



Annual General Meeting

of

Oxford Instruments plc

to be held at the offices of Oxford Instruments plc
Tubney Woods, Abingdon, Oxfordshire OX13 5QX
on Tuesday 8 September 2020 at 2pm

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action to take, you should consult your stockbroker, solicitor, accountant or other appropriate independent professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all your shares in Oxford Instruments plc, please forward this document and the accompanying documents to the person through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

We have not provided a hard copy form of proxy for the 2020 Annual General Meeting with this document. You are encouraged to vote online at www.signalshares.com. To register you will need your Investor Code, which can be found on your share certificate or dividend documents. If you are a CREST member, you can register your proxy vote by using the service provided by Euroclear UK & Ireland Limited. To be valid, your proxy vote must be received by no later than 2pm on 4 September 2020. Further details are given in the notes to this document on pages 10 and 11. Alternatively, you may request a hard copy proxy form directly from our Registrar (note 5 on page 10 of this document gives details of how to do this), complete the form of proxy and return it in accordance with the instructions printed on it so as to reach the Registrar, Link Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 2pm on 4 September 2020.

Shareholder letter



Oxford Instruments plc
Tubney Woods, Abingdon,
Oxfordshire OX13 5QX, UK
Tel: +44 (0)1865 393200
Fax: +44 (0)1865 393333
Email: info.oiplc-web@oxinst.com
www.oxinst.com

Registered in England and
Wales number 775598

13 July 2020

Dear Shareholder,

2020 Annual General Meeting

The Notice of Meeting on pages 7 to 9 sets out the business to be transacted at the Annual General Meeting ("AGM") of Oxford Instruments plc (the "Company"), which is to be held on 8 September 2020 at 2pm at our offices at Tubney Woods, Abingdon, Oxfordshire OX13 5QX.

In light of the covid-19 pandemic, we are making changes to the way we conduct our AGM this year. As things stand, in order to protect the health and safety of our employees, shareholders and the wider community, and in light of the Corporate Insolvency and Governance Act, this year's AGM will be held as a closed meeting and shareholders will not be able to attend in person. We expect that the meeting will be attended by just two members, being the minimum necessary quorum to constitute the AGM under the Company's Articles of Association. Anyone else who attempts to attend the meeting in person will be refused entry. The format of the meeting will be functional to comply with relevant legal requirements.

However, we will continue to monitor the situation and, if circumstances change in advance of the AGM such that it is considered appropriate and safe to do so, we intend to permit (and would encourage) shareholders to attend the meeting in person, subject to any relevant social distancing (and any other health and safety) requirements. Any changes to the arrangements for the AGM will be communicated to shareholders before the date of the AGM on www.oxinst.com/investors-content/annual-general-meeting and, where appropriate, by an announcement via a Regulatory Information Service. You are encouraged to monitor our website to ensure you are aware of any updates.

All shareholders are urged to vote by proxy as soon as possible and to appoint the chair of the meeting as their proxy as any other named person will be unable to attend the meeting. As part of our journey to behave in a more environmentally friendly manner, personalised proxy forms and attendance cards are not being sent by post to shareholders for the 2020 AGM. As in previous years, you can lodge your proxy votes electronically. You will find instructions to enable you to vote electronically and how to register to do so in note 5 on page 10 of this letter. You may, if you prefer, request a hard copy proxy form directly from our Registrar, Link Asset Services. Details of how to do this can be found in note 5 on page 10 of this letter. To be valid, your proxy vote must be received by no later than 2pm on 4 September 2020.

Shareholders are also invited to submit questions in advance of the AGM. Instructions on how to do this can be found in note 14 on page 11 of this letter. Key themes arising from the pre-registered questions will be answered by the Board and published on our website prior to or as soon as practicable after the AGM for a period of 30 days.

The Report and Financial Statements for the year to 31 March 2020 is available on our website at www.oxinst.com/investors. If you have elected to receive a copy of this report by post, it is also enclosed.

As announced on 9 June 2020, as a result of continued uncertainty caused by the covid-19 pandemic, the Board considers it prudent to defer a decision on payment of dividends. The Board will continue to keep this under review as the year progresses while we assess the impact of covid-19 on our markets and trading performance.

