

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant, or other professional adviser.

If you have sold or otherwise transferred all of your shares, please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

SOPHOS

SOPHOS GROUP PLC

(incorporated and registered in England and Wales under number 09608658)

NOTICE OF ANNUAL GENERAL MEETING 2016

PART I – CHAIRMAN'S LETTER

SOPHOS GROUP PLC

(incorporated and registered in England and Wales under number 09608658)

The Pentagon
Abingdon Science Park
Abingdon
OX14 3YP

10 June 2016

Dear Shareholder,

NOTICE OF AGM

I am pleased to be writing to you with details of our AGM, together with the annual report and accounts of the Company for the year ended 31 March 2016 (the **Annual Report and Accounts**). We are holding the AGM at 3.00 pm on Wednesday, 14 September 2016 at The Pentagon, Abingdon Science Park, Abingdon, OX14 3YP.

RESOLUTIONS

The formal notice of AGM is set out on pages 4 to 6 of this circular and detailed explanatory notes in respect of the resolutions to be considered at the AGM appear on pages 7 to 9. Among other things, shareholders are being asked to approve a final dividend of 1.1 US cents per ordinary share for the year ended 31 March 2016, which dividend will be paid to shareholders in pounds sterling. If you approve the recommended final dividend, this will be paid on 14 October 2016 to all ordinary shareholders who are on the register of members of the Company at 7.00 pm on 16 September 2016.

POLL VOTE

Each of the resolutions that will be considered at the AGM will be voted on by way of a poll. This ensures that shareholders who are not able to attend the AGM and who have appointed the same proxy, have their votes fully taken into account. The results of the polls will be announced by way of RNS and published on the Company's website as soon as reasonably practicable following conclusion of the AGM.

DIRECTORS' RECOMMENDATION

The directors of the Company (the **Directors**) consider that all of the resolutions to be put to the AGM are in the best interests of the Company's shareholders as a whole and will promote the success of the Company for their benefit. Your board will be voting in favour of each of the resolutions and unanimously recommends that you do so as well.

ADOPTION OF DISCLOSURE EXEMPTIONS IN COMPANY ACCOUNTS UNDER FINANCIAL REPORTING STANDARD 102 (FRS 102)

The Financial Reporting Council (the **FRC**) (the body responsible for setting UK standards for accounting, auditing and actuarial work) has published a suite of new financial reporting standards which replace UK GAAP in its entirety. Companies in the UK and Ireland are required to adopt this new accounting framework in their financial statements for periods commencing on or after 1 January 2015. Under this new framework, the Company and its subsidiary companies (the **Group**) will continue to prepare consolidated financial statements under EU-adopted International Financial Reporting Standards. The Directors have elected to present the Annual Report and Accounts of the Company under FRS 102 – the financial reporting standard applicable in the UK and the Republic of Ireland.

FRS 102 permits the financial statements of a company to be prepared under a reduced disclosure framework if it meets the definition of a qualifying entity. The Directors have considered the criteria required to apply the reduced disclosure framework and have satisfied themselves that the Company is eligible to adopt the reduced disclosure framework in respect of its accounts. For further details in respect of FRS 102 and the applicable disclosure exemptions, please refer to www.frc.org.uk.

The Directors believe that it is in the best interests of the Group for the Company to adopt the reduced disclosure framework within FRS 102 in respect of its financial statements for the year ended 31 March 2016, and in future years. It will reduce the burden and cost of the Company's statutory reporting obligations without adversely impacting the presentation of its financial position. Other UK premium listed companies have adopted the reduced disclosure framework and the Directors consider that no material disclosures will be omitted by applying the reduced disclosure framework.

The Company is required to notify shareholders of this matter in writing, and it will not be put to shareholders as a resolution at the AGM. If you do not object to the adoption by the Company of applicable disclosure exemptions under FRS 102, then no further action is necessary. A shareholder or shareholders holding in aggregate 5 per cent. or more of the total allotted shares in the Company may however serve on the Company objections to the adoption of such exemptions. Any such objections should be lodged in writing at the registered address of the Company (for the attention of the Company Secretary) so as to be received by not later than 6.00 pm on Monday, 15 August 2016.

DOCUMENTS ENCLOSED

The following documents are enclosed with this letter: a form of proxy (and prepaid envelope); and a shareholder admission document (please bring this with you to the AGM to ensure admission). The Annual Report and Accounts are now available to view and to download electronically from our website and have been circulated with this AGM notice.

ACTION TO BE TAKEN

Whether or not you propose to attend the AGM, please complete and submit the enclosed form of proxy in accordance with the instructions printed thereon.

If you would like to vote on the resolutions but will not be attending the AGM, you may appoint a proxy by completing and returning the enclosed form of proxy in accordance with the instructions printed on it. Forms of proxy should be returned so as to be received by the Company's registrar, Capita Asset Services (the **Registrar**), at PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF as soon as possible and in any event by no later than 3.00 pm on Monday, 12 September 2016. Alternatively, you may appoint a proxy electronically via www.capitashareportal.com by following the instructions on that website or, if you hold your shares in CREST, via the CREST system. Please note that all such electronic proxy appointments should also reach the Registrar **by no later than** 3.00 pm on Monday, 12 September 2016. Please also refer to Part IV of this circular, which explains your general rights as a shareholder in respect of the AGM and your right to attend and vote at it, or to appoint someone else to vote on your behalf.

