

**CELTIC plc**  
**(Incorporated in Scotland with company registration number SC003487)**  
**Registered office: Celtic Park, Glasgow, G40 3RE**

**NOTICE OF ANNUAL GENERAL MEETING**

**Notice** is given that the 2014 Annual General Meeting of Celtic plc ("**Company**" or "**Celtic**") will be held at Celtic Park, Glasgow G40 3RE on **21 November 2014 at 10.30 am** for the following purposes:

To consider and, if thought fit, pass the following resolutions:

Resolutions 1 to 9 (inclusive) will be proposed as ordinary resolutions. Resolution 10 will be proposed as a special resolution. Resolutions 11 and 12 are ordinary resolutions requisitioned by members under Section 338 of the Companies Act 2006 and are not proposed by the directors.

**As ordinary resolutions:**

1. To receive the Company's annual accounts and the Auditors' Report, the Strategic Report and the Directors' Report for the year ended 30 June 2014.
2. To reappoint Dermot Desmond, who retires by rotation, as a director of the Company.
3. To reappoint Tom Allison, who retires by rotation, as a director of the Company.
4. To reappoint Brian Wilson, who retires by rotation, as a director of the Company.
5. To reappoint Ian Bankier, who retires by rotation, as a director of the Company.
6. To re-appoint BDO LLP as auditors of the Company.
7. To authorise the directors to determine the remuneration of the auditors.
8. That, pursuant to section 551 of the Companies Act 2006 ("**2006 Act**") and Article 6 of the Company's articles of association ("**Articles**"), the directors be and are generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company ("**Rights**") up to an aggregate nominal amount of £2,261,047 provided that (unless previously revoked, varied or renewed) this authority shall expire on the earlier of 21 February 2016 and the conclusion of the next annual general meeting, save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted after this authority expires and the directors may allot shares or grant such Rights in pursuance of any such offer or agreement.  
  
This authority is in substitution for all existing authorities under section 551 of the 2006 Act which authorities, to the extent unused at the date of this resolution, are revoked with immediate effect.
9. That, provided at the relevant time there is an adequate number of unissued Ordinary Shares (as defined in the Articles) available which the directors are authorised to allot, the directors be and are hereby authorised to exercise the powers contained in Article 40.8 of the Articles such that, to the extent and in the manner determined by the directors (acting in accordance with the Articles) they may offer to the holders of Preference Shares (as defined in the Articles) the right to elect to receive Ordinary Shares credited as fully paid, instead of all or part of any dividend payable on the Preference Shares and that this authority shall expire on 21 November 2019.  
  
This authority is in substitution for all existing authorities conferred on the directors in accordance with Article 40.8 of the Articles.

**As a special resolution:**

10. That, subject to the passing of Resolution 8 and pursuant to section 570 of the 2006 Act (and Article 6 of the Articles), the directors be and are generally empowered to allot equity securities (within the meaning of section 560 of the 2006 Act) for cash pursuant to the authority conferred by Resolution 8 as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that this power shall be limited to:
  - 10.1 the allotment of equity securities in connection with an offer (whether by way of a rights issue, open offer or otherwise):
    - 10.1.1 to holders of ordinary shares (within the meaning of section 560(1) of the 2006 Act) in the capital of the Company in proportion (as nearly as practicable) to the respective numbers of ordinary shares held by them; and
    - 10.1.2 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, record dates, fractional entitlements or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange;
  - 10.2 the allotment of equity securities in place of a cash dividend pursuant to any authority conferred upon the directors in accordance with and pursuant to Article 40.8 of the Articles; and

10.3 the allotment of equity securities otherwise than pursuant to sub-paragraphs 10.1 and 10.2 above, up to an aggregate nominal amount of £706,577;

and (unless previously revoked, varied or renewed) this power shall expire on the earlier of 21 February 2016 and the conclusion of the next annual general meeting of the Company after the passing of this resolution, save that the Company may make an offer or agreement before the expiry of this power which would or might require equity securities to be allotted for cash after such expiry and the directors may allot equity securities pursuant to any such offer or agreement as if this power had not expired.

This power is in substitution for all existing powers under section 570 of the 2006 Act which powers which, to the extent unused at the date of this resolution, are revoked with immediate effect.

### Shareholder Requisition

Resolutions 11 and 12 are ordinary resolutions, requisitioned on behalf of members in accordance with section 338 of the Companies Act 2006 and are not proposed by the directors.

11. This AGM instructs the PLC board to agree to the undernoted:

1) A comprehensive review of the post of Supporters Liaison Officer (S.L.O) in the light of the experience of the first year of operation of the post.