Resolutions 1 to 14 will be proposed as ordinary resolutions and include proposals to elect or re-elect all the Directors of the Company in line with the UK Corporate Governance Code. More than 50% of the votes cast must support these Resolutions in order for them to be passed. Resolutions 15 to 19 will be proposed as special resolutions and 75% or more of the votes cast must support them in order for these Resolutions to be passed.

The Resolutions to be proposed are explained in further detail below.

1. Resolution 1: To receive the 2020 Annual Report and Financial Statements

The Directors of the Company are required to lay the Annual Report and Financial Statements before the shareholders each year at the Annual General Meeting.

2. Resolutions 2 to 9: Election and re-election of Directors

The Directors are fully committed to supporting the principles of good governance outlined in the UK Corporate Governance Code (2018) (the "Governance Code") published by the Financial Reporting Council. In accordance with the Governance Code, the following Directors of the Company are standing for election or re-election at this year's Annual General Meeting. The biographical details of the Directors standing for re-election are set out on pages 70 to 71 and 74 of the Report and Financial Statements for the year ended 31 March 2020.

The Board has confirmed, following a performance review, that each Director standing for re-election continues to perform effectively and demonstrates commitment to his or her role and recommends the re-appointment of each such Director.

Short biographical details, together with reasons for the election or re-election of the Directors of the Company, are given below:

Neil Carson

Neil was appointed an Independent Non-Executive Director and Chair of the Board on 1 December 2018. He fulfils the independence criteria as laid down in the Governance Code. Neil is the Chair of the Nomination Committee and is also a member of the Remuneration Committee. He has a proven track record of delivering growth as Chief Executive of Johnson Matthey, a FTSE 100 science and R&D based company, and has over 30 years' experience of operations management, technical innovation and strategic planning. He also has had exposure to a wide range of industry sectors and is or has been on the boards of a range of UK listed companies and Government bodies, including his current appointment as non-executive director of Royal Dutch Shell plc and former appointments on the board of companies such as TT Electronics plc, Amec Foster Wheeler plc and TI Fluid Systems plc. He was a founder member of the Prince of Wales' Corporate Leaders Group on Climate Change and was awarded an OBE in 2016 for services to the chemical industry.

Ian Barkshire

Ian was appointed to the Board in November 2015 and was appointed Chief Executive on 11 May 2016. He holds a BSc and DPhil in physics from the University of York, is a Member of the Institute of Physics and a Fellow of the Royal Academy of Engineering. Ian has worked for Oxford Instruments since 1997 in a number of senior leadership roles including NanoCharacterisation Divisional Head, Group Technical Director and Chief Operating Officer. Prior to that, he was a Senior Principal Scientist with GEC Marconi Materials Technology and a Research Fellow at the University of York.

Gavin Hill

Gavin was appointed to the Board on 9 May 2016 and is Group Finance Director. He holds a BA in economics and agricultural economics from the University of Exeter and is a Member of the Institute of Chartered Accountants and an Associate Member of the Association of Corporate Treasurers. Prior to joining Oxford Instruments he was Group Finance Director of Synergy Health plc, Director of Corporate Finance of Serco Group plc and held senior finance positions in Syngenta AG and AstraZeneca plc.

Stephen Blair

Steve is an Independent Non-Executive Director and Senior Independent Director and joined the Board on 1 July 2017. He is a member of the Audit and Risk, Remuneration and Nomination Committees. Steve holds a B.Eng (Hons) in Electronic Engineering from the University of Sheffield. He is Chief Executive Officer of Ordnance Survey and previously was Chief Executive Officer of e2v technologies plc. Prior to that Steve was Business Group Director for Spectris plc. He has a breadth of experience covering established and high growth emerging markets, strategic planning and portfolio development. The Board has reviewed his performance and is satisfied that he remains independent in character and judgement and accordingly that he is an effective and suitable candidate for re-election.

Mary Waldner

Mary is an Independent Non-Executive Director and Chair of the Audit and Risk Committee. She joined the Board in February 2016. She is also a member of the Remuneration and Nomination Committees. She has a physics degree from the University of Oxford and is a Fellow of the Chartered Institute of Management Accountants. She is Chief Financial Officer at Lloyd's Register. She started her career at Coopers & Lybrand Management Consultancy Services and then went on to hold senior financial positions in QinetiQ plc, 3i Group plc and British Airways plc and was Group Finance Director of Ultra Electronics plc, a FTSE 250 company. Mary's broad range of financial experience in high technology companies that operate internationally gives her the various insights needed to make her well-qualified to chair the Audit and Risk Committee. The Board has reviewed her performance and is satisfied that she remains independent in character and judgement and accordingly that she is an effective and suitable candidate for re-election.

