

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISOR AUTHORISED PURSUANT TO THE FINANCIAL SERVICES AND MARKETS ACT 2000 IMMEDIATELY. IF YOU HAVE SOLD OR TRANSFERRED ALL OF YOUR ORDINARY SHARES IN STHREE PLC PLEASE SEND THIS DOCUMENT, TOGETHER WITH THE OTHER ACCOMPANYING DOCUMENTS, AT ONCE TO THE PURCHASER OR TRANSFEREE, OR TO THE STOCKBROKER, BANK OR OTHER AGENT THROUGH WHOM THE SALE OR TRANSFER WAS EFFECTED FOR TRANSMISSION TO THE PURCHASER OR TRANSFEREE.



Registered Office:

41-44 Great Windmill Street
London
W1D 7NB

Registered in England No. 3805979

30 January 2009

Dear Shareholder

ANNUAL GENERAL MEETING 2009

I am pleased to inform you that our fourth Annual General Meeting (“**AGM**”) following the Company’s flotation is to be held at Home House, 20 Portman Square, London W1H 6LW on Friday, 24 April 2009 at 11.30am. The formal notice of the AGM, particulars of the resolutions on which you can vote and details of the administrative arrangements we have made for the AGM are set out in this circular.

If you are not able to come to the AGM in person, your vote is still important and I would urge you to complete, sign and return the accompanying proxy form to be received by 11.30am on Wednesday, 22 April 2009. Submission of a proxy appointment will not prevent you from attending and voting at the AGM in person should you wish to do so.

Your Directors believe that all the proposed resolutions are in the best interests of the Company and its shareholders as a whole and unanimously recommend you to vote in favour of all the resolutions set out in the attached notice as they intend to do in respect of their own shareholdings.

This year, in line with our CSR policy, we are offering shareholders the opportunity to register to receive communications by email. The Board are keen to encourage the use of this service and, if it is of interest, you can find further information in Note 5 to the Explanatory Notes of this document.

Yours sincerely

A handwritten signature in black ink that reads 'Tony Cleaver'.

Sir Anthony Cleaver
Chairman

NOTICE OF 2009 ANNUAL GENERAL MEETING OF STHREE PLC

This document lists the resolutions to be voted on at the Company's Annual General Meeting to be held on Friday, 24 April 2009 at 11.30am.

Notice is hereby given that the Annual General Meeting of SThree plc will be held at Home House, 20 Portman Square, London W1H 6LW on Friday, 24 April 2009 at 11.30am to consider the following resolutions:

Resolutions 15 to 17 (inclusive) will be proposed as special resolutions. All other resolutions will be proposed as ordinary resolutions.

ORDINARY RESOLUTIONS

Resolution 1

THAT the Accounts for the financial year ended 30 November 2008, together with the Directors' and Auditor's reports thereon, be received.

Resolution 2

THAT a final dividend of 8.0p per ordinary share be declared and paid on 8 June 2009, to shareholders on the register of members as at the close of business on 1 May 2009.

Resolution 3

THAT the Directors' Remuneration Report for the financial year ended 30 November 2008 be received and approved.

Resolution 4

THAT Sir Anthony Cleaver be re-elected as a Director of the Company.

Resolution 5

THAT Mr Gary Elden be elected as a Director of the Company.

Resolution 6

THAT Mr Alex Smith be elected as a Director of the Company.

Resolution 7

THAT Mr Nadhim Zahawi be elected as a Director of the Company.

Resolution 8

THAT PricewaterhouseCoopers LLP be re-appointed as Auditors of the Company to hold office until the conclusion of the next general meeting at which accounts are laid.

Resolution 9

THAT the Directors be authorised to determine the remuneration of the Auditors.

Resolution 10

THAT:

- (i) the Company and those companies which are subsidiaries of the Company at any time during the period for which this resolution has effect be and is hereby authorised for the purposes of Part 14 of the Companies Act 2006 (the “**Act**”) during the period from the date of the passing of this resolution to the earlier of the conclusion of the Company’s Annual General Meeting in 2010 and 24 July 2010:
 - (a) to make political donations to political parties, and/or independent election candidates;
 - (b) to make political donations to political organisations other than political parties; and
 - (c) to incur political expenditure,up to an aggregate amount of £50,000, and the amount authorised under each of paragraphs (a) to (c) shall also be limited to such amount;
- (ii) all existing authorisations and approvals relating to political donations or expenditure under Part 10A of the Companies Act 1985 are hereby revoked without prejudice to any donation made or expenditure incurred prior to the date hereof pursuant to such authorisation or approval; and
- (iii) words and expressions defined for the purpose of the Act shall have same meaning in this resolution.

Resolution 11

THAT:

- (i) the Company be and is hereby authorised to offer employees of the Company and its subsidiaries the opportunity to purchase shareholdings in certain of the Company's subsidiaries as detailed in, and on the terms set out in, Part A of the Appendix accompanying this notice of Annual General Meeting; and
- (ii) the proposed amendment to the terms on which offers may be made in respect of subsidiaries previously approved by shareholders, namely the persons who are eligible to acquire shares in the relevant subsidiary as detailed in and on the terms set out in Part A of the Appendix, be and is hereby approved.