If you hold your shares through a nominee service, please contact the nominee service provider regarding the process for giving voting instructions.

SHAREHOLDER HELPLINE

If you have any questions relating to this circular and the enclosed documents, please call the Registrar on the Company's shareholder helpline, 0871 664 0300 (calls cost 12p per minute plus your phone company's access charge. If you are outside the United Kingdom, please call +44 (0) 208 639 3399. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 am - 5.30 pm, Monday to Friday excluding public holidays in England and Wales). The shareholder helpline cannot give any financial, legal or tax advice.

Yours faithfully,

Peter Gyenes
Chairman

PART II – SOPHOS GROUP PLC NOTICE OF AGM

This year's AGM will be held at 3.00 pm on Wednesday, 14 September 2016 at The Pentagon, Abingdon Science Park, Abingdon, OX14 3YP. You will be asked to consider and pass the resolutions below. Resolutions 19 to 22 (inclusive) will be proposed as special resolutions. All other resolutions will be proposed as ordinary resolutions.

ORDINARY RESOLUTIONS

Resolution 1

To receive the Annual Report and Accounts.

Resolution 2

To receive and approve the Directors' remuneration policy set out on pages 53 to 59 of the Annual Report and Accounts, such Directors' remuneration policy to take effect from the date of this resolution.

Resolution 3

To receive and approve the annual report on Directors' remuneration set out on pages 59 to 65 of the Annual Report and Accounts.

Resolution 4

To declare a final dividend recommended by the Directors of 1.1 US cents per ordinary share for the financial year ended 31 March 2016, such dividend to be paid in pounds sterling on 14 October 2016 to shareholders on the register of members of the company at 7.00 pm on 16 September 2016.

Resolution 5

To re-elect Sandra Bergeron as director of the Company with effect from the end of the AGM.

Resolution 6

To re-elect Nick Bray as director of the Company with effect from the end of the AGM.

Resolution 7

To re-elect Edwin Gillis as director of the Company with effect from the end of the AGM.

Resolution 8

To re-elect Peter Gyenes as director of the Company with effect from the end of the AGM.

Resolution 9

To re-elect Kris Hagerman as director of the Company with effect from the end of the AGM.

Resolution 10

To re-elect Roy Mackenzie as director of the Company with effect from the end of the AGM.

Resolution 11

To re-elect Steve Munford as director of the Company with effect from the end of the AGM.

Resolution 12

To re-elect Salim Nathoo as director of the Company with effect from the end of the AGM.

Resolution 13

To re-elect Paul Walker as director of the Company with effect from the end of the AGM.

Resolution 14

To re-appoint KPMG LLP as the Company's auditors until the conclusion of the next general meeting of the Company at which accounts are laid.

Resolution 15

To authorise the audit and risk committee of the Company to agree the auditors' remuneration.

Resolution 16

That the Company and any company which is a subsidiary of the Company at the time this resolution is passed or becomes a subsidiary of the Company at any time during the period for which this resolution has effect be generally authorised to each:

- (a) make donations to political parties and independent election candidates;
- (b) make donations to political organisations other than political parties; and
- (c) incur political expenditure,

provided that such donations or expenditure made by the Company or a subsidiary of the Company shall not exceed £100,000 per company, and that the total amount of all such donations and expenditure made by all companies to which this authority relates shall also not exceed £100,000. This authority shall expire at the close of the next annual general meeting of the Company or 18 months from the date of this resolution (whichever is earlier). Words and expressions used in this resolution that are defined for the purpose of Part 14 of the Companies Act 2006 shall have the same meaning for the purpose of this resolution.

Resolution 17

That the Sophos Group 2015 Employee Share Purchase Plan (the **ESPP**) be amended to remove the maximum monthly contributions limit for participants while retaining the maximum annual contribution limit for each participant of \$25,000.

Resolution 18

That the Directors be generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 to:

(a) allot shares in the Company, and to grant rights to subscribe for or to convert any security into shares in the Company:

- (i) up to an aggregate nominal amount of £4,523,149; and
- (ii) comprising equity securities (as defined in the Companies Act 2006) up to an aggregate nominal amount of £9,046,298 (including within such limit any shares issued or rights granted under paragraph (i) above) in connection with an offer by way of a rights issue:
 - (A) to holders of ordinary shares in proportion (as nearly as may be practicable) to their existing holdings; and
 - (B) to people who are holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter,

for a period expiring (unless previously unconditionally renewed, varied or revoked by the Company pursuant to a resolution approved in general meeting) at the end of the next annual general meeting of the Company after the date on which this resolution is passed; and

- (iii) make an offer or agreement which would or might require shares to be allotted, or rights to subscribe for or convert any security into shares to be granted, after expiry of this authority and the Directors may allot shares and grant rights in pursuance of that offer or agreement as if this authority had not expired;

(b) that subject to paragraph (c), all existing authorities given to the Directors pursuant to section 551 of the Companies Act 2006 be revoked by this resolution; and

(c) that paragraph (b) shall be without prejudice to the continuing authority of the Directors to allot shares, or grant rights to subscribe for or convert any security into shares, pursuant to an offer or agreement made by the Company before the expiry of the authority pursuant to which such offer or agreement was made.