Shareholder letter continued

2. Resolutions 2 to 9: Election and re-election of Directors continued

Thomas Geitner

Thomas is an Independent Non-Executive Director and Chair of the Remuneration Committee. He joined the Board in January 2013. He is also a member of the Audit and Risk and Nomination Committees. He is a graduate of the Technische Universität München and holds an INSEAD MBA. He is Chair of Bibliotheca RFID Library Systems AG, Switzerland. Thomas has extensive international experience in the technology and engineering sectors, having spent more than 30 years in businesses operating across the globe, including at Vodafone Group Plc, Henkel AG and RWE AG. Having worked in a number of global companies he understands the importance of remuneration connecting with strategy to appropriately incentivise the executive team. The Board believes that his skills, experience and knowledge make Thomas well suited to chair the Remuneration Committee. The Board has reviewed his performance and is satisfied that he remains independent in character and judgement and accordingly that he is an effective and suitable candidate for re-election.

Richard Friend

Richard is an Independent Non-Executive Director and joined the Board in September 2014. He is a member of the Audit and Risk, Remuneration and Nomination Committees. He is Cavendish Professor of Physics at the University of Cambridge, a Fellow of the Royal Society and of the Royal Academy of Engineering and a Foreign Member of the US National Academy of Engineering. His research encompasses the physics, materials science and engineering of semiconductor devices made with carbon-based semiconductors. His research advances have shown that these materials have significant applications in LEDs, solar cells, lasers and electronics. He has also been directly involved in the commercialisation of technology through several spin-out companies from the University of Cambridge. The Board has reviewed his performance and is satisfied that he remains independent in character and judgement and accordingly that he is an effective and suitable candidate for re-election.

Alison Wood

We announced on 9 June 2020 that, subject to shareholder approval, Alison will be joining our Board with effect from 8 September 2020. Once appointed, it is intended that Alison will be a member of the Audit and Risk, Remuneration and Nomination Committees. Alison has a BA in Engineering, Economics and Management from the University of Oxford and an MBA from Harvard Business School. She has wide experience in strategic planning, business development, corporate development and M&A. She is an experienced non-executive director and has chaired a number of remuneration committees. She is currently a non-executive director at TT Electronics plc, Costain Group plc, Cairn Energy plc and the British Standards Institution (not listed). She has previously held non-executive directorships at Cobham plc, e2v technologies plc, BTG plc and THUS plc.

3. Resolution 10: To appoint the auditor

The Company is required to appoint an auditor at each general meeting at which accounts are laid before the Company, to hold office until the conclusion of the next such meeting. Following a competitive tender process, the Board, on the recommendation of the Audit and Risk Committee, decided to appoint BDO LLP as the Company's new auditor for the financial year commencing on 1 April 2020. KPMG LLP has resigned from the office as the Company's auditor and has provided a statement as required by the Companies Act 2006. A copy of the notice is set out in the Appendix to this letter.

The Board therefore recommends that BDO LLP be appointed as auditor of the Company.

4. Resolution 11: To authorise the Board to agree the auditor's remuneration

This Resolution authorises the Directors, in accordance with standard practice, to negotiate and agree the remuneration of the auditor. In practice, the Audit and Risk Committee will consider and approve the audit fees on behalf of the Board.

5. Resolutions 12 and 13: Approval of Directors' Remuneration Report and Directors' Remuneration Policy

Resolution 12 is to approve the Directors' Remuneration Policy contained in the Directors' Remuneration Report which was last approved by shareholders at the 2017 AGM. You can find the policy on pages 94 to 101 of the Report and Financial Statements for the year ended 31 March 2020. This vote is a binding vote and, subject to limited exceptions, no remuneration payment or loss of office payment may be made to a prospective, current or former director unless consistent with the approved Directors' Remuneration Policy. If approved by shareholders, the Directors' Remuneration Policy will take effect immediately after the end of the 2020 AGM and will normally apply for three years or until replaced by a new or amended policy. If the Directors' Remuneration Policy is not approved for any reason, the Company will continue to make payments to Directors in accordance with the Directors' Remuneration Policy previously approved at the 2017 AGM until a revised Directors' Remuneration Policy is approved by shareholders.

