

31/12/19

Katie Tasker-Wood
Company Secretary
Northgate plc
Northgate Centre
Lingfield Way
Darlington DL1 4PZ

Dear Ms Tasker-Wood,

Northgate plc GM on 15/01/20

I am the corporate governance analyst at HSBC Global Asset Management and I am writing with regard to your forthcoming meeting. We plan to vote AGAINST the following resolutions:-

3) Approve the Northgate plc Value Creation Plan.

4) Amend the Remuneration Policy.

We are concerned that individual awards are not capped in terms of percentage of salary, potentially offering significant quantum of awards to the CEO at the time when underwhelming interim results are announced. We are also concerned with performance which is solely based on absolute TSR without any additional performance underpin and that the awards will not be subject to time pro-rating in the event of a change of control.

If you believe that there are reasons why we should amend our voting stance, then under the “comply or explain” approach of the UK Corporate Governance Code, we would welcome your justification for the resolutions by the close of business **07/01/20**. You can email me at payman.akhaveissy@hsbc.com or in my absence, Thomas O'Malley, Global Head of Corporate Governance at Thomas.omalley@hsbc.com.

Yours sincerely,

Payman Akhaveissy
Senior Corporate Governance Analyst

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