sent for information only to persons who have been nominated by a member to enjoy information rights under Section 146 of the Companies Act 2006 (the "2006 Act") (a "Nominated Person"). The rights to appoint a proxy can not be exercised by a Nominated Person: they can only be exercised by the member. However, a Nominated Person may have a right under an agreement between him and the member by whom he was nominated to be appointed as a proxy for the Meeting or to have someone else so appointed. If a Nominated Person does not have such a right or does not wish to exercise it, he may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.
4. To appoint a proxy or proxies Shareholders must complete: (a) the Form of Proxy and return it, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of the same to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, or by using the reply-paid envelope provided; or (b) a CREST proxy instruction as detailed below; or (c) an online proxy appointment at www.eproxyappointment.com (you will need your unique PIN and Shareholder Reference Number, together with the Control Number, printed on the Form of Proxy), in each case so that it is received no later than 12 noon on 11 May 2010. The appointment of a proxy will not preclude a member from attending and voting in person. If a member attends the Meeting in person, his proxy appointment will automatically be terminated.
5. A member may change proxy instructions by returning a new proxy appointment using the methods set out above. Where a member has appointed a proxy using the hard-copy Form of Proxy and would like to change the instructions using another hard-copy Form of Proxy, please contact Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY. The deadline for receipt of proxy appointments in paragraph 4 above also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same meeting, the one which is last sent shall be treated as replacing and revoking the other or others. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first name being the most senior).
6. In conjunction with its Registrars, the Company has in place a facility to allow each Shareholder to register proxy votes electronically. Detailed information of how to do this is set out on the Form of Proxy. A member can register proxy votes electronically by either logging on to the Registrars' website, www.eproxyappointment.com and following the instructions, or, CREST members may register proxy votes following the procedures set out in the CREST Manual.
7. A "Vote withheld" is not a vote at law, which means that the vote will not be counted in the proportion of votes "For" and "Against" the relevant resolution. A Shareholder who does not give any voting instructions in relation to a resolution should note that his proxy will have authority to vote or withhold a vote on that resolution as he thinks fit. A proxy will also have authority to vote or to withhold a vote on any other business (including amendments to resolutions) which properly come before the 2010 AGM as he thinks fit.
8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) of the Meeting 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.

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 UK & Ireland's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given by a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent (ID 3RA50) by the latest time(s) for receipt of proxy appointments set out above. 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 the Company's agent 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.

NOTES: CONTINUED

8. continued

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited 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 provider(s) take(s)) such action as is 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 Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 5(5) (a) of the Uncertificated Securities Regulations 2001.

9. To be entitled to attend and vote at the Meeting, Shareholders must be registered in the register of members of the Company at 6.00pm on 11 May 2010 (or, if the Meeting is adjourned, at 6.00 pm on the date which is two days prior to the adjourned meeting). Changes to entries on the register after this time shall be disregarded in determining the rights of any person to attend and vote (and the number of votes they may cast) at the Meeting or adjourned meeting.
10. As at 7 April 2010 (being the latest business day prior to the publication of this Notice), the Company's issued share capital consists of 590,829,339 ordinary shares, carrying one vote each. Therefore the total voting rights in the Company are 590,829,339.
11. The following documents will be available for inspection during normal business hours at the registered office of the Company until 12 May 2010 and at Aston Hotel, Britannia Way, Catcliffe, Sheffield S60 5BD from 11.15 am on 13 May 2010 until the conclusion of the Meeting:
 - copies of the Executive Directors' service contracts;
 - copies of letters of appointment of the Non-Executive Directors;
 - letters of indemnity for each of the Directors; and
 - a copy of the New Articles and a copy of the Company's current Articles of Association.

In addition, the New Articles and the Company's current Articles of Association will be available until 12 May 2010 for inspection during normal business hours at the offices of Herbert Smith LLP, Exchange House, Primrose Street, London EC2A 2HS.