Resolution 12

THAT:

- (a) the SThree plc Savings-Related Share Option Scheme (the ‘SAYE Scheme’), a summary of the principal features of which is set out in Part B of the Appendix to this Notice, be and is hereby approved and the directors be and are hereby authorised to do all acts and things necessary to establish and carry the SAYE Scheme into effect, including establishing similar plans for the benefit of employees overseas based on the SAYE Scheme subject to such modifications as may be necessary or desirable to take account of overseas securities laws, exchange control and tax legislation (provided that any shares made available under such similar plans shall be treated as counting against any limits in the SAYE Scheme); and
- (b) the directors be and are hereby authorised to vote and be counted in the quorum on any matter connected with the SAYE Scheme (except that no director may vote or be counted in the quorum in respect of his own participation) and any prohibition on voting contained in the Articles of Association of the Company be and is hereby relaxed accordingly.

Resolution 13

THAT:

- (a) the SThree plc Share Incentive Plan (the 'SIP'), a summary of the principal features of which is set out in Part C of the Appendix to this Notice, be and is hereby approved and the directors be and are hereby authorised to do all acts and things necessary to establish and carry the SIP into effect, including establishing similar plans for the benefit of employees overseas based on the SIP subject to such modifications as may be necessary or desirable to take account of overseas securities laws, exchange control and tax legislation (provided that any shares made available under such similar plans shall be treated as counting against any limits in the SIP); and
- (b) the directors be and are hereby authorised to vote and be counted in the quorum on any matter connected with the SIP (except that no director may vote or be counted in the quorum in respect of his own participation) and any prohibition on voting contained in the Articles of Association of the Company be and is hereby relaxed accordingly.

Resolution 14

THAT the authority conferred on the Directors by Article 9.2 of the Articles of Association of the Company be and is hereby renewed for the period ending on 24 July 2010 or, if earlier, at the conclusion of the Company's Annual General Meeting in 2010 and that for such period the Section 80 Amount shall be £405,794.

SPECIAL RESOLUTIONS

Resolution 15

THAT the power conferred on the Directors by Article 9.3 of the Articles of Association of the Company be and is hereby renewed for the period ending on 24 July 2010 or, if earlier, at the conclusion of the Company's Annual General Meeting in 2010 and that for such period the Section 89 Amount shall be £60,869.

Resolution 16

THAT the Company be and is hereby unconditionally and generally authorised for the purposes of Section 166 of the Companies Act 1985 to make market purchases, as defined in Section 163 of that Act, of ordinary shares of 1p each in the capital of the Company ("**Ordinary Shares**"), and where such shares are held in treasury, the Company may use them for the purpose of its employees' share schemes, provided that:

- (a) the maximum number of Ordinary Shares that may be purchased is 12,173,827;
- (b) the minimum price (exclusive of expenses) which may be paid for each Ordinary Share is 1p;
- (c) the maximum price (exclusive of expenses) that may be paid for each Ordinary Share shall be no more than the higher of: (i) the amount equal to 105 per cent. of the average of the middle market quotations of the Ordinary Shares as derived from the London Stock Exchange Daily Official list for the five business days immediately preceding the day on which such Ordinary Share is contracted to be purchased; and (ii) the higher of the price of the last independent trade and the highest current bid as stipulated by Article 5(1) of Commission Regulation (EC) 22 December 2003 implementing the Market Abuse Directive as regards exemptions for buy-back programmes and stabilisation of financial instruments (No 2273/2003); and
- (d) this authority shall, unless previously varied, revoked or renewed, expire on 24 July 2010 or, if earlier, at the conclusion of the Company's Annual General Meeting in 2010, save that the Company shall be entitled under such authority to make at any time before such expiry any contract to purchase its own shares which will or might be executed wholly or partly after such expiry.

Resolution 17

THAT a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

By order of the Board

Steve Hornbuckle
Company Secretary

30 January 2009
41-44 Great Windmill Street
London W1D 7NB

Notes

- 1.** A member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at the Annual General Meeting. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.
- 2.** A form of proxy is enclosed. The appointment of a proxy will not prevent a member from subsequently attending and voting at the meeting in person.
- 3.** To be effective the instrument appointing a proxy, and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority), must be sent to the Company's Registrars, Capita Registrars, in accordance with the instructions on the form of proxy, so as to arrive no later than 48 hours before the time for holding the meeting or any adjournment of it or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, or (b) lodged using the CREST Proxy Voting Service – see Note 8 below.
- 4.** The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the company in accordance with section 146 of the Companies Act 2006 ("**nominated persons**"). Nominated persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.
- 5.** Holders of ordinary shares are entitled to attend and vote at general meetings of the Company. On a vote by show of hands every member who is present has one vote and every proxy present who has been duly appointed by a member entitled to vote has one vote. On a poll vote every member who is present in person or by proxy has one vote for every ordinary share of which he is the holder.
- 6.** As at 30 January 2009 (being the latest practicable date before the publication of this Notice) the Company's issued share capital consists of 121,738,276 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 30 January 2009 are 121,738,276
- 7.** CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournment of the meeting) by following the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members (and those CREST members who have appointed a voting service provider) should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
- 8.** In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or 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 issuer's agent (ID RA10) by the latest time(s) for receipt of proxy appointments specified in Note 3 above. 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 Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to a proxy appointed through CREST should be communicated to him by other means.
- 9.** CREST members (and, where applicable, their CREST sponsors or voting service providers) should note that CRESTCo does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) 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 members (and, where applicable, their CREST sponsors or voting service providers) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- 10.** 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.

1 Explanatory Notes

Resolutions 1 to 14 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 15 to 17 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

1.1 Reports and Accounts (Resolution 1)

The Directors of the Company must present the accounts to the AGM.

