

THIS DOCUMENT IS IMPORTANT AND NEEDS YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take with regard to this document or its enclosures, you are recommended to seek your own personal financial advice from your stockbroker, solicitor, accountant or other professional independent adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000 or an appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom. If you have sold or otherwise transferred all your shares in Morgan Advanced Materials plc, you should send this document to the purchaser or transferee or to the stockbroker, bank or other agent through whom you made the sale or transfer for transmission to the purchaser or transferee.



Morgan Advanced Materials plc

**NOTICE OF
ANNUAL GENERAL MEETING 2023**

A letter from the Chair of Morgan Advanced Materials plc is set out on page 1 of this document.

Notice of the Annual General Meeting of Morgan Advanced Materials plc to be held at the offices of Slaughter and May, One Bunhill Row, London EC1Y 8YY on Thursday 29 June 2023 at 10.30am is set out on pages 2 and 3 of this document.

Please complete and submit a proxy appointment in accordance with the Notes to the Notice of the Annual General Meeting set out on pages 8 and 9. To be valid, the proxy appointment must be received at the address for delivery specified in the Notes by 10.30am on Tuesday 27 June 2023.

Registered Office:
York House
Sheet Street
Windsor
Berkshire SL4 1DD
26 May 2023

To holders of Ordinary shares of 25p each (Ordinary shares) and for information only to holders of 5.5% Cumulative First Preference shares of £1 each (First Preference shares) and 5.0% Cumulative Second Preference shares of £1 each (Second Preference shares).

Dear Shareholder

THE 2023 ANNUAL GENERAL MEETING

I am pleased to be writing to you with details of our 2023 Annual General Meeting (AGM) which we are holding at the offices of Slaughter and May, One Bunhill Row, London EC1Y 8YY at 10.30am on Thursday 29 June 2023.

Notice of the AGM can be found on pages 2 and 3 of this document and contains the proposed resolutions on which you are invited to vote. The Explanatory Notes to the business of the AGM are set out on pages 4 to 7.

Voting at the AGM

Only holders of Ordinary shares or their proxies or duly authorised representatives may vote at the AGM. All of your votes are important to us and, once again this year, you will be asked to vote on each of the resolutions on a poll, as permitted by the Articles of Association.

If you are unable to attend the AGM, you can still be represented at the meeting by appointing a proxy to act on your behalf and by giving instructions on how you wish to vote. Whether or not you propose to attend the AGM, I would encourage you to vote on the proposed resolutions by appointing a proxy to ensure that your vote is counted if you are unable, for any reason, to attend on the day. Appointing a proxy will not prevent you from attending the meeting and voting in person if you so choose.

You can appoint a proxy by:

- Logging onto www.sharevote.co.uk and submitting a proxy appointment online by following the instructions. You will need your Voting ID, Task ID and Shareholder Reference Number, which are shown on the enclosed Online Voting Card; or
- Submitting (if you are an institutional investor) a proxy appointment electronically via the Proxymity platform; or
- Submitting (if you are a CREST member) a proxy appointment electronically by using the CREST voting service.

If you would prefer to use a paper proxy form to appoint your proxy, you may request one from the Company's registrar, Equiniti, by calling +44 (0) 371 384 2412. Further information on how to appoint a proxy to vote on your behalf is set out in the Notes to the Notice of AGM. In each case, any proxy appointments must be submitted to Equiniti no later than 10.30am on Tuesday 27 June 2023 in order for your vote to be registered.

Asking questions

The Board recognises the importance of the AGM to shareholders and is keen to ensure you are able to exercise your rights to engage and participate in the meeting. Shareholders or their appointed proxies who attend the AGM will be able to ask questions on the business of the meeting. All shareholders (irrespective of whether or not they propose to attend) are also invited to ask questions on the business of the AGM in advance of the meeting. You can ask your questions in advance by emailing company.secretariat@morganplc.com, or by writing to the Company Secretary at our registered office address. The Company Secretary will respond to those questions and publish answers on the Company's website. To ensure the answers are published before the proxy appointment deadline, questions must be received before 5.00pm UK time on Monday 19 June 2023.

Recommendation

Your Directors consider that the proposed resolutions as set out in the Notice and to be put to the meeting will promote the success of the Company and are in the best interests of the Company and its shareholders as a whole, and accordingly, unanimously recommend that you vote in favour of them as they intend to do so in respect of their own beneficial shareholdings (other than in respect of resolutions in which they hold an interest).

Thank you for your continued support.

Yours faithfully

Douglas Caster CBE FIET
Chair

Morgan Advanced Materials plc

(Registered in England and Wales No. 286773)

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the eighty-ninth AGM of the Company will be held at the offices of Slaughter and May, One Bunhill Row, London EC1Y 8YY on Thursday 29 June 2023 at 10.30am to transact the business set out below. Resolutions 1 to 14 will be proposed as ordinary resolutions and resolutions 15 to 18 will be proposed as special resolutions.