12. Please note that the Company takes all reasonable precautions to ensure no viruses are present in any electronic communication it sends out but the Company cannot accept responsibility for loss or damage arising from the opening or use of any email or attachments from the Company and recommend that the Shareholders subject all messages to virus checking procedures prior to use. Any electronic communication received by the Company, including the lodgement of an electronic Form of Proxy, that is found to contain any virus will not be accepted.
13. Shareholders vote on a show of hands, unless a poll is validly called. This is a more transparent method of voting as member votes are to be counted according to the number of shares held. As soon as practicable following the 2010 AGM, the results of the voting at the Meeting and the numbers of proxy votes cast for and against and the number of votes actively withheld in respect of each of the Resolutions will be announced via a Regulatory Information Service and also placed on the Company's website www.sigplc.com.
14. A member of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the 2010 AGM. In accordance with the provisions of the 2006 Act, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative.

NOTES TO THE SIG PLC NOTICE OF ANNUAL GENERAL MEETING CONTINUED

NOTES: CONTINUED

15. Members satisfying the thresholds in Section 527 of the 2006 Act can require the Company to publish a statement on its website 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 Meeting; or (b) any circumstances connected with an auditor of the Company ceasing to hold office since the last Annual General Meeting, that the members propose to raise at the Meeting. The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the Meeting includes any statement that the Company has been required to publish on its website.
16. The Company must cause to be answered at the Meeting any question relating to the business being dealt with at the Meeting which is put by a member attending the Meeting, except in certain circumstances, including if it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered or if to do so would involve the disclosure of confidential information.
17. The contents of this Notice of Annual General Meeting and all the information required by Section 311A of the 2006 Act will be available on the Company's website www.sigplc.com.
18. You may not use any electronic address provided in this Notice of Annual General Meeting to communicate with the Company for any purposes other than those expressly stated.
19. Biographical details of each Director who is being proposed for election or re-election by Shareholders are set out below:

CHRIS GEOGHEGAN FRAES, NON-EXECUTIVE DIRECTOR

Chris Geoghegan (age 56) became a Non-Executive Director on 1 July 2009 and is Chairman of the Remuneration Committee. He is currently Chairman of Hampson Industries plc and E2V Technologies plc and a Non-Executive Director of Volex plc and Kier Group plc. Prior to his retirement he was Chief Operating Officer of BAE Systems plc with responsibility for all European joint ventures and UK defence electronics assets. He is a Fellow of the Royal Aeronautical Society and a past President of the Society of British Aerospace companies.

VANDA MURRAY OBE, BA (HONS), NON-EXECUTIVE DIRECTOR

Vanda Murray (age 48) became a Non-Executive Director on 1 July 2009. She is Deputy Chair of the North West Regional Development Agency, Chairs Business Link North West and is a Non-Executive Director of Carillion plc and the Manchester Airport Group. She previously held Executive positions as Chief Executive Officer of Blick plc, President of Europe, Stanley Security Solutions and Managing Director of Ultraframe (UK) Limited. She is a Fellow of the Chartered Institute of Marketing and was appointed OBE in 2002 for services to Industry and to Export.

JONATHAN NICHOLLS, BA, ACA, FCT, NON-EXECUTIVE DIRECTOR

Jonathan Nicholls (age 52) became a Non-Executive Director on 6 November 2009 and is Chairman of the Audit Committee. He is a Non-Executive Director of DS Smith plc and Great Portland Estates plc. Most recently he was Group Financial Director of Old Mutual plc and prior to that he was Group Finance Director of Hanson plc.

JOHN CHIVERS, EXECUTIVE DIRECTOR

John Chivers (age 57) joined the Group in July 1975 and was appointed a Director of Sheffield Insulations in April 1989. He was appointed to the main Board in September 2001. He is Managing Director of UK Exteriors.

APPENDIX

DETAILED EXPLANATION OF CHANGES TO THE ARTICLES OF ASSOCIATION

The 2006 Act, which replaced the 1985 Act, was implemented in stages and was fully in force by 1 October 2009. In addition, the Shareholders' Rights Regulations which amend certain provisions of the 2006 Act relating to meetings of the Company came into force in August 2009. Under Resolution 12, the Company's New Articles will reflect the changes in company law brought about by the Shareholders' Rights Regulations and by the provisions of the 2006 Act which came into effect on or before 1 October 2009. The New Articles also include some other modernising and clarificatory amendments including, where appropriate, tracking the wording of the new model form articles for public companies contained in Schedule 3 to the Companies (Model Articles) Regulations 2008 (the "model form articles"), which replace the Table A articles under the 1985 Act on which many of the Company's current Articles are based. Set out below is a summary of the principal changes.