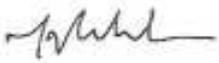
2) A similar exercise in respect of the Supporters' Forum.

These to be undertaken by working groups fully representative of the broad sweep of organisations within the Celtic family and officers of the PLC and empowered to effect agreed changes and to report to the 2015 PLC AGM.

12. This AGM instructs the PLC board to take all necessary steps to make Celtic Football Club a Living Wage employer by ensuring that all employees are paid a minimum rate of £7.45 per hour and to upgrade this annually in line with the Scottish Living Wage Campaign recommendations. Celtic FC would become the first football club in the UK to do so and will set an example to both sporting employers and the wider business community in the country.

By order of the board of directors of the Company (the "Board")

13<sup>th</sup> October 2014



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Michael Nicholson, Secretary

### NOTES

1. *The right to attend and vote at the meeting is determined by reference to the register of members. **Only those holders of ordinary shares and/or convertible preferred ordinary shares whose names are entered in the register of members of the Company as at 10.30am on 19 November 2014 (or, in the event that the meeting is adjourned, in the register of members 48 hours before the time of any adjourned meeting) shall be entitled to attend and vote at the meeting (or adjourned meeting, as the case may be) in respect of the number of ordinary shares and/or convertible preferred ordinary shares registered in their name at that time.** Changes to entries in the register of members after 10.30am on 19 November 2014 (or, in the event that the meeting is adjourned, after 48 hours before the time of any adjourned meeting) shall be disregarded in determining the rights of any person to attend or vote (and the number of votes they may cast) at the meeting.*
2. *A member is entitled to appoint another person as his or her proxy to exercise all or any of his or her rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. To appoint more than one proxy, you will need to complete a separate proxy form in relation to each appointment. Additional proxy forms may be obtained by contacting the Company's registrar on **0870 702 0192** or you may photocopy the enclosed proxy form. You will need to state clearly on each proxy form the number of shares in relation to which the proxy is appointed. A failure to specify the number of shares each proxy appointment relates to or specifying a number in excess of those held by the member may result in the proxy appointment being invalid. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.*
3. *The appointment of a proxy will not preclude a member from attending and voting in person at the meeting if he or she so wishes.*
4. *A form of proxy is enclosed. To be valid, it must be completed, signed and sent (by post or (during normal business hours only) by hand) to the offices of the Company's registrar, **Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY**, so as to arrive no later than 24 hours (excluding any part of a day that is not a working day) before the time fixed for the annual general meeting or*

any adjourned meeting. In the case of a poll taken more than 48 hours (excluding any part of a day that is not a working day) after it is demanded, the form of proxy should be received by the Company's registrars at least 24 hours (excluding any part of a day that is not a working day) before the time appointed for the taking of the poll. In the case of a poll taken not more than 48 hours (excluding any part of a day that is not a working day) after it is demanded, the form of proxy should be delivered at the meeting to the chairman or to the secretary or to any director of the Company.

5. *If a registered holder of ordinary shares and/or convertible preferred ordinary shares is a corporation, the form of proxy should be executed under its seal or signed under the hand of a duly authorised officer or attorney and must be accompanied by any power of attorney or other authority under which it is signed or a copy of such authority certified notarially or in some other way approved by the directors.*
6. *A member which is a corporation may authorise one or more persons to act as its representative(s) at the meeting. Each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member, provided that (where there is more than one representative and the vote is otherwise than on a show of hands) they do not do so in relation to the same shares.*
7. *Copies of the service contracts and letters of appointment of the directors, and the Company's existing memorandum and articles of association are available for inspection during normal business hours at the registered office of the Company (excluding weekends and public holidays).*
8. *Biographical details of all those directors who are offering themselves for re-appointment at the meeting are set out in the annual report and accounts and brief details are also included in the Explanatory Notes attached to this notice of AGM.*
9. *If you have any questions about the form of proxy or the procedures to follow, please telephone the Computershare Investor Services helpline on **0870 702 0192**.*
10. *You may not use any electronic address provided in this notice to communicate with the Company for any purpose other than as may be expressly stated in this notice.*

#### **EXPLANATORY NOTES**

Each of Resolutions 1 to 10 (inclusive) is proposed and recommended by the directors.

#### **RESOLUTION 1: Annual report and accounts**

The directors must present the annual audited accounts of the Company and the Strategic, Directors' and Auditors' Reports for the year ended 30 June 2014 ("**2014 Annual Report**") to shareholders at the meeting. You are voting to receive the 2014 Annual Report. Detailed information is contained within the 2014 Annual Report.