Ordinary resolutions:

1. To receive the audited accounts and the Auditor's and Directors' Reports for the year ended 31 December 2022.
2. To approve the Directors' Remuneration Report (other than the part containing the Directors' Remuneration Policy) for the year ended 31 December 2022.
3. To declare a final dividend of 6.7 pence per Ordinary share.
4. To re-elect Jane Aikman as a Director.
5. To elect Richard Armitage as a Director.
6. To re-elect Helen Bunch as a Director.
7. To elect Ian Marchant as a Director.
8. To re-elect Laurence Mulliez as a Director.
9. To re-elect Pete Raby as a Director.
10. To re-elect Clement Woon as a Director.
11. To re-appoint Deloitte LLP as Auditor of the Company.
12. To authorise the Audit Committee of the Board of Directors to determine the Auditor's remuneration.
13. That, from the date of this resolution until the earlier of the close of business on 28 June 2024 and the conclusion of the Company's Annual General Meeting to be held in 2024, the Company and all companies which are its subsidiaries at any time during such period are authorised:
 - a) to make donations to political parties and/or independent election candidates;
 - b) to make donations to political organisations other than political parties; and
 - c) to incur political expenditure,up to an aggregate total amount of £100,000, with the amount authorised for each of paragraphs a) to c) above being limited to the same total.

Any such amounts may comprise sums paid or incurred in one or more currencies. Any sum paid or incurred in a currency other than sterling shall be converted into sterling at such rate as the Board may decide is appropriate.

Terms used in this resolution have, where applicable, the meanings that they have in Part 14 of the Companies Act 2006 on 'Control of political donations and expenditure'.
14. That the Directors are generally and unconditionally authorised pursuant to 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 such shares in the Company:
 - a) up to an aggregate nominal amount of £23,780,832 (such amount to be reduced by the aggregate nominal amount of any equity securities that may be allotted pursuant to paragraph b) below in excess of £23,780,832); and
 - b) comprising equity securities (as defined in section 560(1) of the Companies Act 2006), up to an aggregate nominal amount of £47,561,664 (such amount to be reduced by the aggregate nominal amount of shares allotted or rights granted pursuant to paragraph a) above) in connection with a rights issue (as defined in the Listing Rules published by the Financial Conduct Authority):
 - i) to holders of Ordinary shares in the capital of the Company in proportion (as nearly as practicable) to the respective numbers of Ordinary shares held by them; and
 - ii) to holders of other equity securities in the capital of the Company, as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange, provided that (unless previously revoked, varied or renewed) this authority shall expire at the close of business on 28 June 2024 or, if earlier, at the conclusion of the Company's AGM to be held in 2024, save that the Company may make any offer or agreement before such expiry which would or might require shares to be allotted or rights to be granted after such expiry and the Directors may allot shares or grant rights under any such offer or agreement as if the authority had not expired. All authorities vested in the Directors on the date of the Notice of this meeting to allot shares or to grant rights that remain unexercised at the commencement of this meeting are revoked.

Special resolutions:

15. That, subject to the passing of resolution 14 in the Notice of this meeting, the Directors are empowered pursuant to sections 570 and 573 of the Companies Act 2006 to allot equity securities, as defined in section 560(1) of that Act, for cash pursuant to the authority conferred on them by resolution 14 in the Notice of this meeting and/or by way of a sale of treasury shares as if section 561 of the Act did not apply to any such allotment and/or sale, provided that this power is limited to:

- a) the allotment of equity securities and/or sale of treasury shares in connection with any rights issue or open offer (each as referred to in the Financial Conduct Authority's Listing Rules) or any other pre-emptive offer that is open for acceptance for a period determined by the Directors to the holders of Ordinary shares on the register on any fixed record date in proportion to their holdings of Ordinary shares (and, if applicable, to the holders of any other class of equity security in accordance with the rights attached to such class), subject in each case to such exclusions or other arrangements as the Directors may deem necessary or appropriate in relation to fractions of such securities, the use of more than one currency for making payments in respect of such offer, treasury shares, any legal or practical problems in relation to any territory or the requirements of any regulatory body or any stock exchange; and
- b) the allotment of equity securities and/or sale of treasury shares (other than pursuant to paragraph a) above) with an aggregate nominal amount of £3,567,124,

and shall expire on the revocation or expiry (unless renewed) of the authority conferred on the Directors by resolution 14 in the Notice of this meeting, save that, before the expiry of this power, the Company may make any offer or agreement which would or might require equity securities to be allotted and/or treasury shares to be sold after such expiry and the Directors may allot equity securities and/or sell treasury shares under any such offer or agreement as if the power had not expired.