1.2 Payment of a Final Dividend (Resolution 2)

A final dividend can only be paid after the shareholders at a General Meeting have approved it. A final dividend of 8.0p per ordinary share is recommended by the Board for payment to shareholders on the register of members at the close of business on 1 May 2009. If approved, the date of payment of the final dividend will be 8 June 2009.

1.3 Directors' Remuneration Report (Resolution 3)

The Directors' Remuneration Report in the Annual Report and Accounts for the year ended 30 November 2008 sets out the Company's policy towards, and provides details of, the Directors' remuneration.

1.4 Re-election and election of Directors (Resolutions 4 to 7)

The Company's Articles of Association require that all Directors retire at least every three years and that all Directors appointed by the Board (since the last Annual General Meeting) seek election at the first Annual General Meeting following their appointment. Accordingly, Sir Anthony Cleaver, who has held office since July 2000 (and who was last re-appointed on 29 March 2006), retires and submits himself for re-election for a further year, whilst Mr Gary Elden, Mr Alex Smith and Mr Nadhim Zahawi, who were appointed as Directors since the last AGM, will retire and submit themselves for election by shareholders.

Sir Anthony will have been STthree Chairman for some nine years as at July 2009 and the Board believe that this proposal should be supported for the following reasons:

- The appointment will be for a further year only, during which the Board will effect a smooth handover to a new Chairman;
- Sir Anthony is well regarded by investors generally and the Board believe that he is performing well, sound in his judgements and remains independent;
- The Board and its advisors see value in continuity, particularly in the current uncertain phase of the economy. Although the Executive Directors are far from inexperienced in managing the Company through an economic downturn, Sir Anthony has many more years' valuable experience in steering companies through such difficult periods.

The biographies of those Directors retiring at the AGM who wish to seek re-election or election are as follows:

Chairman

Sir Anthony Cleaver (age 70) has served as STthree's Non-Executive Chairman since July 2000 and sits on the STthree Nomination Committee. He spent the majority of his career with IBM, where he served as European Vice-President of Marketing and Chairman and Chief Executive in the United Kingdom. Sir Anthony has also served as Chairman of the Nuclear Decommissioning Authority, IX Europe plc, United Kingdom Atomic Energy Authority, AEA Technology plc, General Cable plc, and the Medical Research Council, and as a Non-Executive Director of General Accident, Lockheed Martin UK Limited and Smith & Nephew plc. He currently serves as Chairman of the Engineering and Technology Board and Novia Financial plc. Sir Anthony was President of the Chartered Management Institute.

Chief Development Officer

Gary Elden (age 41) was appointed to the Board in July 2008, having been with the Group since 1990, when he joined Computer Futures. He has held a number of senior positions, including that of founding Managing Director of Huxley Associates. In his role as Chief Development Officer, he has special responsibility for the expansion of the Group's international operations and non-ICT disciplines.

Chief Financial Officer

Alex Smith (age 43) joined SThree in May 2008, having held a number of senior financial and operational roles in the leisure and retail sectors. Most recently he held the position of Integration Finance Director at TUI Travel PLC, the company formed through the merger of First Choice Holidays plc and the tourism businesses of TUI AG. Prior to this he was Finance Director of First Choice's UK Mainstream business, at WH Smith plc, as Managing Director of its Travel Retail business and held senior financial roles at Travelodge and Forte PLC. Alex has a degree in Economics from Durham University and is an Associate of the Institute of Chartered Accountants in England & Wales.

Non-Executive Director

Nadhim Zahawi (age 41) was appointed to the SThree Board and to the Remuneration and Audit Committees in May 2008. Nadhim is CEO and co-founder of YouGov plc, a leading International online market research agency. He was previously European marketing director at Smith & Brooks, with responsibility for marketing brands such as Warner Bros, Disney and Barbie, after stepping down as a councillor of the London Borough of Wandsworth, a post he had held since 1994, in which he worked on public-sector consultation, planning, social services and research within local government. Nadhim was previously a director at Allen Hinckley, the property rights licensing group, Marketing Director at Global Inc, a supplier to major retailers, and a Conservative Party candidate in the 1997 General Election. Nadhim is a patron of the Genesis Initiative and Peace One Day.

Having considered the performance of and contribution made by each of the Directors standing for re-election or election, the Board remains satisfied that each of the relevant Directors performs effectively and demonstrates full commitment to their individual role, including the appropriate commitment of time for Board and Committee meetings and other duties required, and as such, recommends their re-election or election.

1.5 Re-appointment and Remuneration of Auditors (Resolutions 8 and 9)

Resolutions 8 and 9 propose the re-appointment of PricewaterhouseCoopers LLP as Auditors of the Company and authorise the Directors to set their remuneration. The board, on the recommendation of the Audit Committee, recommends the re-election of PricewaterhouseCoopers LLP, as auditors, to hold office until the next general meeting at which accounts are laid.

1.6 Authority to make donations to EU political organisations to incur EU political expenditure (Resolution 10)

The Companies Act 1985 required companies to obtain shareholders' authority for donations to registered political parties and other political organisations totalling more than £5,000 in any twelve month period, and for any political expenditure, subject to limited exceptions. The definition of donation in this context was very wide and extended to bodies such as those concerned with policy review, law reform and the representation of the business community. It could also have included special interest groups, such as those involved with the environment, which the Company and its subsidiaries might wish to support, even though these activities are not designed to support or influence support for a particular party.