Resolution 13 is to approve the Annual Statement by the Chair of the Remuneration Committee and the Directors' Remuneration Report (other than the part containing the Directors' Remuneration Policy) as set out on pages 90 to 93 and 102 to 111 respectively of the Report and Financial Statements for the year ended 31 March 2020. The Directors' Remuneration Report details payments made to Directors during the year ended 31 March 2020 and other information. The vote is advisory and the Directors' entitlement to remuneration is not conditional on Resolution 13 being passed. This Resolution is put annually as required by the Companies Act 2006.

6. Resolution 14: Authority to allot

Your Directors may allot shares and grant rights to subscribe for shares, or convert any security into shares, only if authorised to do so by shareholders. The authority granted at the last Annual General Meeting is due to expire at this year's Annual General Meeting. Accordingly, Resolution 14 will be proposed as an ordinary resolution to grant new authorities to allot shares and grant rights to subscribe for, or convert any security into, shares. If given, these authorities will expire at the Annual General Meeting in 2021 or on 30 September 2021, whichever is the earlier.

Paragraph (a) of Resolution 14 will allow the Directors to allot ordinary shares up to a maximum nominal amount of £957,335, representing approximately one-third of the Company's existing issued share capital calculated as at 7 July 2020, being the latest practicable date prior to the publication of this notice. In accordance with the latest institutional guidelines issued by the Investment Association, paragraph (b) of Resolution 14 will allow the Directors to allot ordinary shares in connection with a fully pre-emptive rights issue up to a maximum nominal amount of £1,914,671 (as reduced by allotments under paragraph (a) of Resolution 14). This amount represents (before any reduction) approximately two-thirds of the Company's existing issued share capital calculated as at 7 July 2020.

The Directors have no present intention of exercising this authority. However, if they do exercise the authority, the Directors intend to follow best practice as regards its use as recommended by the Investment Association.

8. Resolution 15: Disapplication of pre-emption rights

Your Directors also require a power from shareholders to allot equity securities or sell treasury shares for cash otherwise than to existing shareholders pro rata to their holdings. The power granted at the last Annual General Meeting is due to expire at this year's Annual General Meeting. Accordingly, Resolution 15 will be proposed as a special resolution to grant such a power. Apart from offers or invitations in proportion to the respective number of shares held, the power will be limited to the allotment of equity securities and sales of treasury shares for cash up to an aggregate nominal value of £143,600 (being approximately 5% of the Company's issued ordinary share capital at 7 July 2020, being the latest practicable date prior to the publication of this notice). If given, this power will expire at the conclusion of the Annual General Meeting in 2021 or on 30 September 2021, whichever is the earlier.

The figure of 5% reflects the Pre-Emption Group 2015 Statement of Principles for the disapplication of pre-emption rights (the "Statement of Principles"). Your Directors will have due regard to the Statement of Principles in relation to any exercise of this power, in particular they do not intend to allot shares for cash on a non-pre-emptive basis pursuant to this power in excess of an amount equal to 7.5% of the total issued ordinary share capital of the Company in any rolling three-year period, without prior consultation with shareholders.

9. Resolution 16: Additional disapplication of pre-emption rights

Your Directors are seeking a further power from shareholders to allot equity securities or sell treasury shares for cash otherwise than to existing shareholders pro rata to their holdings, to reflect the Statement of Principles. The power granted at the last Annual General Meeting is due to expire at this year's Annual General Meeting. Accordingly, Resolution 16 will be proposed as a special resolution to grant such a power. The power will be limited to the allotment of equity securities and sales of treasury shares for cash up to an aggregate nominal value of £143,600 (being approximately 5% of the Company's issued ordinary share capital at 7 July 2020, being the latest practicable date prior to publication of this notice). This is in addition to the 5% referred to in Resolution 15. If given, this power will expire at the conclusion of the Annual General Meeting in 2021 or on 30 September 2021, whichever is the earlier. Your Directors will have due regard to the Statement of Principles in relation to any exercise of this power and in particular they confirm that they intend to use this power only in connection with a transaction which they have determined to be an acquisition or other capital investment (of a kind contemplated by the Statement of Principles most recently published prior to the date of this notice) which is announced contemporaneously with the announcement of the issue, or which has taken place in the preceding six month period and is disclosed in the announcement of the issue.