16. That, subject to the passing of resolution 14 in the Notice of this meeting and in addition to the power contained in resolution 15 set out in this Notice of meeting, the Directors are empowered pursuant to sections 570 and 573 of the Companies Act 2006 to allot equity securities, as defined in section 560(1) of that Act, for cash pursuant to the authority conferred on them by resolution 14 in the Notice of this meeting and/or by way of a sale of treasury shares as if section 561 of the Act did not apply to any such allotment and/or sale, provided that this power is:

- a) limited to the allotment of equity securities and/or sale of treasury shares up to an aggregate nominal amount of £3,567,124; and
- b) used only for the purposes of financing (or refinancing, if the power is to be exercised within six months after the date of the original transaction) a transaction which the Directors determine to be either an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of the Notice of this meeting,

and shall expire on the revocation or expiry (unless renewed) of the authority conferred on the Directors by resolution 14 in the Notice of this meeting, save that, before the expiry of this power, the Company may make any offer or agreement which would or might require equity securities to be allotted and/or treasury shares to be sold after such expiry and the Directors may allot equity securities and/or sell treasury shares under any such offer or agreement as if the power had not expired.

17. That the Company is generally and unconditionally authorised pursuant to section 701 of the Companies Act 2006 to make market purchases, as defined in section 693(4) of the Companies Act 2006, of the Company's Ordinary shares on such terms and in such manner as the Directors may from time to time determine, provided that:

- a) the maximum aggregate number of Ordinary shares hereby authorised to be purchased is 28,536,998;
- b) the minimum price (exclusive of expenses) that may be paid for each Ordinary share is its nominal value;
- c) the maximum price (exclusive of expenses) which may be paid for each Ordinary share shall be an amount equal to the higher of
 - (i) 105% of the average of the closing price of the Company's Ordinary shares as derived from the London Stock Exchange Daily Official List on the five business days immediately preceding the date on which such share is contracted to be purchased and
 - (ii) the higher of the price of the last independent trade and the highest current independent bid for an Ordinary share in the Company on the trading venue where the market purchases by the Company are carried out;
- d) such authority will expire at the close of business on 28 June 2024 or, if earlier, at the conclusion of the Company's AGM to be held in 2024; and
- e) before such expiry the Company may enter into a contract to purchase shares that would or might require a purchase to be completed after such expiry and the Company may purchase shares pursuant to any such contract as if the authority had not expired.

18. That a general meeting of the Company, other than an AGM, may be called on not less than 14 clear days' notice.

Registered office:
York House
Sheet Street
Windsor
Berkshire SL4 1DD

By Order of the Board
Winifred Chime
Company Secretary
26 May 2023

EXPLANATORY NOTES TO THE BUSINESS OF THE ANNUAL GENERAL MEETING

Resolution 1 – Receipt of the Annual Report and Accounts

The Companies Act 2006 requires the directors of a public company to lay before the company in general meeting copies of the directors' reports, the independent auditor's report and the audited accounts of the company in respect of each financial year. In line with best practice, the Company proposes a resolution on its audited accounts and reports for the financial year ended 31 December 2022 (the 2022 Annual Report and Accounts).

Resolution 2 – Approval of the Directors' Remuneration Report

In accordance with the Companies Act 2006, shareholders are invited to approve the Directors' Remuneration Report, which is set out on pages 90 to 116 of the 2022 Annual Report and Accounts. For the purposes of this resolution, the Directors' Remuneration Report does not include the Directors' Remuneration Policy set out on pages 94 to 102. The vote on the Remuneration Report is advisory only and the Directors' entitlement to remuneration is not conditional on it being passed.

The Companies Act 2006 requires that the Directors' Remuneration Policy must be put to shareholders for approval whenever a new policy, or an amendment to an existing approved policy, is proposed. The Directors' Remuneration Policy must in any event be put to shareholders for approval at least every three years. The Company is not proposing any changes to the Directors' Remuneration Policy approved at the Annual General Meeting in 2022.

Resolution 3 – Final dividend

The Directors are recommending the payment of a final dividend of 6.7 pence per share on the Ordinary shares in respect of the year ended 31 December 2022 which, if approved, will be payable on 3 July 2023 to shareholders on the register at the close of business on 9 June 2023. The Company is not offering a scrip alternative to the cash dividend.

Resolutions 4 to 10 – Election and re-election of Directors

Resolutions 4 to 10 relate to the election and re-election of the Company's Directors as at the date of this Notice. Since the date of the Company's last Annual General Meeting, there have been two appointments to the Board.

Richard Armitage was appointed as a Director, joining the Board as Chief Financial Officer on 30 May 2022. Ian Marchant joined the Board as an independent non-executive Director and Chair Designate with effect from 1 February 2023. In accordance with the Company's Articles of Association, both Richard and Ian intend to stand for election by the shareholders for the first time at the AGM.