The relevant provisions of the Companies Act 1985 have been replaced by similar provisions in Part 14 of the Companies Act 2006 with effect from 1 October 2007. Consequently, the terms of this year's resolution have been adjusted to reflect the different technical requirements of Part 14 of the 2006 Act.

It remains the policy of the Company not to make political donations or incur political expenditure as those expressions are normally understood. However, the directors consider that it is in the best interests of shareholders for the Company to participate in public debate and opinion-forming on matters which affect its business. To avoid inadvertent infringement of the Companies Act 2006,

the directors are seeking shareholders' authority for the Company and its UK subsidiaries to make political donations and to incur political expenditure during for the period from the date of the passing of this resolution to the earlier of the conclusion of the Company's Annual General Meeting in 2010 and 24 July 2010, up to a maximum aggregate amount of £50,000.

1.7 New authority to offer employees minority shareholdings in certain of the Company's subsidiaries (Resolution 11)

Shareholders are asked to approve the creation of new employee minority shareholdings in certain of the Company's subsidiaries as detailed in, and on the terms set out in, Part A of the Appendix and to approve one change to the terms on which employee minority shareholdings previously approved by shareholders may be made available, as detailed also in Part A of the Appendix.

1.8 Approval of the SThree plc Savings-Related Share Option Scheme (Resolution 12)

This resolution seeks shareholder approval to establish an all-employee savings-related share option scheme (the 'SAYE Scheme'). This will promote share ownership amongst all employees of the Company. The SAYE Scheme is designed to benefit from favourable tax treatment in the UK. A full summary of the principal terms of the SAYE Scheme is set out in Part B of the Appendix to the Notice.

1.9 Approval of the SThree plc Share Incentive Plan (Resolution 13)

This resolution seeks shareholder approval to establish a Share Incentive Plan (the 'SIP'). This will promote share ownership amongst all employees of the Company. The SIP is designed to benefit from favourable tax treatment in the UK. A full summary of the principal terms of the SIP is set out in Part C of the Appendix to the Notice.

1.10 Directors' authority to allot securities (Resolution 14)

The Directors wish to renew the Company's authority to allot unissued shares in the share capital of the Company. The Directors have no present intention to exercise this authority, however, it is considered prudent to maintain the flexibility that this authority provides. This resolution authorises the Directors to allot relevant securities up to an aggregate nominal value of £405,794 (the amount shown as the Section 80 Amount in Resolution 14) during the 15 months from the date of the resolution or, if earlier, up to the conclusion of the next Annual General Meeting of the Company in 2010. This amounts to approximately one-third of the issued ordinary share capital of the Company as at the date of the Notice of AGM. The Company did not hold any treasury shares at the date of the Notice of AGM.

1.11 Disapplication of pre-emption rights (Resolution 15)

Under Section 89(1) of the Companies Act 1985, if the Directors wish to allot any of the unissued shares or grant rights over shares or sell treasury shares for cash (other than pursuant to an employee share scheme) they must first offer them to existing shareholders in proportion to their holdings. There may be occasions, however, when the Directors will need the flexibility to finance business opportunities by the issue of ordinary shares without a pre-emptive offer to existing shareholders. This cannot be done under the Companies Act 1985 unless the shareholders have first waived their pre-emption rights and that is what this resolution proposes. The authority will be limited to the issue of shares for cash up to a maximum aggregate nominal value of £60,869 which is equivalent to approximately 5 per cent. of the Company's issued ordinary share capital as at the date of the Notice of AGM.

If given, the authority will expire 15 months from the date of the AGM or, if earlier, at the conclusion of the next Annual General Meeting of the Company in 2010. Shareholders will note that this resolution will also apply to the sale of any shares held in treasury by the Company.

In accordance with the guidelines of the institutional investment committees, the Directors do not intend to issue more than 7.5% of the Company's issued share capital on a non pre-emptive basis in any three-year period.

1.12 Authority to purchase own shares (Resolution 16)

In certain circumstances, it may be advantageous for the Company to purchase its own shares and Resolution 16 seeks the authority from shareholders to do so. The Company has made various market purchases of its ordinary shares for cancellation during the year, as detailed within the Annual Report and Accounts. As is required, such purchases will only be made if the Directors believe, in the light of market conditions prevailing at the time, that the effect of such purchases will be to increase earnings per share and is in the best interest of the shareholders generally or if the Company decides to satisfy options granted under the Company's Executive Share Option Scheme or Long Term Incentive Plan ('LTIP') through acquiring ordinary shares in the market to transfer to option or award holders upon exercise of their options, or vesting and the Directors are satisfied that this would be in the best interests of the Company taking into account cash resources, capital requirements and the effect of any such purchase on gearing levels. Any shares purchased by the Company will, unless the Directors determine that they are to be held as treasury shares for the purpose of satisfying employee share options, awards or otherwise, be cancelled and the number of shares in issue will be reduced accordingly.

The Companies Act 1985 allows companies to hold shares acquired by way of market purchase in treasury, rather than having to cancel them. The Company is entitled to hold any of its own shares that it purchases pursuant to the authority conferred by this resolution as treasury shares as an alternative to cancelling them. This would give the company the ability to re-issue such treasury shares quickly and cost effectively, and would provide the Company with additional flexibility in the management of its capital base. No dividends will be paid on any shares held in treasury and no voting rights will be exercisable in respect of treasury shares.

The resolution explicitly authorises the Company to use any shares purchased and held in treasury for the purposes of satisfying options granted under the Company's Executive Share Option Scheme or LTIP. If any shares were used in this way, the Company would take them into account when calculating the limits on the number of shares which may be issued under the Scheme(s).