10. Resolution 17: Authority to purchase own shares

Resolution 17 will be proposed as a special resolution and will give the Company authority to purchase its own shares in the market up to a limit of 10% of its issued ordinary share capital. The maximum and minimum prices are stated in the Resolution. Your Directors believe that it is advantageous for the Company to have this flexibility to make market purchases of its own shares. Your Directors will exercise this authority only if they are satisfied that a purchase would result in an increase in expected earnings per share and would be in the interests of shareholders generally. If given, this authority will expire at the conclusion of the Annual General Meeting in 2021 or 30 September 2021, whichever is the earlier.

In the event that shares are purchased, they would either be cancelled (and the number of shares in issue would be reduced accordingly) or, in accordance with the Companies Act 2006, be retained as treasury shares. The Company may consider holding repurchased shares pursuant to the authority conferred by this Resolution as treasury shares. This would give the Company the ability to transfer treasury shares quickly and cost effectively and would provide the Company with additional flexibility in the management of its capital base.

Shareholder letter continued

11. Resolution 18: Notice of general meetings

The Companies Act 2006 requires the notice period for general meetings of the Company to be at least 21 clear days unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days. Annual General Meetings will continue to be held on at least 21 clear days' notice.

Resolution 18 will be proposed as a special resolution to obtain the necessary shareholder approval for that shorter notice period. The approval will be effective until the Company's next Annual General Meeting, when it is intended that a similar resolution will be proposed.

The flexibility offered by this Resolution will be used where, taking into account the circumstances, the Directors consider this appropriate in relation to the business to be considered at the meeting. Please note that in accordance with the Companies Act 2006, in order to be able to call a general meeting on less than 21 clear days' notice, the Company will make a means of electronic voting available to all shareholders for that meeting.

12. Resolution 19: Adopt new Articles of Association

It is proposed in Resolution 19 to adopt new Articles of Association in place of the current Articles of Association of the Company to expressly permit the Company to hold combined physical and electronic (or 'hybrid') general meetings and to grant Directors powers to facilitate such meetings. Resolution 19 will be proposed as a special resolution.

In light of the COVID-19 situation, the Board considers it prudent to update the Articles of Association of the Company to permit the Company to hold "hybrid" general meetings where shareholders have the option to attend and participate either in person (in a main location or in specified satellite locations) or by electronic means. The new Articles of Association do not permit the Company to hold wholly virtual general meetings where all attendees are in separate locations. The Company will remain able to hold purely physical general meetings as at present and confirms that physical meetings will be held alongside any electronic meeting element. The primary changes in the Articles of Association are to enable the holding of hybrid general meetings and there are a number of other consequential amendments to reflect these changes. The new Articles of Association together with a marked-up version of the current Articles showing all of the proposed changes are available for inspection, as noted on page 11 of this letter.

Although the Company has no plans at the current time to routinely hold hybrid general meetings in the future, it considers the ability to hold hybrid general meetings to be in the best interests of shareholders as a whole and to reflect evolving investor sentiment and market practice.

Recommendation

Your Directors believe that all the proposed Resolutions are in the best interests of the Company and its shareholders as a whole. Accordingly, your Directors unanimously recommend that you vote in favour of them as they intend to do in respect of their own beneficial holdings.

Yours faithfully



Neil Carson

Chair

Notice of Annual General Meeting 2020

Notice is hereby given that the fifty-sixth Annual General Meeting of Oxford Instruments plc (the "Company") will be held at the offices of the Company at Tubney Woods, Abingdon, Oxfordshire OX13 5QX on 8 September 2020 at 2pm to consider and, if thought fit, to pass the following resolutions (the "Resolutions"). It is intended to propose Resolutions 15 to 19 (inclusive) as special resolutions. All other Resolutions will be proposed as ordinary resolutions.