SPECIAL RESOLUTIONS

Resolution 19

That subject to the passing of resolution 18, the Directors be generally authorised to allot equity securities (as defined in the Companies Act 2006) for cash, pursuant to the authority conferred by resolution 18, and/or to sell ordinary shares held by the Company as treasury shares for cash, as if section 561(1) of the Companies Act 2006 did not apply to any such allotment or sale.

(a) Such authority shall be limited to:

- (i) the allotment of equity securities in connection with an offer of equity securities (but in the case of the authority granted under resolution 18(a)(ii) above, by way of rights issue only);
 - (A) to the holders of ordinary shares in proportion (as nearly as may be practicable) to their existing holdings; and
 - (B) to people who are holders of other equity securities, if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

- (ii) the allotment of equity securities or the sale of treasury shares (otherwise than in the case of resolution 19(a)(i) above) up to an aggregate nominal amount of £678,540,

PART II – SOPHOS GROUP PLC NOTICE OF AGM CONTINUED

and shall expire at the end of the next annual general meeting of the Company (or, if earlier, at the close of business on the date being fifteen months after the date of the AGM), but in each case prior to its expiry, the Company may make offers and enter into agreements which would or might require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

Resolution 20

That subject to the passing of resolution 18, the Directors be authorised in addition to any authority granted under resolution 19 above, to allot equity securities (as defined in the Companies Act 2006) for cash pursuant to the authority conferred by resolution 18, and/or sell ordinary shares held by the Company as treasury shares for cash, as if section 561(1) of the Companies Act 2006 did not apply to any such allotment or sale.

- (a) Such authority shall be limited to:
- (i) the allotment of equity securities or the sale of treasury shares up to an aggregate nominal amount of £678,540; 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 determine 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 (the **Statement of Principles**),

and shall expire at the end of the next annual general meeting of the Company (or, if earlier, at the close of business on the date being fifteen months after the date of the AGM), but in each case prior to its expiry, the Company may make offers and enter into agreements which would or might require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

Resolution 21

That the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of Section 693(4) of the Companies Act 2006) of its own ordinary shares, provided that:

- (a) the maximum number of ordinary shares authorised to be purchased is 45,236,013, representing just less than 10 per cent. of the shares in the capital of the Company as at 7 June 2016, the latest practicable date before publication of this document;
- (b) the minimum price which may be paid for an ordinary share shall not be less than the nominal value of the ordinary shares at the time of purchase (which amount shall be exclusive of expenses);
- (c) the maximum price which may be paid for an ordinary share is, in respect of an ordinary share contracted to be purchased on any day, the higher of:
 - (i) an amount (exclusive of expenses) equal to 105 per cent. of the average of the mid-market quotations for an ordinary share of the Company as derived from the Daily Official List of the London Stock Exchange for the five business days immediately preceding the day on which the ordinary share is contracted to be purchased; and
 - (ii) an amount (exclusive of expenses) equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share as derived from the London Stock Exchange Trading System (SETS);
- (d) the authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company following the passing of this resolution or 18 months from the date of this resolution (whichever is earlier), unless such authority is unconditionally renewed pursuant to a resolution taking effect prior to such time; and
- (e) the Company may conclude a contract to purchase ordinary shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after such expiry, and may make a purchase of ordinary shares in pursuance of any such contract as if the authority hereby conferred had not expired.

Resolution 22

That a general meeting of the Company, other than an annual general meeting, may be called on not less than 14 clear days' notice.

By order of the Board

D. Ari Buchler
Company Secretary

Sophos Group plc
The Pentagon
Abingdon Science Park
Abingdon
OX14 3YP
10 June 2016

PART III – EXPLANATORY NOTES TO THE NOTICE OF AGM

The notes on the following pages explain the proposed resolutions. Resolutions 1 to 18 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than 50 per cent. of the votes cast must be in favour of the resolution. Resolutions 19 to 22 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least 75 per cent. of the votes cast must be in favour of the resolution.

RESOLUTION 1: ADOPTION OF ANNUAL REPORT AND ACCOUNTS

The Directors must present the Annual Report and Accounts to shareholders at the AGM. The report of the Directors, the accounts, and the report of the Company's auditors on the accounts and on those parts of the Directors' remuneration report that are capable of being audited are contained within the Annual Report and Accounts.

RESOLUTIONS 2 AND 3: APPROVAL OF DIRECTORS' REMUNERATION POLICY AND ANNUAL REPORT ON DIRECTORS' REMUNERATION

The annual report on Directors' remuneration, which may be found on pages 59 to 65 of the Annual Report and Accounts, gives details of your Directors' remuneration for the year ended 31 March 2016. The Company's auditors, KPMG LLP, have audited those parts of the annual report on Directors' remuneration capable of being audited and their report may be found on pages 71 to 74 of the Annual Report and Accounts.

The Directors' remuneration policy, which may be found on pages 53 to 59 of the Annual Report and Accounts, sets out the Company's proposed policy on Directors' remuneration. A copy of the Directors' remuneration policy is also available on the Company's website.

The board considers that appropriate executive remuneration plays a vital part in helping to achieve the Company's overall objectives and, accordingly, and in compliance with applicable legislation, shareholders will be invited to approve the Directors' remuneration policy and annual report on Directors' remuneration.