In accordance with the provisions of the UK Corporate Governance Code and as permitted by the Articles of Association, the Board has decided that all of the other Directors as at the date of this Notice of meeting will retire from office at the AGM and each of them will seek re-election by shareholders, with the exception of Douglas Caster, who, as previously announced, is retiring as Chair and non-executive Director at the conclusion of the AGM. Subject to his successful election by shareholders, Ian Marchant will succeed Douglas Caster as Chair at the conclusion of the AGM.

All of the non-executive Directors standing for election or re-election are considered to be independent. An internal Board performance evaluation was carried out during 2022, following the externally facilitated review in 2021. It is the opinion of the Board that each Director continues to be effective, demonstrating continued significant commitment to their roles. The Board believes that the considerable and wide-ranging experience of the Directors seeking election and re-election is invaluable and their contribution continues to be an important part of the Company's long-term sustainable success. The skills, contribution and experience of the Directors are set out below and on pages 62 and 64 of the 2022 Annual Report and Accounts.

Jane Aikman, Independent non-executive Director & Audit Committee Chair

Skills and contribution: Jane brings to the Board significant financial experience and knowledge of growing manufacturing, technology and marketing businesses gained in a variety of senior executive positions. Jane brings a valuable perspective from her current executive role in the marketing sector.

Career and experience: Jane has been Chief Financial Officer of Inside Ideas Group Limited since July 2020. Up until May 2019, Jane was Chief Financial Officer of Arqiva Group Limited, a communications infrastructure company. Prior to this, she was the Chief Financial Officer of KCOM Group plc, a listed communications services and IT solutions provider. She was Chief Financial Officer and Chief Operating Officer of Phoenix IT Group plc until its acquisition by Daisy Group in 2015. Jane has also held Chief Financial Officer positions at Infinis plc, Wilson Bowden plc and Pressac plc and a senior finance position at Asia Pulp and Paper in southeast Asia. Jane was a non-executive Director of Halma plc from 2007 and chaired its audit committee from 2009 until her departure in July 2016. Jane holds a civil engineering degree and qualified as a Chartered Accountant with Ernst & Young.

Additional appointments: Group Director and Group Chief Financial Officer of Inside Ideas Group Limited.

Richard Armitage, Chief Financial Officer

Skills and contribution: Richard has broad experience including financial management, investor relations, capital markets, M&A, and commercial management, gained through roles in a number of listed and privately owned chemicals and consumer goods companies.

Career and experience: Richard joined Morgan Advanced Materials in May 2022 as Chief Financial Officer. Before this, Richard was Chief Financial Officer at Victrex Group plc between 2018 and 2022. During this time, he was responsible for Finance, I.T., Legal and Corporate Development, as well as the development of the Group's Chinese businesses. Prior to Victrex, Richard was Chief Financial Officer at Samworth Brothers from 2014 to 2018, Chief Financial Officer of McBride plc from 2009 to 2014, and before that held senior finance positions at Courtaulds plc, ICI plc, and Premier Foods plc.

Additional appointments: Richard is Senior Independent Director and Chair of the Audit Committee at NWF Group plc.

Helen Bunch, Independent non-executive Director & Remuneration Committee Chair

Skills and contribution: Helen has significant experience of driving business performance, forging long-term relationships and building businesses in new markets, with a background encompassing corporate governance and customer relations. Helen is a member of the Executive Committee at Wates Group, a construction sector pioneer in creating social value, with strong ESG credentials.

Career and experience: At the start of her career, Helen spent 17 years working in global businesses serving a wide variety of industries from automotive to household products, including 11 years with ICI and the remainder with a successor company, Lucite International Ltd. In 2006, Helen joined Wates Group as Group Strategy Director and became Managing Director of Wates Retail Limited in January 2011. From 2015 to July 2020 Helen was Managing Director of Wates Smartspace Limited, the enlarged property services business following a merger with another Wates company and the acquisition of a facilities management business. In July 2020, Helen became Executive Managing Director of Wates Residential.

Additional appointments: Executive Managing Director of Wates Residential.

Ian Marchant, Chair Designate & Independent non-executive Director

Skills and contribution: Ian is a highly strategic and successful leader with more than 35 years of wide-ranging experience at major businesses, bringing a strong track record of value creation and listed board experience. He brings significant expertise in governance, finance, regulation, renewable energy and climate change mitigation to Morgan Advanced Materials' Board.

Career and experience: Ian served as Chief Executive of SSE plc from October 2002 to June 2013; prior to this he was the Finance Director of SSE and Southern Electric plc. He is a seasoned non-executive director and chair, having served as Chair of John Wood Group plc and on the Board of Aggreko plc.

Additional appointments: Chair of Thames Water Utilities Ltd (he will step down as Chair and Director in July 2023) and Logan Energy Ltd.