- 1) To receive and adopt the annual accounts for the financial year ended 31 March 2020, together with the reports of the Directors and auditor thereon. **(Resolution 1)**
- 2) To re-elect Neil Carson as a Director of the Company. **(Resolution 2)**
- 3) To re-elect Ian Barkshire as a Director of the Company. **(Resolution 3)**
- 4) To re-elect Gavin Hill as a Director of the Company. **(Resolution 4)**
- 5) To re-elect Stephen Blair as a Director of the Company. **(Resolution 5)**
- 6) To re-elect Mary Waldner as a Director of the Company. **(Resolution 6)**
- 7) To re-elect Thomas Geitner as a Director of the Company. **(Resolution 7)**
- 8) To re-elect Richard Friend as a Director of the Company. **(Resolution 8)**
- 9) To elect Alison Wood as a Director of the Company. **(Resolution 9)**
- 10) To appoint BDO LLP as auditor of the Company. **(Resolution 10)**
- 11) To authorise the Directors to set the remuneration of the auditor. **(Resolution 11)**
- 12) To approve the Directors' Remuneration Policy, which is contained in the Directors' Remuneration Report, as set out in pages 94 to 101 of the Report and Financial Statements 2020, such Remuneration Policy to take effect from the date of which this Resolution is passed. **(Resolution 12)**
- 13) To approve the Annual Statement by the Chair of the Remuneration Committee and the Annual Report on Remuneration for the year ended 31 March 2020 (other than the part containing the Directors' Remuneration Policy), as set out in pages 90 to 93 and 102 to 111 respectively of the Report and Financial Statements 2020. **(Resolution 13)**
- 14) That the Directors be generally and unconditionally authorised for the purposes of Section 551 of the Companies Act 2006 (the "Act"), to exercise all the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares:
 - (a) up to an aggregate nominal amount (within the meaning of Section 551(3) and (6) of the Act) of £957,335 (such amount to be reduced by the nominal amount allotted or granted under (b) below in excess of such sum); and
 - (b) comprising equity securities (as defined in Section 560 of the Act) up to an aggregate nominal amount (within the meaning of Section 551(3) and (6) of the Act) of £1,914,671 (such amount to be reduced by any allotments or grants made under (a) above) in connection with or pursuant to an offer by way of a rights issue in favour of holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment (and holders of any other class of equity securities entitled to participate therein or if the Directors consider it necessary, as permitted by the rights of those securities), but subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever,

these authorisations to expire at the conclusion of the next Annual General Meeting of the Company (or, if earlier, on 30 September 2021), (save that the Company may before such expiry make any offer or agreement 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 to subscribe for or to convert any security into shares, in pursuance of any such offer or agreement as if the authorisations conferred hereby had not expired). **(Resolution 14)**

Notice of Annual General Meeting 2020 continued

- 15) That, subject to the passing of Resolution 14 set out above, the Directors be given power pursuant to Sections 570 (1) and 573 of the Companies Act 2006 (the "Act") to:
- (a) allot equity securities (as defined in Section 560 of the Act) of the Company for cash pursuant to the authorisation conferred by Resolution 14; and
 - (b) sell ordinary shares (as defined in Section 560(1) of the Act) held by the Company as treasury shares for cash, as if Section 561 of the Act did not apply to any such allotment or sale, provided that this power shall be limited to the allotment of equity securities for cash and the sale of treasury shares:
 - (i) in connection with or pursuant to an offer of or invitation to acquire equity securities (but in the case of the authorisation granted under Resolution 14(b), by way of a rights issue only) in favour of holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment or sale (and holders of any other class of equity securities entitled to participate therein or if the Directors consider it necessary, as permitted by the rights of those securities) but subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal regulatory or practical difficulties which may arise under the laws of or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever; and
 - (ii) in the case of the authorisation granted under Resolution 14(a) above (or in the case of any transfer of treasury shares), and otherwise than pursuant to paragraph (i) of this Resolution, up to an aggregate nominal amount of £143,600, and shall expire at the conclusion of the next Annual General Meeting of the Company (or, if earlier, on 30 September 2021), save that the Company may before such expiry make any offer or agreement that would or might require equity securities to be allotted, or treasury shares to be sold, after such expiry and the Directors may allot equity securities, or sell treasury shares in pursuance of any such offer or agreement as if the power conferred hereby had not expired. **(Resolution 15)**
- 16) That, subject to the passing of Resolutions 14 and 15 above, and in addition to the power given by that Resolution 15, the Directors be given power pursuant to sections 570 (1) and 573 of the Companies Act 2006 (the "Act") to:
- (a) allot equity securities (as defined in section 560 of the Act) of the Company for cash pursuant to the authorisation conferred by paragraph (a) of that Resolution 14; and
 - (b) sell ordinary shares (as defined in section 560(1) of the Act) held by the Company as treasury shares for cash, as if section 561 of the Act did not apply to any such allotment or sale, provided that this power shall be:
 - (i) limited to the allotment of equity securities for cash and the sale of treasury shares, up to an aggregate nominal amount of £143,600; and
 - (ii) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors have determined to be 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 this notice, or for any other purposes as the Company at a general meeting may at any time by special resolution determine,and shall expire at the conclusion of the next Annual General Meeting of the Company (or, if earlier, on 30 September 2021), save that the Company may before such expiry make any offer or agreement that would or might require equity securities to be allotted, or treasury shares to be sold, after such expiry and the Directors may allot equity securities, or sell treasury shares in pursuance of any such offer or agreement as if the power conferred hereby had not expired. **(Resolution 16)**