The vote on the Directors' remuneration report is advisory in nature in that payments made or promised to Directors will not have to be repaid, reduced or withheld in the event that this resolution is not passed. In contrast, the vote on the Directors' remuneration policy is binding in nature in that the Company may not make a remuneration payment or payment for loss of office to a person who is, is to be, or has been a director of the Company unless that payment is consistent with the approved Directors' remuneration policy, or has otherwise been approved by a resolution of shareholders of the Company.

If resolution 2 is passed, the Directors' remuneration policy will take effect from the date of its adoption. A Directors' remuneration policy will be put to shareholders again no later than the annual general meeting at which the annual report and accounts of the Company for the year ended 31 March 2019 are laid. If resolution 3 in respect of the Directors' remuneration report is not passed, the policy will be presented to shareholders for approval at the next AGM.

RESOLUTION 4: DECLARATION OF FINAL DIVIDEND

A final dividend in respect of the financial year ended 31 March 2016 can only be paid by the Company after the shareholders at a general meeting have approved it. If approved, the dividend will be paid on 14 October 2016 to shareholders on the register of members of the Company at 7.00 pm on 16 September 2016.

RESOLUTIONS 5 TO 13: RE-ELECTION OF DIRECTORS WHO ARE RETIRING

Resolutions 5 to 13 propose the re-election of all Directors who are retiring in accordance with the articles of association of the Company and the UK Corporate Governance Code. The re-election of Directors will take effect at the conclusion of the AGM.

Biographical details of each of the Directors seeking re-election are given in the Appendix to this circular. Following the annual evaluation exercise conducted during the year, the board considers that each of the Directors proposed for re-election continues to make an effective and valuable contribution and demonstrates commitment to the role. The board is content that each independent non-executive director requesting re-election is independent in character and there are no relationships or circumstances likely to affect his or her character or judgment. Accordingly, the board unanimously recommends the re-election of the Directors.

RESOLUTIONS 14 AND 15: RE-APPOINTMENT OF AUDITORS AND AUDITORS' REMUNERATION

The auditors of a company must be re-appointed at each general meeting at which accounts are laid. Resolution 14 proposes the re-appointment of the Company's existing auditors, KPMG LLP until the conclusion of the next general meeting of the Company at which accounts are laid. Resolution 15 gives authority to the Directors to determine the auditors' remuneration.

RESOLUTION 16: AUTHORITY TO MAKE POLITICAL DONATIONS

It is not proposed or intended that the Company make political donations, within the normal meaning of that expression. However, it may be that some of the Company's activities may fall within the potentially wide definition of a political donation in the Companies Act 2006 and, without the necessary authorisation from its shareholders, the Company's ability to communicate its views effectively to political audiences and to relevant interest groups could be inhibited. Such activities may include briefings at receptions or conferences, when the Company seeks to communicate its views on issues vital to its business interests, including, for example, conferences of special interest groups.

PART III – EXPLANATORY NOTES TO THE NOTICE OF AGM CONTINUED

Accordingly, the Company believes that the authority contained in this resolution is necessary to allow it and its subsidiaries to fund activities which it is in the interests of shareholders that the Company should support. Such authority will enable the Company and its subsidiaries to be sure that they do not, because of any uncertainty as to the activities prohibited by the Companies Act 2006 without shareholder authorisation, unintentionally commit a technical breach of it. Any expenditure which may be incurred under authority of this resolution will be disclosed in next year's annual report.

This authority shall expire at the close of the next annual general meeting of the Company or 18 months from the date of this resolution (whichever is earlier).

RESOLUTION 17: AMENDMENT TO THE SOPHOS GROUP 2015 EMPLOYEE SHARE PURCHASE PLAN

The ESPP was adopted by the Directors on 11 June 2015. The ESPP is intended to permit the grant of options to US employees to purchase shares qualifying under section 423 of the US Internal Revenue Code of 1986. The ESPP includes a maximum annual contribution by each participant of US\$25,000 which is a limit set by the Internal Revenue Code of 1986. Rule 6.01(a) of the ESPP also includes a maximum monthly contribution for each participant which is “the US dollar equivalent of the maximum monthly contribution from time to time allowed under a savings-related share option scheme approved by the United Kingdom H.M. Revenue and Customs under the Income Tax (Earnings and Pension) Act 2003 (as amended from time to time)”, which is currently set at £500.

It is proposed that the ESPP is amended to remove the maximum monthly contributions in Rule 6.01(a) so that participants in the ESPP would only be subject to the US\$25,000 maximum annual contribution limit, in line with the relevant US laws.

A copy of the rules of the ESPP setting out the proposed amendments thereto is available for inspection at the registered office of the Company and at the offices of Freshfields Bruckhaus Deringer LLP, 65 Fleet Street, London EC4Y 1HS during usual business hours on any weekday (public holidays excepted) from the date of this notice until the conclusion of the AGM and will also be available for inspection at the AGM from at least 15 minutes before the adjournment of the AGM, until it ends.

RESOLUTION 18: AUTHORITY TO ALLOT SHARES

The Directors may only allot shares or grant rights to subscribe for, or convert any security into shares if authorised to do so by shareholders.