#### **RESOLUTION 2: Reappointment of Dermot Desmond**

As part of the Company's on-going commitment to effective corporate governance and to continued assessment of the independence of its non-executive directors, Dermot Desmond retires from office given he has served more than nine years. Mr Desmond is willing to stand for reappointment as a director.

Mr Desmond has been a non-executive director of the Company since May 1995. He is a member of the Audit Committee and the Nomination Committee. Mr Desmond is the Chairman and founder of International Investment and Underwriting (IIU), a private equity company based in Dublin. Through IIU, he has investments in a variety of start-up and established businesses worldwide, in the areas of financial services, technology, education, information systems, leisure, aviation, health and sport (including Celtic FC). He also promoted the establishment of a financial services centre in Dublin in 1986. Today more than 500 companies trade from the IFSC.

#### **RESOLUTION 3: Reappointment of Tom Allison**

Tom Allison retires from office given he also has served more than nine years as a non-executive director. Mr Allison is willing to stand for reappointment as a director.

Mr Allison has been a non-executive director of the Company since September 2001. He is Chairman of the Remuneration Committee and a member of the Nomination Committee. Mr Allison is the nominated Senior Independent Director. He is Chairman of Peel Ports Limited and a director of a number of other companies within the Peel Ports Group. He is Chairman of Tulloch Homes Group Limited, a non-executive director of Pinewood Shepperton plc and an ambassador for The Prince and Princess of Wales Hospice in Glasgow.

#### **RESOLUTION 4: Reappointment of Brian Wilson**

Brian Wilson also retires from office given he has served more than nine years as a non-executive director. Mr Wilson is willing to stand for reappointment as a director.

Mr Wilson has been a non-executive director of the Company since June 2005. He is a member of the Audit Committee and the Remuneration Committee. Formerly a Member of Parliament, Mr Wilson also held several ministerial posts during his political career. He is an experienced journalist and writer and a director of several private companies, including Harris Tweed Hebrides Limited and Havana Energy Limited. In 2011, he was named UK Global Director of the Year by the Institute of Directors and he is a Trade Ambassador for the UK Government.

#### **RESOLUTION 5: Reappointment of Ian Bankier**

Under the Articles, one third of the directors are required to retire from office by rotation each year and each director is subject to re-election at least every three years. Mr Bankier is willing to stand for reappointment as a director.

Mr Bankier has been a non-executive director of the Company since June 2011. He is Executive Chairman of Glenkeir Whiskies Limited, a company he substantially owns. Glenkeir operates The Whisky Shop chain which is the UK's largest specialist retailer of whiskies. He has been involved in the Scotch whisky industry for 15 years having been Managing Director of Burn Stewart Distillers PLC and Chief Executive of CL World Brands Limited. Mr Bankier's formative career was as a solicitor and he was a partner in McGrigors for 15 years where he specialised in corporate law.

The reappointments of directors referred to in this notice and the explanatory notes for Resolutions 2 – 5 (inclusive) have been duly proposed and are recommended by the Board.

#### **RESOLUTIONS 6 AND 7: Appointment and remuneration of auditors**

The Company is required to appoint auditors at each general meeting at which its annual accounts and reports are presented to shareholders. The auditors hold office until the end of the next such general meeting. The auditors are responsible for examining the Company's annual accounts in accordance with statutory requirements.

The accounts for the year to 30 June 2014 have been audited by BDO LLP. Their report to the members of the Company is included within the 2014 Annual Report.

Each year the Audit Committee considers the performance of the auditors, including factors such as objectivity, independence, quality of audit work, quality of service and value for money. The Board, taking account of the recommendations of the Audit Committee, is satisfied that the performance of BDO LLP continues to meet the necessary standards. Accordingly this resolution proposes the appointment of BDO LLP as auditors and follows normal practice in giving authority to the Board to determine their fees.

#### **RESOLUTION 8: Authority to allot shares**

Generally, the directors may only allot shares in the Company (or grant rights to subscribe for, or to convert any security into, shares in the Company) if they have been authorised to do so by shareholders in general meeting. This Resolution, if passed, will authorise the directors to allot shares in the Company (and to grant such rights) up to an aggregate nominal amount of £2,261,047, which represents approximately 16% of the nominal value of the issued ordinary share capital of the Company (including the convertible preferred ordinary shares) as at 10 October 2014 (being the last practicable date before the publication of this document). This falls well within guidelines issued by the ABI, which suggest a general limit of up to one third of the nominal value of the issued ordinary share capital.

If given, this authority will expire on the earlier of 21 February 2016 (being the date 15 months after the date of this annual general meeting) and the conclusion of the next annual general meeting. The directors have no present intention to exercise the authority sought under Resolution 8 other than for the purposes of the Company's scrip dividend scheme, and honouring share options (if any), if exercised.

