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The Investment Association  
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31 July 2019

Dear Sir

**ITE Group plc (the “Company”)**

Following the Annual General Meeting held on 24 January 2019, the Board of ITE Group plc (the “Board”) recognised that a significant minority of shareholders voted against the election of Richard Last, and understood that some investors held the view that Richard served on too many company boards. The Board remains of the unanimous view that Richard is able to devote the necessary time to ITE notwithstanding his other commitments. Richard continues to provide an exceptional level of commitment to his role. The Board can now confirm that Richard has resigned from two of his other board roles: he stepped down as Chairman and as a non-executive director of British Smaller Companies VCT 2 Plc on 7 May 2019 and as Chairman and non-executive director of Lighthouse Group Plc on 12 June 2019.

The Board also noted that a significant minority of shareholders voted against the resolutions to approve the Remuneration Policy and to amend the Performance Share Plan (“PSP”). These proposals were the subject of an intensive consultation programme with major investors prior to the AGM. As a result of these discussions, the Board understands that the main issue of concern which ultimately led some investors to vote against related to the proposed size of the PSP award for the Executive Directors for FY2019. The Board’s rationale for its proposals was set out in detail in the Directors’ Remuneration Report in the FY2018 Annual Report and Accounts.

In the spirit of maintaining an appropriate level of dialogue with key shareholders on executive pay issues, Sharon Baylay, Chairman of the Remuneration Committee, wrote to all major shareholders who voted against the resolutions at the AGM and offered to have a further meeting or a call to understand more clearly the specific issues which led to their voting decision. The Company can confirm that only one response was received to this letter.

The Board appreciates the feedback it has received to date on the above matters and will continue its policy of proactive engagement with its shareholders. In line with the UK Corporate Governance Code, a final summary of the Board’s response to the AGM results will be set out in the FY2019 Annual Report and Accounts, to be published later this year.

Your faithfully

A handwritten signature in black ink, appearing to read 'Ibi Eso', is positioned above a horizontal line.

Ibi Eso  
Waterstone Company Secretaries Ltd  
Group Company Secretary for ITE group plc