

**FirstGroup plc**

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**FirstGroup plc  
Statement re voting at last year's AGM**

At the FirstGroup plc ('the Company' or 'the Group') Annual General Meeting ('AGM') held on 15 September 2020, the total votes for resolution 7, to re-elect Matthew Gregory as a Director, were below 80%. In accordance with the 2018 UK Corporate Governance Code ('Code'), this statement is the Company's update on the views received from its shareholders and its actions since the AGM.

David Martin ('Chairman') engaged with the Company's major shareholders prior to the AGM. He offered meetings to 29 institutional shareholders, representing approximately 83% of the Company's issued share capital, and the Chairman subsequently met with 17 shareholders, representing 66% of the issued share capital.

A small subset of shareholders voted against the Board's recommendation on resolution 7 and a number of other resolutions. Most discussed the background to and their reasons for doing so with the Chairman, and their reasons broadly related to the execution of strategy. Their views were subsequently relayed and explained to the Board before the AGM.

The Board considered the feedback from all shareholders and remains confident that it has the necessary mix of skills, experience and knowledge to deliver the Group's strategy, including realising shareholder value through the sale of the Company's North American businesses, a strategy supported by the Company's largest shareholders. The Company announced at its half year results on 10 December 2020 that discussions were underway with a number of credible potential buyers, which the Company and its advisers are exploring and evaluating.

In addition, the Board is satisfied that prudent action has been taken at the appropriate times to ensure that the Company will emerge from the pandemic in the most robust position possible to deliver on its strategic plans. As noted in the half year results, adjusted operating profit in the period was ahead of expectations of earlier in the year, driven by strong revenue recovery and cost control. Although the outlook remains uncertain due to the pandemic, compared with the Company's position in the summer of 2020, the Company now has greater clarity about the resilience of its businesses. This resilience is the result of the arrangements the Company put in place in the UK and the strength of the Company's customer relationships in North America. The Company has clarified its cash flow profile and arranged additional debt facilities and enhanced covenant headroom for its 2021 covenant tests with lenders.

The Chairman, Executive Directors and other members of the Board continue to engage regularly with the Company's shareholders.

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