The resolution specifies the maximum number of ordinary shares that may be acquired (approximately 10 per cent. of the Company's issued ordinary share capital as at the date of the Notice of AGM) and the maximum and minimum prices at which they may be bought. The price for such purchases shall not exceed the higher of 105 per cent. of the average of the middle market quotations as derived from the London Stock Exchange Daily Official List for the five business days before each purchase, the price of the last independent trade in the shares on the London Stock Exchange at the time of the purchase and the highest current independent bid for the Company's ordinary shares on the London Stock Exchange at the time of the purchase.

Resolution 16 will be proposed as a special resolution to provide the Company with the necessary authority. If given, this authority will expire 15 months from the date of the AGM or, if earlier, at the conclusion of the next Annual General Meeting of the Company in 2010.

The total number of options to subscribe for equity shares outstanding at the date of the Notice of AGM is equivalent to 21,500 shares. This represents below 0.1 per cent. of the issued share capital at that date. There are outstanding other employee options and awards but the SThree Employee Share Ownership Trust has agreed to satisfy these. If the Company bought back the maximum number of shares permitted pursuant to the passing of this resolution and cancelled them, then the total number of options and awards to subscribe for equity shares outstanding at that date would still represent below 0.1 per cent. of the issued share capital, as reduced, following those repurchases. At the date of the Notice of AGM, there are no warrants to subscribe for ordinary shares outstanding and no ordinary shares held in treasury.

1.13 Notice period for General Meetings (Resolution 17)

At last year's AGM, new articles of association were adopted which include a provision enabling general meetings other than AGMs of the Company to be called on at least 14 days' notice, the minimum notice period permitted by the Companies Act 2006 (the "2006 Act"). The 2006 Act provisions relating to general meetings are due to be amended no later than August 2009, as a result of the implementation in the UK of the EU Shareholder Rights Directive (the "Directive"). The UK Government is still consulting on the precise detail of the amendments that are to be made

and it is not expected that it will publish the final form of the relevant implementing regulations until Spring 2009.

The Directive will increase the minimum notice period on which listed companies may call general meetings to at least 21 days. However, companies will be able to reduce this period to at least 14 days for general meetings other than AGMs, provided that certain conditions are satisfied. One such condition is that a resolution reducing the period of notice for general meetings other than AGMs to 14 days has been passed at the immediately preceding AGM of the company or at a general meeting held since the immediately preceding AGM. The resolution must be passed notwithstanding that the company's articles of association permit the company to call general meetings other than AGMs on a notice period of at least 14 days.

The Board considers it prudent to continue to maintain the Company's current flexibility to call general meetings other than AGMs on 14 days' notice after the Directive is implemented in August 2009. Consequently, Resolution 17 is proposed as a resolution which would satisfy the condition required by the Directive, as noted above.

2 Documents for Inspection

Copies of the following documents will be available for inspection during normal business hours at the Company's registered office from the date of the Notice of AGM to the close of the AGM and at the place of the AGM from 15 minutes prior to its commencement until its conclusion:

- the Executive Directors' service contracts;
- letters of appointment of the Non-Executive Directors;
- copies of the standard form Articles of Association for subsidiary companies in which employees will be invited to acquire different types of ordinary shares;
- the rules of the SThree plc Savings-Related Share Option Scheme; and
- the rules and trust deed of the SThree plc Share Incentive Plan.

3 Entitlement to Attend and Vote and Multiple Proxies and Corporate Representatives

Entitlement to attend and vote at the meeting, and the number of votes which may be cast at the meeting, will be determined by reference to the Company's register of members at 6.00p.m. on 22 April 2009 or, if the meeting is adjourned, 48 hours before the time fixed for the adjourned meeting (as the case may be). In each case, changes to the register of members after such time will be disregarded. The Company will also adhere to the ICSA guidance on multiple proxies and corporate representatives at general meetings.

4 Administration

For the safety and comfort of those attending the AGM, certain items will not be permitted in the meeting room. These include large bags, cameras, recording equipment and such other items as the Chairman of the AGM may specify. Cloakroom facilities will be provided.

The Chairman will invite questions from shareholders present at the AGM. However, in order to respond comprehensively, it would be helpful to have a note of the details of any proposed questions in advance, although this is not obligatory. Questions may be sent by post to the Company Secretary, Steve Hornbuckle at 41-44 Great Windmill Street, London W1D 7NB or by email to cossec@sthree.com.

5. Electronic and web communications

The Companies Act 2006 enable companies to communicate with members by electronic and/or website communications. Accordingly, the Company's Articles allow communications to members in electronic form and, in addition, they also permit the Company to take advantage of the provisions relating to website communications. However, before the Company can communicate with a member by means of website communication, the relevant member must be asked by the Company to agree that the Company may send or supply documents or information to him by means of a website, and the Company must either have received a positive response or have

received no response within a period of 28 days beginning with the date on which the request was sent. The Company will notify a member (either in writing, or by other permitted means) when a relevant document or information is placed on the website and a member can always request a hard copy version of the document or information.

The Company would like to offer you an electronic communication service and you now have the opportunity to register your email address in order to receive communications via email. If you would like to receive communications from the Company via email, including notification of when a new report/Notice of Meeting, etc is available on the website, please logon to www.capitashareportal.com and follow the links to register your email address with our Registrar. If you require assistance while registering your email address, please telephone Capita Registrars on 0871 664 0391 (calls cost 10p per minute plus network extras). If dialling from overseas please call + 44 20 8639 3367. Shareholders who opt for email communications will not receive a hard copy proxy form when a Notice of Meeting is published on our website – instead, you will need to register your vote via our Registrar's website. This can also be done via www.capitashareportal.com.