Laurence Mulliez, Senior Independent Director

Skills and contribution: Laurence has significant experience in growing, simplifying and unifying complex international and industrial manufacturing businesses and brings valuable knowledge of the energy (including renewables), steel and infrastructure industries, and insight into some of Morgan Advanced Materials' key markets.

Career and experience: Laurence joined Banque Nationale de Paris in 1988 followed by M&M Mars Inc. in 1992 and then Amoco Chemical Inc. in 1993, which was acquired by BP p.l.c. in 1998. She spent a further 11 years at BP in a variety of roles including Chief Executive of Castrol Industrial Lubricants and Services. Laurence was Chief Executive of independent power producer Eoxis UK Limited from 2010 to 2013.

Additional appointments: Chair of Voltalia S.A. and Globeleq Ltd. Member of the supervisory board and Chair of the Audit Committee of Siemens Energy AG.

Pete Raby, Chief Executive Officer

Skills and contribution: Pete has a strong technical background and extensive experience in planning and executing business strategy across global technology and manufacturing operations. As Chief Executive, he leads the Executive Committee and is responsible for Morgan Advanced Material's overall ESG performance, central to our strategic objectives and business model. The Group's Environment, Health, Safety and Sustainability (EHSS) team reports directly to Pete, enabling him to keep the Board apprised on the establishment of goals, management of risks and opportunities, reporting and related governance procedures in that area.

Career and experience: Pete joined Morgan Advanced Materials in August 2015 as Chief Executive Officer. Before joining Morgan Advanced Materials, Pete was President of the Communications and Connectivity sector of Cobham plc. Pete demonstrated strong leadership across a range of senior strategy, technology and operational positions at Cobham over a nine-year period. Prior to Cobham, Pete was a partner at McKinsey & Company in London, specialising in strategy and operations in the aerospace, defence, power and gas sectors. He has a PhD in satellite navigation and an M.Eng. from the Department of Electronic and Electrical Engineering at the University of Leeds.

Additional appointments: Non-executive Director, Hill & Smith PLC.

Clement Woon, Independent non-executive Director

Skills and contribution: Clement has broad managerial experience in globally operating technology and consumer-related industries. He has a strong track record of renewing traditional industries and revitalising growth through strategic interventions, and in-depth experience and knowledge of markets within the Asia Pacific region.

Career and experience: From August 2016 to March 2020, Clement was Group Chief Executive of Saurer Intelligent Technology Co. Ltd, a €1 billion textile machinery and components business listed on the Shanghai Stock Exchange. Clement continued to serve on the board of Saurer as non-executive Director until August 2021. Prior to this, from April 2014 to July 2016, Clement was Advisor and Co-Chief Executive of Jinsheng Industry Co Ltd, an industrial company in China with diverse interests including biotech, automotive and textiles. Previously Clement held various senior positions at companies based in Switzerland and Singapore including Division Chief Executive of Leica Geosystems AG, President & Chief Executive of SATS Ltd, and Chief Executive Textile Division of OC Oerlikon AG. Clement has an MBA in Technology Management from Nanyang Technological University, Singapore, an MSc in Industrial Engineering and a BEng in Electrical Engineering from the National University of Singapore.

Additional appointments: Non-executive Director of Elementis plc.

Resolutions 11 and 12 – Auditor re-appointment and remuneration

At each meeting at which the Annual Report and Accounts are laid, the Company is required to appoint an auditor to serve until the next such meeting. The Audit Committee has recommended to the Board, and the Board now proposes to shareholders, the re-appointment of Deloitte LLP as the Company's Auditor. The Audit Committee has confirmed to the Board that its recommendation is free from third party influence and that no restrictive contractual provisions have been imposed on the Company limiting the choice of auditor. Resolution 12 is a resolution giving the Audit Committee the discretion to determine the Auditor's remuneration.

Resolution 13 – Political donations and expenditure

This resolution renews a similar authority given at last year's AGM and which is due to lapse at the 2023 AGM. It seeks approval from shareholders to enable the Company, and all companies which are, or which become, subsidiaries of the Company, to make political donations and incur political expenditure which it would otherwise be prohibited from making or incurring by the Companies Act 2006.

The Company's policy is not to make donations to political parties nor to incur political expenditure and there is no intention to change that policy. However, the Companies Act 2006 defines political expenditure, political donations and political organisations very widely, such that normal business activities, which might not be thought to be political expenditure or a political donation to a political organisation in the usual sense, may be included. For example, sponsorship of industry forums, funding of seminars and other functions to which politicians are invited, matching employees' donations to certain charities, expenditure on organisations concerned with matters of public policy, law reform and representation of the business community and communicating with the Government and political parties at local, regional and national level, may fall under the terms of the Companies Act 2006.