1. THE COMPANY'S OBJECTS

The 2006 Act significantly reduces the constitutional significance of a company's memorandum. The provisions governing the operations of the Company are currently set out in both its memorandum of association and its Articles of Association. Under the 2006 Act, the memorandum no longer contains an objects clause and simply records the names of the subscribers and the number of shares which each subscriber agreed to take in the Company. Under Section 28 of the 2006 Act, the objects clause and all other provisions in the memorandum are treated as part of the Articles with effect from 1 October 2009 but the Company can remove these provisions by special resolution. Unless the Articles provide otherwise, the Company's objects will be unrestricted. The Company is proposing to remove its objects clause together with all other provisions of its memorandum which, by virtue of the 2006 Act, are treated as forming part of the Company's Articles of Association as of 1 October 2009. Resolution 12 confirms the removal of these provisions and adopts the New Articles.

2. LIMITED LIABILITY (ARTICLE 3)

Under the 2006 Act, the memorandum of association also no longer contains a clause stating that the liability of the members of a company is limited. For existing companies, this statement is automatically treated as having moved into the Articles on 1 October 2009. As noted in paragraph 1 above, Resolution 12.1 confirms the removal, from the Company's Articles of Association, of the provisions of the Company's memorandum of association which are treated as forming part of the Company's Articles of Association by virtue of Section 28 of the 2006 Act, which includes the statement of limited liability. An explicit statement of the members' limited liability is therefore included in the New Articles.

3. AUTHORISED SHARE CAPITAL AND UNISSUED SHARES

The 2006 Act abolishes the concept of authorised share capital and under the 2006 Act, the memorandum of association no longer contains a statement of the Company's authorised share capital. For existing companies, this statement is deemed to be a provision of the Company's Articles of Association setting out the maximum amount of shares that may be allotted by the Company. The adoption of the New Articles by the Company will have the effect of removing this provision relating to the maximum amount. Directors will still need to obtain the usual Shareholders' authorisation in order to allot shares, except in respect of employee share schemes.

References to authorised share capital and to unissued shares have therefore been removed from the New Articles.

4. REDEEMABLE SHARES (ARTICLE 5)

Under the 2006 Act, the Articles of Association need not include the terms on which redeemable shares may be redeemed. The Directors may determine the terms, conditions and manner of redemption of redeemable shares provided they are authorised to do so by the articles. The New Articles contain such authorisation.

5. SHARE CERTIFICATES (ARTICLE 12)

The New Articles contain new provisions for the issue of consolidated share certificates, in line with the model form articles.

6. TRANSFER OF SHARES (ARTICLES 30 AND 31)

Under the 2006 Act, a company must either register a transfer or give the transferee notice of, and reasons for, its refusal to register the transfer. Any registration of a transfer or notice of refusal must be made or given as soon as practicable and in any event within two months from the date that the transfer is lodged with the Company. The New Articles reflect these requirements. The Company cannot in any event refuse to transfer a fully paid share except in very limited circumstances (such as a transfer to more than four persons). The provision which gave the ability to suspend the registration of transfers of shares for periods not exceeding 30 days in any one year has been removed from the New Articles as there is no ability under the 2006 Act to close the register.

APPENDIX CONTINUED

DETAILED EXPLANATION OF CHANGES TO THE ARTICLES OF ASSOCIATION

7. AUTHORITY TO PURCHASE OWN SHARES, CONSOLIDATE AND SUB-DIVIDE SHARES, AND REDUCE SHARE CAPITAL (ARTICLE 40)

Under the 1985 Act, a company required specific authorisations in its Articles of Association to purchase its own shares, to consolidate or sub-divide its shares and to reduce its share capital. Under the 2006 Act, public companies do not require specific authorisations in their Articles of Association to undertake these actions; but Shareholder authority is still required. The New Articles reflect these changes.

8. NOTICE OF GENERAL MEETINGS (ARTICLE 42 AND 43)

The provisions in the New Articles dealing with the convening of general meetings and the length of notice required to convene general meetings are in line with the relevant provisions of the 2006 Act (as amended by the Shareholders' Rights Regulations). The Shareholders' Rights Regulations amended the 2006 Act to require the Company to give 21 clear days' notice of general meetings unless the Company has passed a special resolution reducing the notice period to not less than 14 days and the Company offers members an electronic voting facility. The Board has elected not to propose such a resolution at the 2010 AGM, as it does not presently consider it necessary for the Company to have the ability to call general meetings on 14 clear days' notice. Accordingly, and for the time being, general meetings of the Company will require 21 clear days' notice.