#### **RESOLUTION 9: Renewal of scrip dividend scheme**

Article 40.8 of the Articles allows the directors to offer to holders of any particular shares the right to elect to receive Ordinary Shares (as defined in the Articles), credited as fully paid, instead of cash in respect of all or part of a dividend. The directors existing authority to exercise the powers contained in Article 40.8 was passed by special resolution at the Company's annual general meeting on 30 October 2009 and expires on 30 October 2014. This Resolution, if passed, will renew the Company's scrip dividend scheme by authorising the directors to exercise the powers contained in Article 40.8 of the Articles such that they may offer to the holders of Preference Shares (as defined in the Articles) the right to elect to receive Ordinary Shares credited as fully paid, instead of all or part of any dividend payable on the Preference Shares. If given, this authority will expire on 21 November 2019, being the date 5 years after the date of this annual general meeting.

#### **RESOLUTION 10: Disapplication of pre-emption rights**

Generally, if the directors wish to allot new shares or other equity securities (within the meaning of section 560 of the Companies Act 2006) for cash, then under the Companies Act 2006 they must first offer such shares or securities to ordinary shareholders in proportion to their existing holdings. These statutory pre-emption rights may be disapplied by shareholders.

Resolution 10, which will be proposed as a special resolution, renews a similar power given at last year's annual general meeting and, if passed, will enable the directors to allot equity securities for cash up to an aggregate nominal value of £2,261,047 without having to comply with statutory pre-emption rights. However this power is limited so that it applies only for allotments:

- (a) in connection with a rights issue, open offer or other pre-emptive offer to ordinary shareholders and to holders of other equity securities (if required by the rights of those securities or the directors otherwise consider necessary), but (in accordance with normal practice) subject to such exclusions or other arrangements, such as for fractional entitlements and overseas shareholders, as the directors consider necessary;
- (b) in place of a cash dividend pursuant to any authority conferred upon the directors in accordance with and pursuant to article 40.8 of the Company's articles of association (the Company's scrip dividend scheme); and
- (c) in any other case, up to an aggregate nominal amount of £706,577 (which represents approximately five percent of the nominal value of the issued ordinary share capital of the Company (including the convertible preferred ordinary shares)) as at 10 October 2014, being the last practicable date before the publication of this document.

If given, this power will expire on the earlier of the conclusion of the Company's next annual general meeting and 21 February 2016. It is the directors' intention to renew this power each year in order that the Company has some flexibility to issue shares if considered appropriate and in the Company's best interests to do so, although it has not been used in recent years other than for implementation of the Company's scrip dividend scheme. Other than for the Company's scrip dividend scheme, and to honour the exercise of share options (if any), the directors have no present intention of exercising the authority sought under Resolution 10.

### **RECOMMENDATIONS ON RESOLUTIONS 1-10 (INCLUSIVE)**

The directors believe that the proposals outlined in Resolutions 1 to 10 (inclusive) are in the best interests of the Company and its shareholders. The directors intend to vote in favour of each of those resolutions, and recommend shareholders to do likewise.

### **RESOLUTION 11: Supporter Liaison Officer and Supporters' Forum**

Resolution 11 has been requisitioned by certain members under the provisions of Section 338 of the Companies Act 2006. **The resolution is not proposed by the directors.**

The following statement is circulated on behalf of those members in accordance with Section 314 of the Companies Act 2006:

"The establishment of the post of Supporters Liaison Officer and the Supporters Forum have been widely welcomed by the organisations representing the Celtic support. They provide, in their different ways, important communication channels between the club and supporters.

However in order that the best possible outcomes can be obtained for both club and supporters it is appropriate that the operation of the post of SLO and of the Supporters Forum be the subject of proper objective scrutiny by representatives of all who have reason to interact with the club through the SLO or Forum.

Accordingly there should be short life working groups set up to look at the SLO post and separately the Supporters Forum to ensure that the way in which they are working are in accordance with UEFA rules in respect of the SLO post and provide open and transparent discussion and resolution of issues of interest and concern to both Celtic and Celtic supporters.

We ask you to support this resolution and the written statement above circulated to shareholders in advance of the meeting, in the interests of a stronger Celtic."

### **Board Response**

Effective communication and engagement with all supporters is a matter of great importance for the Company. The Board agrees that the post of Supporter Liaison Officer and the Supporters' Forum have improved communication and have been welcomed by the Celtic support. The Board wishes to ensure that these important channels of communication best serve the interests of Celtic supporters and, therefore, the Company.