Accordingly, the Company, in common with many other companies, seeks an authority to make political donations as well as to incur political expenditure, to cover these kinds of activities on a precautionary basis, in order to avoid possible inadvertent contravention of the Companies Act 2006. The authority does not purport to authorise any particular donation or expenditure but is expressed in general terms, as required by the Companies Act 2006. Furthermore, as permitted under that Act, the authority has been extended to cover any political donations made and political expenditure incurred by any subsidiaries of the Company. Therefore, as a precautionary measure, you will be asked to give the Company and each of its subsidiaries authority to make political donations to political parties or independent election candidates, to make political donations to political organisations (other than political parties) and to incur political expenditure. This authority is limited to a maximum aggregate amount of £100,000.

If given, this authority will expire at the conclusion of the Company's AGM to be held in 2024 or at the close of business on 28 June 2024 (whichever is earlier). It is the Directors' intention to renew this authority each year.

Resolution 14 – Authority to allot shares

The Directors currently have an authority to allot shares in the Company and to grant rights to subscribe for or convert any securities into shares in the Company. This authority is due to lapse at the 2023 AGM. The Board is seeking to renew that authority over Ordinary shares having an aggregate nominal amount of £23,780,832, representing approximately one third of the issued Ordinary share capital of the Company and also to give the Directors authority to allot Ordinary shares having an aggregate nominal amount of £47,561,664, representing approximately two thirds of the issued Ordinary share capital of the Company by way of a rights issue only. For the avoidance of doubt, the authority sought pursuant to this resolution will give the Directors the ability to allot shares (or grant rights to shares) up to a maximum aggregate nominal amount of £47,561,664. The authority will lapse at the close of business on 28 June 2024 or at the AGM to be held in 2024, whichever shall first occur. The authority sought under this resolution is standard for most UK listed companies and is within the limits prescribed by The Investment Association. The Directors have no present intention to allot any shares under the authority being sought. Each reference in this explanatory note to the Company's issued Ordinary share capital is to the issued Ordinary share capital of the Company as at 9 May 2023 (being the latest practicable date prior to the publication of this document). The Company did not hold any shares in treasury as at that date.

Resolutions 15 and 16 – Disapplication of statutory pre-emption rights

These are special resolutions which, if passed by shareholders, will enable the Board to allot Ordinary shares, or to sell any shares out of treasury, for cash, without first offering those shares to existing shareholders in proportion to their existing holdings.

In November 2022, the Pre-Emption Group revised its Statement of Principles on the Disapplication of Pre-emption Rights. The revised Principles make a number of changes designed to improve capital raising processes for publicly traded companies by, among other matters, increasing the "routine" disapplication thresholds and introducing new supplemental disapplication thresholds.

The Principles now provide that a company may seek power to issue, on a non-pre-emptive basis, shares for cash in any one year representing: (i) no more than 10% (previously 5%) of the company's issued ordinary share capital for use in any circumstances; and (ii) no more than an additional 10% (previously 5%) of the company's issued ordinary share capital provided that such additional power is only used in connection with an acquisition or specified capital investment which is announced contemporaneously with the issue, or which has taken place in the preceding 12 month period (previously 6 months) and is disclosed in the announcement of the issue.

The Principles also provide that, in both cases (i) and (ii) outlined above, a company may now seek a further power to issue, on a non-pre-emptive basis, shares for cash representing no more than 2% of the company's issued ordinary share capital for the purposes of making a "follow-on" offer (being an offer of a kind contemplated by the Principles) to certain retail investors and existing shareholders.

The Board has carefully considered the increased and supplemental thresholds available under the revised Principles, and has concluded that, for the time being, it continues to be in the best interests of the Company and its shareholders to seek disapplication powers at a similar level to those sought by the Company in previous years. The Board will review this annually to ensure that the powers sought remain in the Company's best interests.

Accordingly, resolution 15 is proposed as a special resolution. If this resolution is passed by shareholders, it will permit the Board to allot Ordinary shares for cash on a non-pre-emptive basis both in connection with a rights issue or similar pre-emptive issue and, otherwise than in connection with any such issue, up to a maximum nominal amount of £3,567,124. This amount represents approximately 5% of the Company's issued Ordinary share capital as at 9 May 2023 (being the latest practicable date prior to publication of this document). This resolution will permit the Board to allot any such shares for cash in any circumstances (whether or not in connection with an acquisition or specified capital investment).

Resolution 16 is proposed as a separate special resolution. If this resolution is passed by shareholders, it will afford the Board an additional power to allot Ordinary shares for cash on a non-pre-emptive basis up to a further maximum nominal amount of £3,567,124. This amount also represents approximately 5% of the Company's issued Ordinary share capital as at 9 May 2023. The Board will use the power conferred by resolution 16 only in connection with an acquisition or a specified capital investment which is announced contemporaneously with the issue, or which has taken place in the preceding six months period and is disclosed in the announcement of the issue.

The Board confirms that, in exercising these powers, it will follow the shareholder protections and features set out in Part 2B of the Pre-Emption Group's revised Statement of Principles.