APPENDIX - PART A

New offers to employees of minority interests in certain SThree plc subsidiaries and amendments to terms of offers previously approved by shareholders

Authority is sought to make offers to employees of minority interests in certain SThree plc subsidiaries. Whilst it is anticipated that the majority of the shares will be offered soon after shareholder approval, and normally in the first year, some will be held back for new employees and promotions, and therefore authority is sought for a period of five years from the date of the Company's Annual General Meeting, to be held on 24 April 2009.

Common Features

Each of the proposed offerings in the subsidiaries, which shareholders are being asked to approve under Resolution 11, will share common features, which are broadly the same common features that shareholders approved last year. In addition, the Company reserves the right to offer employees shares in a UK sub-holding company which owns either several companies or several businesses, with the shares tracking the performance of the relevant business in which the employee is to have a stake.

The common features of the subsidiaries, whether a subsidiary owning the business or a holding company owning several businesses, are as follows:

(i) *Share Capital*

Each subsidiary will have at least two classes of ordinary shares. In the case of a holding company issuing tracker shares in a number of businesses, there will be at least two classes of ordinary shares for each business it owns. One class of ordinary shares will be held by the Company. Other classes will be offered to employees of the Group. The ordinary shares offered to employees will not be more than 25 per cent of the ordinary share capital of each subsidiary; whilst they will have up to 25 per cent of the voting power of the subsidiary, they are entitled to up to only 20 per cent of any dividend on the ordinary shares. There will also be one preference share in issue.

(ii) *Eligibility*

No person who is a director of the Company at the time shareholders approve the offer of shares in a particular subsidiary may acquire shares in the relevant subsidiary. Shares will therefore only be offered to employees of the Group and employees may acquire shares in more than one subsidiary.

(iii) *Purchase price and financing*

The price payable by an employee will be based on the fair value of the shares awarded, as determined by an independent third party share valuer and taking into account the particular rights attached to the shares described in the Articles of Association. The Group may (but will not normally) lend the purchase price to the employee, on terms that the loan is outstanding until such employee ceases to hold the shares or ceases to be employed by the Group. A market rate of interest will be charged if a loan is made.

(iv) *Cessation of employment*

If an employee shareholder ceases to be employed by any company in the Group, under provisions contained in the Articles of Association of that company, he can be required to sell his shares in the relevant company. The Board will set a period, which will never be less than three years and will normally be five years (the "Specified Period"), which will apply when the employee acquires the shares. If the sale is within the Specified Period, the price payable can be the lower of the market value and the amount paid for the shares (or, in exceptional circumstances and at the Company's discretion, such other price, not exceeding market value). If the sale is later than the Specified Period the price payable is their market value. For these purposes, market value is determined by computing the earnings per ordinary share of the last financial year prior to the sale multiplied by two thirds of the price/earnings ratio of SThree plc at the time of sale. The

price/earnings ratio is calculated on the adjusted earnings per share published in the Company's annual accounts.

(v) *Other sale events*

In the event of a sale of a subsidiary, or a change of control of the Company, an employee shareholder in that subsidiary can be required to sell (and the employee shareholder can require the Company to purchase) his shares in the subsidiary. In the event of a sale of the subsidiary, the sale price will reflect the price which the Company receives for its shares, and in the event of a change of control of the Company the sale price will be the market value of the shares in the subsidiary. For employees who acquire shares in a sub-holding company which owns either several companies or several businesses, there are similar sale provisions which apply if the relevant operating company or business is sold.

(vi) *Restrictions on transfer*

If a minority shareholder wishes to transfer or dispose of his shares (other than to certain family members or on his leaving the employment of the Group) he must first offer them to the Company and the price payable for such shares is their market value. If the Company declines to purchase the shares, they can be transferred to a third party.

(vii) *Consideration payable*

If the Company acquires any shares from a minority shareholder, the consideration can either be paid in cash or in Ordinary Shares in the Company, at the Company's discretion. Any Ordinary Shares issued by the Company in this respect will be within the annual limit of authority granted under section 80 of the Companies Act 1985 approved by the Company's shareholders each year.

(viii) *Restrictions on alterations*

Certain provisions of the arrangements outlined above, namely the persons who are eligible to acquire shares in the relevant subsidiary, the maximum percentage of shares in the subsidiary which may be offered to employees, and the terms on which the company can acquire the shares from the employees cannot be altered to the advantage of employee shareholders without the prior approval of the Company's shareholders in general meeting (except for minor amendments to benefit administration, or to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for the employee shareholders, the relevant subsidiary or for members of the Group).

(ix) *Pension benefits*

The acquisition of shares by employees, and their sale, will not give rise to any pensionable benefits.

A standard form Articles of Association, containing the full details of the ordinary shares which Group employees can acquire, and the terms on which they can dispose of such shares, will be available for inspection at 41-44 Great Windmill Street, London W1D 7NB, the registered office of the Company, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this notice until the date of the Meeting and will be available at the place of the meeting for at least 15 minutes prior to and at the Meeting. The Company reserves the right to alter the Articles of Association in any way it is advised is desirable or necessary to take account of legislative or other changes prior to the AGM.