Paragraph (a)(i) of this resolution will, if passed, authorise the Directors to allot the Company's shares or grant rights to subscribe for, or convert any security into, shares in the Company up to a maximum nominal amount of £4,523,149, excluding treasury shares. This amount represents just less than 33.33 per cent. of the Company's existing issued ordinary share capital as at 7 June 2016, being the latest practicable date prior to publication of this notice of AGM. Paragraph (a)(ii) of this resolution authorises the Directors to allot, including the shares referred to in paragraph (a)(i) of this resolution, the Company's unissued shares up to an aggregate nominal amount of £9,046,298, excluding treasury shares. The aggregate amount represents just less than 66.66 per cent. of the Company's existing issued ordinary share capital as at 7 June 2016, (being the latest practicable date before publication of the notice of AGM) in connection with a pre-emptive offer to existing shareholders by way of a rights issue (with exclusions to deal with fractional entitlements to shares and overseas shareholders to whom the rights issue cannot be made due to legal and practical problems). This is in accordance with the most recent institutional guidelines published by the Investment Management Association.

This authority will expire (unless previously unconditionally renewed, varied or revoked) on the conclusion of the annual general meeting of the Company next year. The board has no current intention to exercise this authority, however it is considered prudent to maintain the flexibility that this authority provides. The Directors intend to renew this authority annually.

RESOLUTIONS 19 AND 20: DISAPPLICATION OF PRE-EMPTION RIGHTS

Under section 561(1) of the Companies Act 2006, if the Directors wish to allot ordinary shares, or grant rights to subscribe for, or convert securities into, ordinary shares, or sell treasury shares for cash (other than pursuant to an employee share scheme) they must in the first instance offer them to existing shareholders in proportion to their holdings. There may be occasions, however, when the Directors need the flexibility to finance business opportunities by the issue of shares without a pre-emptive offer to existing shareholders. This cannot be done under the Companies Act 2006 unless the shareholders have first waived their pre-emption rights.

Resolution 19 asks shareholders to waive their pre-emption rights and, apart from rights issues or any other pre-emptive offer concerning equity securities, the authority contained in this resolution will be limited to the issue of shares for cash up to an aggregate nominal value of £678,540, which represents just less than 5 per cent. of the Company's issued ordinary share capital as at 7 June 2016 (being the latest practicable date prior to the publication of this notice). This resolution seeks a disapplication of the pre-emption rights on a rights issue so as to allow the Directors to make exclusions or such other arrangements as may be appropriate to resolve legal or practical problems which, for example, might arise with overseas shareholders. The Directors intend to adhere to the provisions in the Statement of Principles and not, without prior consultation with shareholders, allot shares for cash on a non-pre-emptive basis pursuant to the authority conferred by resolution 19 in excess of an amount equal to 7.5 per cent. of the total issued ordinary share capital of the Company (excluding treasury shares) within a rolling three-year period.

Resolution 20 asks shareholders to waive their pre-emption rights in respect of the issue of shares for cash up to a further aggregate nominal value of £678,540 for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction that the Directors determine to be an acquisition or other capital investment of a kind contemplated in the Statement of Principles. If resolutions 19 and 20 are both passed by shareholders at the AGM, they will give the Directors authority to disapply pre-emption rights in respect of the issue of shares for cash up to an aggregate nominal value of £1,357,080, which represents just less than 10 per cent. of the Company's issued ordinary share capital as at 7 June 2016 (being the latest practicable date prior to the publication of this notice).

The Directors have no present intention of exercising the authorities conferred by resolutions 19 and 20.

Shareholders should note that these resolutions also relate to treasury shares and will be proposed as special resolutions.

If given, the authority conferred by these resolutions will expire at the conclusion of the next annual general meeting of the Company or, if earlier, at the close of business on the date being 15 months from the date of the AGM. The Directors intend to renew these authorities annually.

RESOLUTION 21: AUTHORITY TO PURCHASE OWN SHARES

The resolution authorises the Company to make market purchases of its own ordinary shares as permitted by the Companies Act 2006. The authority limits the number of shares that could be purchased to a maximum of 45,236,013 (representing just less than 10 per cent. of the issued share capital of the Company as at 7 June 2016, being the latest practicable date before publication of this document) and sets minimum and maximum prices. The Directors have no present intention of exercising the authority to purchase the Company's ordinary shares but will keep the matter under review, taking into account, amongst other things: market conditions; the cash reserves of the Company; the Company's share price; gearing levels; other investment opportunities; and the overall financial position of the Company. The authority will be exercised only if the Directors believe that to do so would result in an increase in earnings per ordinary share and be likely to promote the success of the Company for the benefit of its shareholders as a whole.

Any purchases of ordinary shares would be by means of market purchases through the London Stock Exchange. Any shares purchased under this authority may either be cancelled or held as treasury shares. Treasury shares may subsequently be cancelled, sold for cash or used to satisfy awards and options issued to employees pursuant to the Company's employee share schemes.

As at 7 June 2016 there were outstanding awards and options over 34,517,877 ordinary shares in the capital of the Company which represent 7.63 per cent. of the Company's issued ordinary share capital (excluding treasury shares) as at that date. If the authority to purchase the Company's ordinary shares was exercised or satisfied in full, such awards and options would represent 8.48 per cent. of the Company's issued ordinary share capital (excluding treasury shares). There were no warrants outstanding as at 7 June 2016.

The authority granted by this resolution will expire at the conclusion of the next annual general meeting of the Company or 18 months from the date of this resolution (whichever is earlier).