Resolution 17 – Purchase of own shares

The proposed resolution seeks authority for the Company to purchase up to a maximum of 28,536,998 of its own Ordinary shares (that is 10% of the Company's issued Ordinary share capital, and therefore within institutional shareholder guidelines, as at 9 May 2023). The Directors are seeking this authority as they consider it prudent for the Company to have the flexibility in its financial management to make market purchases of its own Ordinary shares, despite having no present intention of using the authority sought in this resolution. The reasons why the Directors may, in the future, consider a buy-back of shares to be in the best interests of the Company and its shareholders include where the Directors (i) expect that such a buy-back would result in an increase in earnings per share, (ii) consider that the Company has excess cash, and/or (iii) determine that it is appropriate to increase the Company's gearing.

The resolution specifies the maximum and minimum prices at which Ordinary shares may be bought. Any shares purchased by the Company under this authority would either be cancelled or held as treasury shares, depending on which course of action is considered by the Directors to be in the best interests of shareholders at that time. Treasury shares may subsequently be cancelled, sold for cash or used to satisfy options and awards granted to employees pursuant to the Company's employee share schemes. Once held in treasury, the Company is not entitled to exercise any rights, including the right to attend and vote at meetings, in respect of the shares. Further, no dividend or other distribution of the Company's assets may be made to the Company in respect of the treasury shares.

As at 9 May 2023, there were options and awards outstanding to subscribe for 7,465,816 Ordinary shares under the Company's shareholder approved employee share schemes. If the outstanding options and awards were fully exercised they would represent approximately 2.62% of the issued Ordinary share capital of the Company. If the buy-back authorities (both existing and sought) were exercised in full, and those shares were cancelled (but the Company's issued Ordinary share capital otherwise remained unaltered), then the number of options and awards to subscribe for shares outstanding as at 9 May 2023 would represent 2.91% of the reduced issued Ordinary share capital of the Company.

This authority will expire at the conclusion of the AGM of the Company to be held in 2024 or at the close of business on 28 June 2024, whichever is earlier.

Resolution 18 – Enabling the Company to call a general meeting on at least 14 days' notice

This special resolution renews an authority given at last year's AGM and is required as a result of section 307A of the Companies Act 2006. The Company currently has power under its Articles of Association to call general meetings (other than an AGM) on at least 14 clear days' notice and would like to preserve this ability. In order to be able to do so, shareholders must first approve the calling of meetings on at least 14 days' notice. This resolution seeks such approval. The approval will be effective until the Company's AGM to be held in 2024, 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 general meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of the shareholders as a whole.

NOTES

1. The Company specifies that only those holders of Ordinary shares registered in the register of members of the Company at the close of business on Tuesday 27 June 2023 (or, in the event that the meeting is adjourned, in the register of members at the close of business on the day that is two days (excluding any part of a day that is not a working day) before the day of the adjourned meeting) shall be entitled to vote at the meeting in respect of the number of Ordinary shares registered in their names at that time. Changes to entries on the register of members after that time shall be disregarded in determining the rights of any person to vote at the meeting.
2. A member of the Company entitled to attend, speak and vote at the AGM is entitled to appoint a proxy or proxies to attend, speak and vote on their behalf provided that if more than one proxy is appointed, each proxy is appointed to exercise rights attaching to different shares. A proxy need not be a member of the Company.
3. Members can appoint a proxy and give their voting instructions by any of the following means:
 - a) By submitting a proxy appointment online – A member may appoint a proxy online by logging onto www.sharevote.co.uk and following the instructions provided. Members will need their Voting ID, Task ID and Shareholder Reference Number which can be found on the Online Voting Card. To be a valid proxy appointment, the member's electronic message confirming the details of the appointment completed in accordance with the online instructions must be transmitted so as to be received by not later than 10.30am on Tuesday 27 June 2023 or, if the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time of the adjourned meeting;
 - b) By submitting a proxy appointment via CREST - Members who hold their shares in uncertificated form may use 'the CREST electronic proxy appointment service' to appoint a proxy electronically, as explained in Note 4 below;
 - c) By submitting a proxy appointment via the Proxymity platform – Members who are institutional investors may be able to appoint a proxy electronically via the Proxymity platform, as explained in Note 5 below; or
 - d) By completing and returning a paper form of proxy – A member may appoint a proxy by completing and returning a paper proxy form. Members who would like a paper proxy form may request one from the Company's registrars, Equiniti Limited, by calling +44 (0) 371 384 2412. To be valid, the paper proxy form, should be sent to the Company's registrar, Equiniti Limited, so as to arrive not later than 10.30am on Tuesday 27 June 2023 or, if the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time of the adjourned meeting. Members can return their completed proxy form in an envelope addressed to: FREEPOST RTAK-RLTY-REUA, Equiniti, Aspect House, Spencer Road, Lancing, BN99 8FD.