In the case of an overseas subsidiary, the Company also reserves the right to offer employees shares in a UK sub-holding company which owns such overseas subsidiary, either directly or indirectly, and which track the performance of such overseas subsidiary. The Company also reserves the right to make such changes to the Article of Association for an overseas subsidiary as it may be advised is necessary or desirable to take account of the local legal and tax requirements.

Amendment to terms of offers previously approved by shareholders

Shareholders have in previous years approved offers in respect of various subsidiaries. Certain of the terms cannot be amended without prior shareholder approval.

It is proposed to amend the eligibility provisions. Previous offers approved by shareholders stated that no director of the Company may acquire shares in the relevant subsidiary. It is proposed to amend this so that no person who was a director of the Company at the time shareholders approved the offer in respect of a subsidiary may acquire shares in that subsidiary. This amendment will allow Gary Elden, the Group's Business Development Director, who was appointed to the Board in July 2008, to acquire shares in subsidiary companies approved by shareholders at AGMs prior to his appointment.

Businesses to be subject to new offers

The various businesses in which Group employees are to be, subject to your approval, invited to acquire shares are set out below. All figures are guideline only, based on existing management or statutory accounts, as available:

PROGRESSIVE

Engineering and ICT, Europe, Asia and Australia

Progressive brand ('PR') already has an established Engineering and ICT business in a number of geographies, but now wishes to set up in other regions in respect of permanent and contract Engineering and ICT business, namely in the UK (global markets), Dusseldorf, Singapore and Western Australia.

Shares in the proposed businesses will be offered to Group employees based on the fair value of the shares awarded as determined by an independent third party share valuer and taking into account the particular rights attached to the shares described in the Articles of Association, as set out above.

The new businesses currently have little or no trading history in their own right. PR will make available any database and intellectual property rights, as required, to the new businesses and, prior to the offer, the new businesses will acquire the relevant portion of any existing business already operated by PR, on normal commercial terms.

For the year ended 30 November 2008, summary financial information is as follows:

Business (all figures in 000's)	Revenue	Contract Starters	Gross Profit
PCR Engineering and ICT, UK (global markets), Dusseldorf, Singapore and Western Australia	Nil	Nil	Nil

REAL RESOURCING

Pharmaceuticals and ICT, Europe and US

Real Resourcing brand ('RR') already has an established Pharmaceuticals and ICT business in some geographies, but now wishes to set up in other regions in respect of permanent and contract Pharmaceuticals and ICT business, namely in Frankfurt and New York.

Shares in the proposed businesses will be offered to Group employees based on the fair value of the shares awarded as determined by an independent third party share valuer and taking into account the particular rights attached to the shares described in the Articles of Association, as set out above.

The new businesses currently have little or no trading history in their own right. RR will make available any database and intellectual property rights, as required, to the new businesses and, prior to the offer, the new businesses will acquire the relevant portion of any existing business already operated by RR, on normal commercial terms.

For the year ended 30 November 2008, summary financial information is as follows:

Business (all figures in 000's)	Revenue	Contract Starters	Gross Profit
RR Pharmaceuticals and ICT, Frankfurt and New York	Nil	Nil	Nil

PATHWAY (VIA PROGRESSIVE)

Oil & Gas, Engineering, Accountancy & Finance, UK and Dubai

Pathway brand ('PA') does not currently operate in the Oil & Gas, Engineering, Accountancy & Finance sectors, but now wishes to set up these sectors in respect of permanent and contract Oil & Gas, Engineering, Accountancy & Finance business, in the UK (North and South) and Dubai.

Shares in the proposed businesses will be offered to Group employees based on the fair value of the shares awarded as determined by an independent third party share valuer and taking into account the particular rights attached to the shares described in the Articles of Association, as set out above.

The new businesses currently have little or no trading history in their own right. PA will make available any database and intellectual property rights, as required, to the new businesses and, prior to the offer, the new businesses will acquire the relevant portion of any existing business already operated by PA, on normal commercial terms.

For the year ended 30 November 2008, summary financial information is as follows:

Business (all figures in 000's)	Revenue	Contract Starters	Gross Profit
PA Oil & Gas, Engineering, Accountancy & Finance, UK (North and South) and Dubai	Nil	Nil	Nil

ORGTTEL

ICT Global, Banking and Finance, Europe & Singapore

Orgtel Banking and Finance and Orgtel ICT Global (Orgtel) are parts of the Orgtel brand. Whilst Banking and Finance in the Netherlands already has some trading history, Banking and Finance in Frankfurt and Singapore and ICT Global are new sectors/regions. It is now planned to set up formally in respect of permanent and contract businesses, operating in the UK, Frankfurt, Netherlands and Singapore.

Shares in the proposed businesses will be offered to Group employees based on the fair value of the shares awarded as determined by an independent third party share valuer and taking into account the particular rights attached to the shares described in the Articles of Association, as set out above.

The new businesses currently have little or no trading history in their own right. Orgtel will make available any database and intellectual property rights, as required, to the new businesses and, prior to the offer, the new businesses will acquire the relevant portion of any existing business already operated by Orgtel, on normal commercial terms.