RESOLUTION 22: NOTICE OF GENERAL MEETINGS

The Companies Act 2006 sets the notice period required for general meetings of the Company at 21 days unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days. Resolution 22 seeks such approval. AGMs will continue to be held on at least 21 clear days' notice. It is intended that the shorter notice period would not be used as a matter of routine for such meetings but only where the flexibility is merited by the business of the meeting and is thought to be in the interests of shareholders as a whole. The Company undertakes to meet the requirements for electronic voting in the Companies Act 2006 before calling a general meeting on 14 clear days' notice. The Company is also required to meet any applicable requirements for electronic voting under the Companies (Shareholders' Rights) Regulations 2009 before it can call a general meeting on 14 days' notice. The approval granted by this resolution will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed. If given, the approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed.

PART IV – IMPORTANT NOTES

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

1. ATTENDING THE AGM IN PERSON

If you wish to attend the AGM in person, you should arrive at the venue for the AGM in good time to allow your attendance to be registered. It is advisable to have some form of identification with you as you may be asked to provide evidence of your identity to the Registrar prior to being admitted to the AGM.

2. ENTITLEMENT TO ATTEND AND VOTE

To be entitled to attend and vote at the AGM (and for the purpose of determining the votes they may cast), shareholders must be registered in the Company's register of members at 6.00 pm on Monday, 12 September 2016 (or, if the AGM is adjourned, at 6.00pm on the day being two business days before the date of the adjourned meeting). Changes to the register of members after the relevant deadline will be disregarded in determining the rights of any person to attend and vote at the AGM.

3. APPOINTMENT OF PROXIES

Shareholders are entitled to appoint one or more proxies to exercise all or any of their rights to attend, speak and vote at the AGM. A proxy need not be a shareholder of the Company but must attend the AGM to represent a shareholder. To be validly appointed, a proxy must be appointed using the procedures set out in these notes and in the notes to the accompanying form of proxy. If shareholders wish their proxy to speak on their behalf at the AGM, shareholders will need to appoint their own choice of proxy (not the chair of the AGM) and give their instructions directly to them.

Shareholders can only appoint more than one proxy where each proxy is appointed to exercise rights attached to different shares. Shareholders cannot appoint more than one proxy to exercise the rights attached to the same share(s). If a shareholder wishes to appoint more than one proxy, they should contact the Registrar by telephone on 0871 664 0300 (calls cost 12p per minute plus your phone company's access charge. If you are outside the United Kingdom, please call +44 (0) 208 639 3399. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 am- 5.30 pm, Monday to Friday excluding public holidays in England and Wales) or by logging on to www.capitashareportal.com.

A shareholder may instruct their proxy to abstain from voting on any resolution to be considered at the AGM by marking the 'Vote Withheld' option when appointing their proxy. It should be noted that a vote withheld is not a vote in law and will not be counted in the calculation of the proportion of votes 'For' or 'Against' the resolution.

The appointment of a proxy will not prevent a shareholder from attending the AGM and voting in person instead of the proxy if they wish. You must inform the Registrar in writing of any termination of the authority of a proxy.

A person who is not a shareholder of the Company but who has been nominated by a shareholder to enjoy information rights does not have a right to appoint any proxies under the procedures set out in these notes and should read note 10 below.

4. APPOINTMENT OF A PROXY USING A FORM OF PROXY

A form of proxy for use in connection with the AGM is enclosed. To be valid, a form of proxy or other instrument appointing a proxy, together with any power of attorney or other authority under which it is signed or a certified copy thereof, must be received by post or (during normal business hours only) by hand by the Registrar at PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF no later than 3.00 pm on Monday, 12 September 2016 (excluding non-working days) or 48 hours before any adjournment of the AGM.

If you do not have a form of proxy and believe that you should have one, or you require additional forms of proxy, please contact the Registrar.

5. APPOINTMENT OF A PROXY ONLINE

As an alternative to appointing a proxy using the form of proxy or CREST, shareholders can appoint a proxy online at: www.capitashareportal.com. In order to appoint a proxy using this website, shareholders will need their Investor Code. This information is printed on the form of proxy. If for any reason a shareholder does not have this information, they will need to contact the Registrar by telephone on 0871 664 0300 (calls cost 12p per minute plus your phone company's access charge. If you are outside the United Kingdom, please call +44 (0) 208 639 3399. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 am -5.30 pm, Monday to Friday excluding public holidays in England and Wales) before the time of the AGM or any adjournment of that meeting. To be valid, such appointment must be made no later than 3.00 pm on Monday, 12 September 2016 (excluding non-working days) or 48 hours before any adjournment of the AGM.

6. APPOINTMENT OF A PROXY THROUGH CREST

CREST shareholders who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual and by logging on to the following website: www.euroclear.com/CREST. CREST personal shareholders or other CREST sponsored shareholders, and those CREST shareholders who have appointed (a) voting 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.

In order for a proxy appointment or instruction made using the CREST service 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 instruction, as described in the CREST Manual (available by logging in at www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Registrar (ID RA10) no later than 3.00 pm on Monday, 12 September 2016 (excluding non-working days) or 48 hours before any adjournment of the AGM. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Registrar 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.

CREST shareholders and, where applicable, their CREST sponsors or voting service provider(s) 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 Instruction.