Any power of attorney or other authority under which an appointment of proxy is signed or authenticated (or a copy which has been certified by a solicitor or a notary or in accordance with the Powers of Attorney Act 1971) should be sent to the relevant address specified in these notes for receipt of the proxy appointment by the latest time indicated for receipt of such proxy appointment.

4. a) CREST members who wish to appoint a proxy through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual (available at www.euroclear.com). 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.
 - b) 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 & International Limited'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 to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Equiniti Limited as the issuer's agent (ID RA19) by no later than 10.30am on Tuesday 27 June 2023 or, if the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time of the adjourned meeting. 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 issuer'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.
 - c) CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International 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 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.
 - d) 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.

5. If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Company's registrar. For further information regarding Proxymity, please go to www.proxymity.io. To be valid, a proxy appointment made via the Proxymity platform in accordance with the online instructions must be received by Equiniti no later than 10.30am on Tuesday 27 June 2023 or, if the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them, and they will govern the electronic appointment of your proxy.
6. Members who have returned proxy forms or who have registered the appointment of a proxy electronically in accordance with these notes are not precluded from attending the meeting and voting in person if they so wish.
7. Members (and any proxies or representatives they appoint) agree that by attending the meeting in person they are expressly requesting and are willing to receive communications (including any communications relating to the Company's Securities) made at the meeting.
8. This Notice is sent for information only to holders of First Preference shares and Second Preference shares.
9. As at 9 May 2023 (being the last practicable date prior to the publication of this document) the Company's issued share capital consisted of 285,369,988 Ordinary shares of 25 pence each carrying one vote each, 125,327 First Preference shares which do not carry voting rights and 311,954 Second Preference shares which also do not carry voting rights. The total voting rights in the Company as at 9 May 2023 were, therefore, 285,369,988.
10. Members' personal data includes all data provided by members, or on their behalf, that relates to individuals as members, including name and contact details, votes cast and Shareholder Reference Numbers (attributed to individual members by the Company). The Company determines the purposes for which and the manner in which individual members' personal data is to be processed. The Company and any third party to which it discloses the data (including the Company's registrar) may process personal data for the purposes of compiling and updating the Company's records, fulfilling its legal obligations and processing the rights exercised by members.
11. Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a Nominated Person) may have a right, under an agreement between him or her and the member by whom he or she was nominated, to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he or she may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights. The statement of the rights of members in relation to the appointment of proxies in Note 2 above does not apply to Nominated Persons. The rights described in that note can only be exercised by members of the Company.
12. A member that is a corporation may authorise one or more persons to act as its representative(s) at the AGM in accordance with section 323 of the Companies Act 2006. Any such representative should bring to the meeting written evidence of his or her appointment, such as a certified copy of a board resolution of, or a letter from, the corporation concerned confirming the appointment.
13. A member or members having a right to vote at the meeting and representing at least 5% of the total voting rights of the Company (see Note 9), or at least 100 members having a right to vote at the meeting and holding, on average, at least £100 of paid up share capital, may require the Company to publish on its website a statement setting out any matter that such members propose to raise at the meeting relating to the audit of the Company's latest accounts (including the Auditor's report and the conduct of the audit or any circumstances connected with the Company's former auditors ceasing to hold office since the Company's previous AGM). The Company cannot require the members concerned to pay its expenses in complying with sections 527 and 528 of the Companies Act 2006. The Company must forward any such statement to its Auditor by the time it makes the statement available on the website. The business which may be dealt with at the meeting includes any such statement.
14. Each member attending the meeting has the right to ask questions relating to the business being dealt with at the meeting which, in accordance with section 319A of the Companies Act 2006 and subject to some exceptions, the Company must cause to be answered. Members who wish to ask questions relating to the business of the AGM can also do so by sending them in advance of the meeting to company.secretariat@morganplc.com, or by writing to the Company Secretary at our registered office address. To ensure that a response is received before the proxy appointment deadline, members should submit their questions before 5.00pm UK time on Monday 19 June 2023.
15. The information required by section 311A of the Companies Act 2006 to be published in advance of the meeting, which includes the matters set out in this Notice and information relating to the voting rights of members, is available at www.morganadvancedmaterials.com/2023AGM. A member may not use any electronic address provided by the Company in this document or with any proxy appointment form or in any website for communicating with the Company for any purpose in relation to the meeting other than expressly stated in it.
16. All resolutions contained in this Notice of meeting will be put to vote on a poll. This will result in a more accurate reflection of the views of members by ensuring that every vote is recognised. On a poll, each member has one vote for every share held.



Morgan Advanced Materials plc

York House, Sheet Street
Windsor, Berkshire SL4 1DD
Registered in England and Wales No. 286773
Tel: +44 (0)1753 837000

www.morganadvancedmaterials.com