Article 43 deals with situations where, because of a postal strike or similar situation beyond the control of the Company, a Notice of Meeting is not received by a Shareholder. The New Articles will ensure that such failure does not invalidate proceedings at the meeting in question.

9. QUORUM (ARTICLE 44)

Article 44 makes it clear that two persons who are proxies for the same member or representatives of the same body corporate can constitute a quorum.

10. ATTENDING AND SPEAKING AT MEETINGS (ARTICLE 50)

Article 50 of the New Articles provides that the Chairman of the Meeting may permit non-members or persons who are not entitled to exercise the rights of members to attend and, at the Chairman's discretion, speak at a general meeting.

11. PARTICIPATION IN MEETINGS AT DIFFERENT PLACES AND BY ELECTRONIC MEANS (ARTICLE 51)

Amendments made to the 2006 Act by the Shareholders' Rights Regulations specifically provide for the holding and conducting of electronic meetings. The New Articles include provisions to permit members to participate in meetings of the Company even if they are not present in person at the principal place where the meeting is being held. The New Articles allow for members to participate not only by attendance at satellite meeting locations, but also by any other electronic means of participation.

12. ADJOURNMENTS (ARTICLE 53)

The Shareholders' Rights Regulations add a provision to the 2006 Act which requires that, when a general meeting is adjourned due to lack of quorum, at least ten days' notice must be given to reconvene the meeting. The provisions dealing with notice of adjourned meetings in the New Articles are consistent with this new requirement.

13. REMOVAL OF CHAIRMAN'S CASTING VOTE (FORMER ARTICLE 67)

Pursuant to changes brought about by the Shareholders' Rights Regulations, a traded company is no longer permitted to allow the chairman to have a casting vote in the event of an equality of votes. Accordingly, this provision has been removed in the New Articles.

14. VOTING RIGHTS (ARTICLE 62)

The Shareholders' Rights Regulations clarify the various powers of proxies and representatives of corporate members in respect of resolutions taken on a show of hands. Where a proxy has been duly appointed by one member, he has one vote on a show of hands unless he has been appointed by more than one member in which case the proxy has one vote for and one vote against if the proxy has been appointed by more than one member to vote for the resolution and by more than one member to vote against the resolution. Where a corporate member appoints representatives to attend meetings on its behalf, each representative duly appointed by a corporate member has one vote on a show of hands. The New Articles contain provisions which clarify these rights and also clarify how the provisions giving a proxy a second vote on a show of hands should apply to discretionary powers.

15. VOTING RECORD DATE (ARTICLE 63)

The New Articles include a provision dealing with the method for determining which persons are allowed to attend or vote at a general meeting of the Company and how many votes each person may cast. Under this new provision, when convening a meeting the Company may specify a time, not more than 48 hours before the time of the meeting (excluding any part of a day that is not a working day), by which a person must be entered on the register of members in order to have the right to attend or vote at the meeting. This new provision is in line with a requirement for listed companies introduced by the Shareholders' Rights Regulations.

16. VALIDITY OF VOTES (ARTICLE 67)

Following the implementation of the Shareholders' Rights Regulations, proxies are expressly required to vote in accordance with instructions given to them by members. The New Articles contain a provision stating that the Company is not required to enquire whether a proxy or corporate representative has voted in accordance with instructions given to him and that votes cast by a proxy or corporate representative will be valid even if he has not voted in accordance with his instructions.

17. APPOINTING PROXIES AND CORPORATE REPRESENTATIVES (ARTICLES 68 AND 75)

Under the 2006 Act, members may appoint a proxy to exercise all or any of their rights to attend, speak and vote at meetings. Multiple proxies may be appointed provided that each proxy is appointed to exercise the rights attached to a different share or shares. The New Articles reflect these new proxy rights. The 2006 Act also provides for multiple corporate representatives to be appointed and the New Articles therefore refer to the right to appoint multiple corporate representatives. The New Articles also provide that the Company can require a corporate representative to produce a certified copy of the resolution appointing him before permitting him to exercise his powers.