The Board therefore welcomes the proposals for continuing dialogue from the shareholders who requisitioned the resolution and is pleased to confirm that a review of the role of the Supporter Liaison Officer and the Supporters' Forum has been put in hand. The review will involve a wide range of supporters, supporter organisations, partners, colleagues and shareholders.

The conclusions of the review, and the views expressed in the course of these discussions, will be carefully considered. Given the substantial legal and regulatory issues and responsibilities involved, decisions on how to act upon them must rest ultimately with the Board rather than with any informal working-group. For these reasons, the Board does not consider that a vote is required to approve such a resolution given that the review, which is the focus of the resolution, is already underway and the Board intends to give an update as to the progress of the review at the AGM. Given, however, that the resolution has been proposed, the Board will ask shareholders to vote against it while retaining the commitment to take the process of review forward on the basis described in this response.

### **RESOLUTION 12: Scottish Living Wage Employer**

Resolution 12 has been requisitioned by certain members under the provisions of Section 338 of the Companies Act 2006. **The resolution is not proposed by the directors.**

The following statement is circulated on behalf of those members in accordance with Section 314 of the Companies Act 2006:

"One hundred and twenty five years ago this great football club was founded with its principal aim to alleviate poverty in the East end of Glasgow. Today we have a different but no less devastating type of poverty, in work poverty. Wages are so low so close to the national minimum wage that many workers are living week to week, hand to mouth with no real financial security. No ability to save, no chance of a holiday, no way to plan for the future. The Living Wage as set out in the resolution has been calculated taking into account all of these factors and is currently £7.45 per hour. It aims to provide breathing space for employees on low wages so that they can live rather than just exist.

Since the Campaign began in 2009 there has been a growing realisation that paying the Living Wage is not only good for employees but also for employers, communities and the economy generally. In Scotland increasing numbers of employers are paying the Living Wage including the Scottish government, the NHS in Scotland and also local councils. It is not just public sector employers who are persuaded of the benefits of paying the Living Wage. A senior partner in the multinational accountancy firm KPMG said "At KPMG we have found that paying the Living Wage not only makes good ethical sense but good business sense too"

In the one hundred and twenty five year existence of Celtic Football Club, it has remained true to its founding principles. This resolution builds directly on those principles and sets out for Celtic a 21st century way of alleviating poverty today as it has done without ceasing since 1888.

We ask you to support this resolution and the written statement above circulated to shareholders in advance of the meeting, in the interests of a stronger Celtic."

### **Board Response**

Celtic aims to be an excellent employer and engages with staff on their welfare at all levels. We are sure that all supporters will share our pride in the fact that Celtic is the only football club in the United Kingdom to have achieved the status of Investors in People and to have retained it again in December 2013, following an extensive independent review of our practices as an employer. The chief executive of Investors in People Scotland said:

*"I would like to commend Celtic on the tremendous commitment they have made to the wellbeing, retention and development of their staff. For a number of years the Club has made its staff a priority, and on and off the pitch the results are clear. Celtic is a true model of good practice and I would like to congratulate the Club on all it has achieved in this area".*

The Company offers a competitive range of employee benefits, including a bonus scheme for all permanent employees, with up to 20% achievable by even the most junior of colleagues. We also offer a pension scheme with generous employer contributions starting at 7% of salary, a comprehensive Company sick pay scheme, life assurance for all permanent staff, and a range of free or discounted medical and healthcare schemes. We fund an employee assistance programme for all colleagues and their family members, providing free, confidential support and advice on a wealth of domestic, social and legal issues. This is specialised assistance for people, who for a variety of reasons find themselves in difficulty.

The Company engages with staff on a regular basis, including annual Attitude and Opinions Surveys, to obtain feedback from colleagues on a range of employment issues. However, we recognise the need for continuous review and improvement, and recently hosted two days of engagement workshops to enable us to focus on issues which have been highlighted by colleagues and are of importance to them.

The main objective of the Company's remuneration policy must be to attract, retain and motivate committed and capable individuals who will make a significant contribution to the Company's success. The Company operates in a diverse range of industry sectors. Each of these sectors has different market levels of remuneration. The Company complies with all applicable legal obligations in relation to remuneration but the Board does not believe that it is appropriate to commit to any non-statutory initiative in terms of remuneration policy, however well-intentioned.

The Board will continue to review the Company's remuneration policy on an ongoing basis, but considers that in order to act in the best interests of the company at this time, particularly given the economic uncertainty of Scottish football, it must retain control of its remuneration policy, while respecting all legal obligations and continuing to act in accordance with the standards we have set as an employer and which have been acknowledged through our Investor in People status.

Accordingly, the Board recommends that you vote against this resolution.