

The Law Debenture Corporation p.l.c.

Annual General Meeting and Extraordinary General Meeting to be held on 7 April 2020

Response to COVID-19

The Law Debenture Corporation p.l.c. (the "Corporation") has noted the government's advice in relation to the COVID-19 pandemic and in order to comply with the government's "Stay at Home Measures" will be amending the format of the Annual General Meeting ("AGM") and the Extraordinary General Meeting ("EGM") (the AGM and EGM together being the "Meetings").

It was previously announced that the AGM would be held on 7 April 2020 at 11 am at Pewterers' Hall, Oat Lane, London EC2V 7DE. However, as a result of the implications of COVID-19, the Pewterers' Hall has been required to close. As a result of this, it is intended that the AGM on 7 April 2020 at 11 am will immediately be adjourned to take place at 11.15 am at the registered office, Fifth Floor, 100 Wood Street, London EC2V 7EX. The EGM scheduled to take place at 11.30 am or once the business of the AGM is finished, will also be adjourned to the registered office.

In line with the government guidance, there will be no presentation from the Chief Executive Officer or investment managers, with both parties providing a brief verbal update only. Attendance by directors will be limited to those that can safely attend, while observing social distancing guidance and no refreshments will be served. The Meetings will purely deal with the business set out in the Notice of the AGM and the Notice of the EGM. The usual presentations will be arranged for later in the year.

Stay at Home Measures introduced by the government prohibit public gatherings of more than two people unless the gathering is essential for work purposes. Attendance at a general meeting by a shareholder, other than one specifically required to form the quorum for that meeting, is not classed as essential for work purposes under those measures. **In accordance with government guidance, shareholders should therefore not attend the Corporation's Meetings on 7 April.**

Despite these unprecedented circumstances, the Board of Law Debenture is committed to maintaining engagement with shareholders. As shareholders will be unable to attend the meeting, the Board has provided a service to allow shareholders to access the meeting telephonically and ask questions of the Board and the investment managers by registering in advance for dial-in details. Details of how shareholders can register can be found via the following link:

<https://www.speakservecloud.com/register-for-call/dd0249e2-429e-4673-9ee0-57b69872fdd8>

Voting

In order to ensure shareholders' views are represented at the Meetings, voting on all resolutions at the AGM and EGM will be conducted by a poll rather than a show of hands. Shareholders are therefore **strongly encouraged** to submit proxy votes appointing the Chairman of the Meetings either electronically, or by posting the paper proxy card, to the registrars in accordance with the details included on the proxy card in advance of the Meetings. **Proxies must be received by no later than 48 hours before the commencement of the Meetings.**

The Board would like to draw shareholders' particular attention to the following resolutions for the forthcoming Meetings:

AGM Resolution 4 being put to the AGM is in relation to the declaration of a final dividend of 19.4 pence per share. Shareholders should note that if approved, this will represent a 37% increase in the total dividend for 2019 compared to 2018, and a 50% increase on the 2018 final dividend of 12.9 pence per share.

The Board has considered the appropriateness of this dividend in light of current market conditions following the outbreak of the COVID-19 pandemic. The Board continues to recommend that shareholders vote in favour of this dividend for two key reasons. Firstly, the group has significant reserves; and secondly, the unique structure of Law Debenture means 35% of dividend payments over the past 10 years and 33% of the proposed 2019 payment have been funded by income from the Independent Professional Services business.

While the Board is not in a position to guarantee the level of future dividend payments, this diversification puts the trust in a strong position in comparison to peers, who we believe will be more reliant on the payment of dividends from underlying portfolio investments to fund future dividend payments than will be the case for Law Debenture.

AGM Resolution 2 being put to the AGM relates to the Corporation's remuneration policy and **EGM Resolution 1** relates to the introduction of a Long Term Incentive Plan. When considering these resolutions, shareholders should read the remuneration policy which appears on pages 53 to 62 of the annual report which can be accessed via the below link:

<https://www.lawdebenture.com/investment-trust/shareholder-information/annual-reports-and-half-yearly-reports>

The Corporation would like to clarify that the passing of Resolution 2 at the AGM would give approval of a new remuneration policy which will be in force until the AGM in 2023, unless amended in the meantime by subsequent shareholder vote. The Chairman of the AGM will propose Resolution 2 in the following amended form, reflecting this clarification: "To approve the Company's remuneration policy as set out on pages 53 to 62".

If shareholders have any questions they would like put to the Board, investment managers or statutory auditors in advance, these can be submitted to the Company Secretary at TSU.Cosec@lawdeb.com.

The Board would like to take this opportunity to thank all shareholders for their continued support and understanding of these exceptional circumstances and wish them well as we all navigate the implications of COVID-19. The Board would like to reassure shareholders that we will return to a normal program of shareholder engagement as soon as feasible.

Law Debenture Corporate Services Limited, Corporate Secretary
1 April 2020

Contact: Debbie Fish, Tel: 07813 574 719

The Law Debenture Corporation p.l.c. is registered in England, company registration number 30397. LEI number - 2138006E39QX7XV6PP21