It is the responsibility of the CREST shareholder concerned to take (or, if the CREST shareholder is a CREST personal shareholder, or sponsored shareholder, or has appointed (a) voting service provider(s), to procure that their 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 shareholders 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 (as amended).

7. APPOINTMENT OF PROXY BY JOINT HOLDERS

In the case of joint holders, where more than one of the joint holders purports to appoint one or more proxies, only the purported appointment submitted by the most senior holder will be accepted. Seniority shall be determined by the order in which the names of the joint holders stand in the Company's register of members in respect of the joint holding.

PART IV – IMPORTANT NOTES CONTINUED

8. CORPORATE REPRESENTATIVES

Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers, provided that if two or more representatives purport to vote in respect of the same shares: if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way; and in other cases, the power is treated as not exercised.

9. VOTES TO BE TAKEN BY A POLL AND RESULTS

At the AGM all votes will be taken by a poll rather than on a show of hands. Poll cards will be issued on registration to those attending the AGM. The results of the polls will be announced by way of RNS and published on the Company's website as soon as reasonably practicable following conclusion of the AGM.

10. NOMINATED PERSONS

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, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

The statement of the rights of shareholders in relation to the appointment of proxies in paragraph 3 above does not apply to Nominated Persons. The rights described in that paragraph can only be exercised by shareholders of the Company.

11. WEBSITE GIVING INFORMATION REGARDING THE AGM

Information regarding the AGM, including information required by section 311A of the Companies Act 2006, and a copy of this notice of AGM may be found on our website: <https://investors.sophos.com>

12. AUDIT CONCERNS

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 a statement on a website setting out any matter relating to: the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid.

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 AGM includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

13. VOTING RIGHTS

As at 7 June 2016 (being the latest practicable date prior to the publication of this notice) the Company's issued share capital consisted of 452,360,141 ordinary shares of 3 pence each, carrying one vote each. No shares are held by the Company in treasury. Therefore, the total voting rights in the Company as at 7 June 2016 were 452,360,141 votes.

14. FURTHER QUESTIONS AND COMMUNICATION

Under section 319(a) of the Companies Act 2006, any shareholder attending the AGM has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if: to do so would interfere unduly with the preparation for the AGM or involve the disclosure of confidential information; the answer has already been given on a website in the form of an answer to a question; or it is undesirable in the interests of the Company or the good order of the AGM that the question be answered.

Shareholders who have any queries about the AGM should contact the Registrar by email at shareholder.services@capitaregistrars.com or by telephone on 0871 664 0300. Calls cost 12p per minute plus your phone company's access charge. If you are outside the United Kingdom, please call +44 (0) 208 639 3399. Calls outside the United Kingdom will be charged at the applicable international rate. We are open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales.

Shareholders may not use any electronic address or fax number provided in this notice or in any related documents (including the form of proxy) to communicate with the Company for any purpose other than those expressly stated.

15. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of the Company and at the offices of Freshfields Bruckhaus Deringer LLP, 65 Fleet Street, London EC4Y 1HS during usual business hours on any weekday (public holidays excepted) from the date of the notice of AGM until the conclusion of the AGM and will also be available for inspection at the AGM venue from at least 15 minutes before adjournment of the AGM, until it ends:

- a copy of this circular;
- a copy of the Company's articles of association;
- copies of the service contracts or letters of appointment of the Directors;
- the Annual Report and Accounts; and
- a copy of the ESPP (showing the proposed amendments thereto).

16. MEMBERS' RESOLUTIONS AND MATTERS UNDER SECTIONS 338 AND 338A OF THE COMPANIES ACT 2006

Under sections 338 and 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 to be moved at the AGM and/or (ii) to include in the business to be dealt with at the AGM any matter (other than a proposed resolution) which may be properly included in the business unless (a) (in the case of a resolution only) it would, if passed, be ineffective, (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 3.00 pm on Wednesday, 3 August 2016, being the date six 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.

APPENDIX

BIOGRAPHIES OF THE DIRECTORS SEEKING RE-ELECTION

Peter Gyenes

Chairman

Peter Gyenes joined the Sophos Board in 2006, bringing experience with corporate growth and value creation to our vision for integrated threat management leadership. Peter was most recently the Chairman and Chief Executive Officer of Ascential Software Corporation, until its acquisition by IBM in April 2005. He brings to Sophos four decades of experience in technical, sales, marketing and general management positions within the computer systems and software industry in the Americas, Europe and Asia/Pacific. Peter has a bachelor's degree in mathematics and an MBA from Columbia University in New York. He serves on the Boards of Intralinks Holdings Inc., Pegasystems Inc., RealPage Inc., Carbonite Inc., Epicor Software Corporation and the Massachusetts Technology Leadership Council (Trustee Emeritus).

Kris Hagerman

Chief Executive Officer

Kris Hagerman joined Sophos in 2012 as CEO; he is responsible for all aspects of Sophos' strategic direction and business operations. Prior to Sophos, Kris was CEO of Corel Corporation. Previously, Kris served as group president, data centre management at Symantec, where he led a business of more than \$1.5 billion that represented nearly 30 percent of Symantec's global revenue. Prior to Symantec, Kris was executive vice president and GM, storage and server management at Veritas Software where during his tenure, the company grew from \$1 billion in revenue to more than \$2 billion, prior to its acquisition by Symantec. Earlier in his career, Kris was founder and CEO of BigBook, an online yellow pages service and founder and CEO of Affinia, an online contextual advertising network. Kris also held positions at Silicon Graphics and McKinsey & Company. Kris has a bachelor's degree in Russian and economics from Dartmouth College, an M.Phil. in international relations from Cambridge University, and an MBA from the Stanford Graduate School of Business.