18. RETIREMENT OF DIRECTORS BY ROTATION (ARTICLES 81 AND 82)

The New Articles have been redrafted in order to make this provision clearer and to ensure (as far as possible) a regular number of retiring Directors each year, with the number to retire being the number nearest to one third of the Board excluding those Directors who are retiring and seeking re-election for other reasons. Article 81 complies with Combined Code provision A.7.1 which recommends that all Directors should be subject to re-election at intervals of no more than three years. Article 82 requires any Non-Executive Director (other than the Chairman) who has held office for nine years or more to put himself up for re-election at each Annual General Meeting. This is in line with Combined Code provision A.7.2.

19. ALTERNATE DIRECTORS (ARTICLE 92)

Article 92(c) makes it clear that an alternate is subject to the same restrictions as the Director who appointed him.

20. DELEGATION TO PERSONS OR COMMITTEES (ARTICLE 96)

Article 96 follows the new, simplified approach to delegation adopted in the model form articles, allowing the Directors to delegate as they decide appropriate.

21. DIRECTORS' APPOINTMENTS, INTERESTS AND CONFLICTS OF INTEREST (ARTICLES 101 AND 102)

The Company adopted provisions to reflect the changes implemented by the 2006 Act from 1 October 2008 with regard to Directors' conflicts of interest at its Annual General Meeting in 2008. Articles 101 and 102 are substantially similar to the provisions adopted in 2008 (former Article 122) but with some drafting improvements.

22. PROCEDURES REGARDING BOARD MEETINGS AND RESOLUTION IN WRITING (ARTICLES 103 AND 106)

The provisions of Article 103 make it clear that notice of a Board meeting may be given personally, by telephone, in hard copy or in electronic form. Article 106 makes it clear that a resolution in writing will be valid and effectual as if it had been passed at a meeting if executed by all the Directors entitled to receive notice of the meeting and who would have been entitled to vote (and whose vote would have been counted) on a resolution at a meeting.

APPENDIX CONTINUED

DETAILED EXPLANATION OF CHANGES TO THE ARTICLES OF ASSOCIATION

23. QUORUM (ARTICLE 107)

Article 107, which deals with the quorum requirement for board meetings, clarifies that a Director cannot count in the quorum for a matter or resolution on which he is not entitled to vote (or when his vote cannot be counted) but he may count in the quorum for the other matters or resolutions to be considered or voted on at the meeting.

24. PERMITTED INTERESTS AND VOTING (ARTICLE 108)

The provisions which previously deemed certain interests of a Director's connected persons to be the interests of the Director himself, for the purposes of this article, have been deleted. There is no requirement in the 2006 Act to include such a provision and the 2006 Act contains a much wider definition of "connected person" of a Director. The Director and the Company must still take a view each time a matter is being considered as to whether the interests of the Director's connected persons mean that the Director should be treated as interested for the purposes of this article.

Article 108 has been amended to allow a Director to vote on a resolution which relates to giving him an indemnity or funding for expenditure incurred in defending proceedings provided all the other Directors have been given or are to be given arrangements on substantially the same terms. This exception has become a common exception for listed companies to include.

25. NOTICES AND OTHER COMMUNICATIONS (ARTICLES 71 AND 122 -131)

Article 126 is the article covering service of notice in the event of a postal strike; it has been amended (from former Article 148) to allow the Company in such circumstances to serve notices only on those members who receive notices via electronic means, provided that, as before, the Company also puts an advert in two national newspapers and sends a confirmatory hard-copy notice if the postal service is available again within seven days of the meeting.

Article 130 deals with notices, documents or information sent by the Company to a member which have been returned undelivered on three consecutive occasions. The member will only be entitled to be sent further communications upon provision of a new postal or electronic address to the Company. Previously former Article 152a provided that a member would only be entitled to be sent further communications upon such provision following two consecutive occasions of notices, documents or information sent by the Company being returned undelivered or following one such occasion, the Company having made reasonable enquiries to establish any new address for the member concerned.

Article 131 is included to deal with the validation of documents in electronic form by members where required by the New Articles. In the case of notices of meetings or proxies, any validation requirements must be specified in the notice.