- 17) That the Company is generally and unconditionally authorised for the purposes of Section 701 of the Companies Act 2006 (the "Act") to make market purchases (within the meaning of Section 693(4) of the Act) of any of its ordinary shares of 5p each in the capital of the Company on such terms and in such manner as the Directors may from time to time determine, provided that:
- (a) the maximum number of ordinary shares which may be purchased is 5,744,014, representing approximately 10% of the issued ordinary share capital as at 7 July 2020;
 - (b) the minimum price that may be paid for each ordinary share is 5p which amount shall be exclusive of expenses, if any;
 - (c) the maximum price (exclusive of expenses) that may be paid for each ordinary share is an amount equal to the higher of:
 - (i) 105% of the average of the middle market quotations for the ordinary shares of the Company as derived from the Daily Official List of the London Stock Exchange plc for the five business days immediately preceding the day on which such share is contracted to be purchased; and
 - (ii) the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the trading venues where the purchase is carried out;
 - (d) unless previously renewed, revoked or varied by the Company at a general meeting, this authority shall expire at the conclusion of the Annual General Meeting in 2021 (or, if earlier, on 30 September 2021); and
 - (e) the Company may, before this authority expires, make a contract to purchase ordinary shares that would or might be executed wholly or partly after the expiry of this authority, and may make purchases of ordinary shares pursuant to it as if this authority had not expired. **(Resolution 17)**
- 18) That a general meeting of the Company (other than an annual general meeting) may be called on not less than 14 clear days' notice. **(Resolution 18)**
- 19) That the Articles of Association produced to the meeting and initialled by the chairperson of the meeting for the purpose of identification be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association. **(Resolution 19)**

By order of the Board



Susan Johnson-Brett

Company Secretary
13 July 2020

Registered Office: Tubney Woods, Abingdon, Oxfordshire OX13 5QX
Registered in England and Wales number 775598

Notes

The following notes explain your general rights as a shareholder and your right to attend and vote at this Meeting or to appoint someone else to vote on your behalf.

- 1) To be entitled to attend and vote at the Meeting (and for the purpose of the determination by the Company of the number of votes a person may cast), shareholders must be registered in the Register of Members of the Company at close of business on 4 September 2020 or, in the event of any adjournment, at close of business on the date which is two days before the day of the adjourned meeting (ignoring non-working days). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.
- 2) Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the Meeting. A shareholder 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 ordinary share or ordinary shares held by that shareholder. A proxy need not be a shareholder of the Company. Given the restrictions on attendance at the AGM, shareholders are encouraged to appoint the chair of the meeting as their proxy rather than another person who will not be permitted to attend.
- 3) A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
- 4) 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 named being the most senior).
- 5) You can register proxy appointments and voting instructions using one of the following methods:
 - by logging on to www.signalshares.com and selecting the "Proxy Voting" link. If you have not previously registered, you will first be asked to register as a new user, for which you will require your investor code (which can be found on your share certificate or dividend confirmation statement), family name and postcode (if resident in the UK);
 - by completing and returning a hard copy proxy form by post or by hand to Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU. You may request a hard copy form of proxy directly from the Registrar, Link Asset Services on Tel: 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales); or
 - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in note 7 below.