Nick Bray

Chief Financial Officer

Nick Bray joined Sophos as Chief Financial Officer in 2010 having worked in the technology sector for over 20 years. Nick has extensive international operational skills combined with significant public company experience, having previously been the CFO of listed companies on both the London Stock Exchange and Nasdaq. He has successfully accelerated organic growth both at Sophos and prior organisations through acquisition, having now acquired and integrated in excess of ten companies, funding for these transactions being raised in both the UK and US debt markets. Before joining Sophos, Nick was Group CFO at Micro Focus International plc, where he was instrumental in the company tripling revenue and increasing market capitalisation from circa £200 million to in excess of £1 billion. Nick has also held Group CFO roles at Fibernet Group plc and Gentia Software plc, as well as senior financial positions at Comshare Inc. and Lotus Software. Nick has a first class bachelor's degree in civil engineering from Aston University, UK, and is a qualified chartered accountant having trained with PwC.

Sandra Bergeron

Independent Non-Executive Director

Sandra Bergeron joined in 2010. She has previously served as a director of Tipping Point, Netegrity, Nuance Communications, TriCipher, and ArcSight, until their acquisitions. During a ten-year career at McAfee, Inc Sandra held a number of key executive positions, including head of research and development, head of corporate strategy, and president of PGP Security. Sandra holds an MBA from Xavier University in Cincinnati, Ohio and a bachelor's in business administration (Cum Laude) from Georgia State University. Sandra serves as a Director of F5 Networks, Inc. and Qualys Inc.

Edwin Gillis

Independent Non-Executive Director

Edwin Gillis joined in 2009. He is currently a Director and Chairman of the Audit Committee of AppNexus, LogMeIn, Sprinklr, and Teradyne Corporation. He has held senior roles at Symantec Corporation, Veritas Software, Parametric Technology and Lotus Development Corporation, and spent 15 years with Coopers & Lybrand as a CPA and general practice partner. Edwin has a bachelor's degree in government from Clark University in Massachusetts, a master's degree in international relations from the University of Southern California and an MBA from Harvard Business School.

Roy Mackenzie**Non-Executive Director**

Roy Mackenzie joined in 2010. He joined Apax Partners in 2003 and is a partner in the technology and telecom team. Previously, Roy worked at McKinsey & Company, Inc., focusing on consulting clients in the high technology sector and also held product management positions at Psion Computers. While at Apax, Roy worked on a number of investments including NXP Semiconductors, and King.com. He holds an MBA from Stanford Graduate School of Business and a master's degree in engineering from Imperial College, London. Roy is currently also a Director of Epicor Software Corporation and Exact Holdings NV.

Steve Munford**Non-Executive Director**

Steve Munford served as Sophos' CEO from 2006 to 2012, he led the company through a period of dramatic growth, more than tripling billings. Prior to his role as CEO, Steve was President of Sophos for North America and then became COO, responsible for the day-to-day running of the company and its senior management team. Previously, he was President of ActiveState before its acquisition by Sophos. Under his leadership, ActiveState established itself as a global leader in email security software. Steve has a bachelor's degree in economics from the University of Western Ontario and has an MBA from Queen's University, Ontario. Steve is also a Director of Actenum, Alert Logic, Carbonite Inc., Teradici, Elastic Path, Quick Mobile and Utimaco Inc.

Salim Nathoo**Non-Executive Director**

Salim Nathoo joined in 2010. He is a partner and co-head of Apax Partners' technology and telecom team. He joined Apax Partners in 1999 and has been involved in a variety of technology focussed investments including Evry, Global Logic, Orange Switzerland, iGATE, Weather Investments, Tim Hellas, and SMART Technologies. Before he joined Apax Partners, Salim worked at McKinsey & Company, Inc., where he focused extensively on telecommunications. Salim also held sales, marketing and technical positions at NYNEX CableComms Ltd. and IBM. He earned a master's degree in mathematics from St. John's College, Cambridge and an MBA from INSEAD. Salim currently serves on the Boards of Evry ASA and Global Logic.

Paul Walker**Senior Independent Director**

Paul Walker joined in 2015. Paul brings more than 30 years of technology and senior leadership experience to the Board of Sophos, having served for 16 years as Chief Executive Officer of Sage Group plc., a leader in business solutions for small and medium businesses. Paul has previously served on the Boards of Diageo plc., My Travel Group plc. and Ernst & Young. Paul qualified as a Chartered Accountant with Ernst & Young, having graduated from York University with a degree in economics. Paul is currently Non-Executive Chairman of Perform Group Ltd and Non-Executive Chairman of Halma plc. He is also a Non-Executive Director for WANDisco plc. and Experian plc and serves on the Boards of Epicor Software Corporation and Newcastle Science City Partnership.

SOPHOS

SOPHOS GROUP PLC

(incorporated and registered in England and Wales under number 09608658)

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