26. MAKING AND RETENTION OF MINUTES (ARTICLE 132)

Article 132 contains a new provision to the effect that minutes must be retained for at least ten years, reflecting the relevant provision of the 2006 Act. No minimum retention time was previously specified.

27. THE SEAL (ARTICLES 135 AND 136)

Article 135 provides an alternative option (in the absence of specific instructions from the Directors) for documents (other than share certificates) to which the seal is affixed to be signed by one authorised person in the presence of a witness, in addition to either two Directors or a Director and the secretary.

28. CHANGE OF NAME (ARTICLE 138)

Under the 1985 Act, a company could only change its name by special resolution. Under the 2006 Act a company is able to change its name by other means provided for by its articles. To take advantage of this provision, the New Articles enable the Directors to pass a resolution to change the Company's name.

29. POWER TO INDEMNIFY DIRECTORS (ARTICLE 140)

The Directors' indemnity provision has been amended to make it clear that the Company may, subject to the provisions of the 2006 Act, indemnify a director of an associated company that is the trustee of an occupational pension scheme, taking advantage of the qualifying pension scheme indemnity provision in the 2006 Act.

SIG PLC ANNUAL GENERAL MEETING

The Annual General Meeting of SIG plc is to be held at 12 noon on Thursday 13 May 2010 at:

Aston Hotel,
Britannia Way,
Catcliffe,
Sheffield S60 5BD

FROM THE NORTH

Leave the M1 at Junction 33

At the roundabout, take the 3rd exit, signposted Sheffield A630

After approx ½ mile, take the next exit, signposted Catcliffe

At the roundabout, take the 3rd exit, underneath the A630

At the next roundabout, take the 1st exit

At the next roundabout, take the 2nd exit, Aston hotel, Sheffield is on your right

FROM THE SOUTH

Leave the M1 at Junction 33

At the roundabout take the 1st exit signposted Sheffield A630

After approx ½ mile, take the next exit, signposted Catcliffe

At the roundabout, take the 3rd exit, underneath the A630

At the next roundabout, take the 1st exit

At the next roundabout, take the 2nd exit, Aston hotel, Sheffield is on your right

FROM SHEFFIELD

From the Sheffield Parkway, A630

Take the Catcliffe exit

At the roundabout, take the 1st exit

At the next roundabout, take the 2nd exit, Aston hotel, Sheffield is on your right

PUBLIC TRANSPORT

The A1 bus service runs from Meadowhall Shopping Centre to Sheffield Business Park

FROM ROTHERHAM

Arrive at the M1, Jct 33 roundabout

Take the 2nd exit, signposted Sheffield A630

After approx ½ mile, take the next exit, signposted Catcliffe

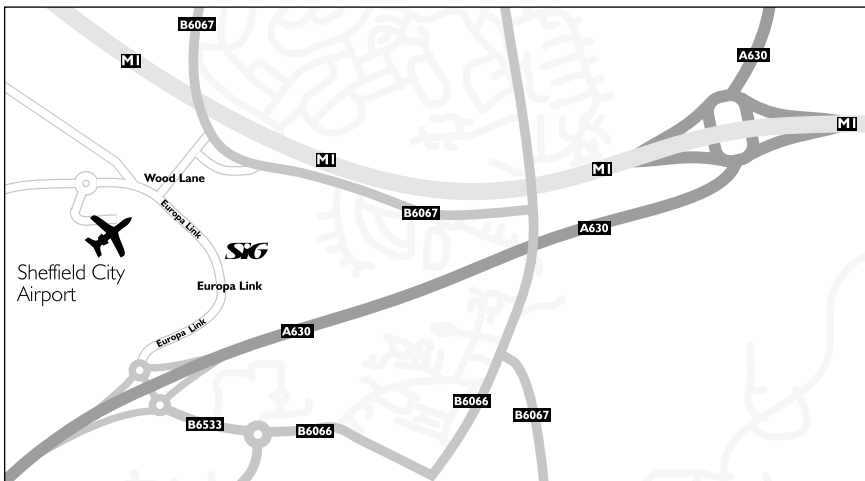
At the roundabout, take the 3rd exit, underneath the A630

At the next roundabout, take the 1st exit

At the next roundabout, take the 2nd exit, Aston hotel, Sheffield is on your right

SAT NAV USERS

For satellite navigation please use the following postcode S9 1XU





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