In each case the proxy appointment and instructions must be received by Link Asset Services by 2pm on 4 September 2020. In light of current circumstances, you are encouraged to submit your votes via proxy and to lodge your proxy votes electronically as early as possible in order to ensure your instructions are received by 2pm on 4 September 2020.

- 6) If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
- 7) 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 of the Meeting) by using the procedures described in the CREST Manual (available from www.euroclear.com/site/public/EUI). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- 8) In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by 2pm on 4 September 2020. For this purpose, the time of receipt will be taken to mean the time (as determined by the time stamp applied to the message by the CREST application 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.

- 9) 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 message. 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 system 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 35(5)(a) of the Uncertificated Securities Regulations 2001.

- 10) 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/her and the member by whom he/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/she may have a right, under such an agreement, to give instructions to the member as to the exercise of voting rights.

The statement of the above rights of the members in relation to the appointment of proxies does not apply to Nominated Persons. Those rights can only be exercised by members of the Company.

- 11) Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that no more than one corporate representative exercises powers in relation to the same shares.
- 12) As at 7 July 2020 (being the latest practicable business day prior to the publication of this Notice), the Company's ordinary issued share capital consists of 57,440,143 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 7 July 2020 are 57,440,143.
- 13) Under Section 527 of the Companies Act 2006, shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's financial statements (including the Auditor's Report and the conduct of the audit) that are to be laid before the Meeting; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual financial statements and reports were laid in accordance with Section 437 of the Companies Act 2006 (in each case) that the shareholders propose to raise at the relevant meeting. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Meeting for the relevant financial year includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.
- 14) Should you have a question in relation to the business of the Meeting, please submit your question by email to AGM@oxinst.com before 2pm on Friday 4 September 2020. The Company must cause to be answered any such question relating to the business being dealt with at the Meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered.
- 15) Copies of the Directors' letters of appointment or service contracts, the proposed new Articles of Association of the Company and the current Articles of Association of the Company are available for inspection during normal business hours at the registered office of the Company on any business day from the date of this Notice until the conclusion of the Meeting. The current and new Articles of Association of the Company will also be available at the offices of Ashurst LLP, London Fruit & Wool Exchange, 1 Duval Square, London E1 6PW during normal business hours on any business day from the date of this Notice until the conclusion of the Meeting.
- 16) You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided in either this Notice or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.
- 17) Under section 338 and section 338A of the Companies Act 2006, members meeting the threshold requirements in those sections have the right to require the Company (i) to give, to members of the Company entitled to receive notice of the AGM, notice of a resolution which may properly be moved and is intended to be moved at the meeting and/or (ii) to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may be properly included in the business. A resolution may properly be moved or a matter may properly be included in the business unless (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the company's constitution or otherwise), (b) it is defamatory of any person, or (c) it is frivolous or vexatious. Such a request may be in hard copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it, must be received by the Company not later than the date 6 clear weeks before the meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

A copy of this Notice, and other information required by Section 311A of the Companies Act 2006, can be found on the Company's website at www.oxinst.com/investors

Appendix

Section 519 Statement from KPMG LLP



KPMG LLP
Audit
15 Canada Square
Canary Wharf
London E14 5GL
United Kingdom

Tel +44 (0) 207 311 8635

Private & confidential

Oxford Instruments
Tubney Woods
Abingdon, Oxon
OX13 5QX
England

2 July 2020

Dear Sirs

Statement to Oxford Instruments Plc (no. 775598) on ceasing to hold office as auditors pursuant to section 519 of the Companies Act 2006

The reason connected with our ceasing to hold office is the holding of a competitive tender for the audit, in which we were not invited to participate.

Yours faithfully

KPMG LLP
Audit registration number: 9188307
Audit registration address:
15 Canada Square
Canary Wharf
London E14 5GL

KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Registered in England No OC301540
Registered office: 15 Canada Square, London, E14 5GL
For full details of our professional regulation please refer to 'Regulatory information' under 'About' at www.kpmg.com/uk

Document Classification - KPMG Confidential

Find out more online

www.oxinst.com/investors

For more information please email: info.oiplc-web@oxinst.com

All rights reserved.