For the year ended 30 November 2008, the summary financial information is as follows:

Business as at Dec 08 (all figures in 000's)	Perm - Revenue	Contract Starters	Contract - Gross Profit
Orgtel Banking and Finance, Netherlands	£512	£432	£24 pw/£1,248 annualised
Orgtel ICT Global and Banking & Finance, UK, Frankfurt & Singapore	Nil	Nil	Nil

HUXLEY ASSOCIATES

Engineering, Accountancy & Finance, ICT and Sales & Marketing, Europe, New York and Hong Kong

Huxley brand ('HA') already has established Engineering, Accountancy and Finance, ICT and Sales & Marketing businesses in a number of geographies but now wishes to set up in other regions in respect of permanent and contract Engineering, Accountancy and Finance, ICT and Sales & Marketing, namely in Amsterdam, Brussels, Frankfurt, Hong Kong, New York and the UK (Midlands).

Shares in the proposed businesses will be offered to Group employees based on the fair value of the shares awarded as determined by an independent third party share valuer and taking into account the particular rights attached to the shares described in the Articles of Association, as set out above.

The new businesses currently have little or no trading history in their own right. HA will make available any database and intellectual property rights, as required, to the new businesses and, prior to the offer, the new businesses will acquire the relevant portion of any existing business already operated by HA, on normal commercial terms.

For the year ended 30 November 2008, the summary financial information is as follows:

Business as at Dec 08 (all figures in 000's)	Perm - Revenue	Contract Starters	Contract – Gross Profit
Huxley Engineering, Amsterdam	£530	£370	£18 pw/£936 annualised
Huxley Engineering, New York	£764	£740	n/a
Huxley ICT, New York	£143	£143	£10 pw/£520 annualised
Huxley Accountancy and Finance, UK (Midlands)	£424	£423	n/a
Huxley Accountancy & Finance, Sale & Marketing, Engineering, Frankfurt, Hong Kong, Amsterdam and Brussels	Nil	Nil	Nil

COMPUTER FUTURES (FS GROUP)

ICT, Europe

Computer Futures ('CF'), already has an established ICT business in a number of geographies, but now wishes to set up in other regions in respect of permanent and contract ICT business, namely in Flanders, Hamburg, Dusseldorf and the South of France.

Shares in the proposed businesses will be offered to Group employees based on the fair value of the shares awarded as determined by an independent third party share valuer and taking into account the particular rights attached to the shares described in the Articles of Association, as set out above.

The new businesses currently have little or no trading history in their own right. CF will make available any database and intellectual property rights, as required, to the new businesses and, prior to the offer, the new businesses will acquire the relevant portion of any existing business already operated by CF, on normal commercial terms.

For the year ended 30 November 2008, the summary financial information is as follows:

Business as at Dec 08 (all figures in 000's)	Perm - Revenue	Contract Starters	Contract - Gross Profit
ICT, Flanders	£727	£453	£16 pw/£832 annualised
ICT, Hamburg, Dusseldorf and South of France	Nil	Nil	Nil

JP GRAY, ACCOUNTANCY, BANKING & FINANCE, EUROPE (FS GROUP)

Accountancy, Banking & Finance, Europe

JP Gray ('JPG') is part of the Computer Futures ('CF') brand. It already has an established Accountancy, Banking & Finance business in a number of regions, but now wishes to set up in other geographies in respect of permanent and contract Accountancy, Banking & Finance business, namely in Luxembourg, Paris, Frankfurt and the UK (Midlands and the North).

Shares in the proposed businesses will be offered to Group employees based on the fair value of the shares awarded as determined by an independent third party share valuer and taking into account the particular rights attached to the shares described in the Articles of Association, as set out above.

The new businesses currently have little or no trading history in their own right. JPG will make available any database and intellectual property rights, as required, to the new businesses and, prior to the offer, the new businesses will acquire the relevant portion of any existing business already operated by JPG, on normal commercial terms.

For the year ended 30 November 2008, the summary financial information is as follows:

Business as at Dec 08 (all figures in 000's)	Perm - Revenue	Contract Starters	Gross Profit
JP Gray, Banking & Finance Luxembourg	£680	£646	n/a
JP Gray, Accountancy & Finance Paris	£488	£367	n/a
JP Gray , Accountancy and Finance, UK and Frankfurt	Nil	Nil	Nil

APPENDIX - PART B

Summary of the main provisions of the SThree plc Savings-Related Share Option Scheme (the 'SAYE Scheme')

1. Revenue approval

Application will be made to HM Revenue & Customs ("HMRC") for approval of the SAYE Scheme under the provisions of Schedule 3 to the Income Tax (Earnings and Pensions) Act 2005.

2. Administration

The SAYE Scheme will be operated and administered by the Board.

3. Eligibility

All UK resident tax-paying employees (including Executive Directors working 25 hours or more per week) of the Company and its participating subsidiaries will be eligible to participate in the SAYE Scheme. The Board may set a period of qualifying service (which cannot exceed 5 years) and invite other employees of the Group to participate.

4. Options

Options will entitle the holder to acquire shares in the Company. Options may be satisfied by the issue of new shares, the transfer of shares held in treasury or the purchase of shares in the market.

Options will be personal to the participant and may not be transferred. No payment will be required for the grant of an option.

5. Timing

The SAYE Scheme may only be operated within a period of 6 weeks starting on the day on which the SAYE Scheme is formally approved by HM Revenue & Customs ("HMRC"), the dealing day after the day on which the Company announces its results for any period, any day on which a new savings contract prospectus is announced or comes into force or at any other time when the Board considers that exceptional circumstances exist.

No options may be granted after 24 April 2019.

6. Exercise price

The exercise price may not be less than an amount equal to 80% of the middle-market quotation of a share, as derived from the London Stock Exchange Daily Official List, on the dealing day before the date of the invitation, or on the date specified in the invitation, or the average of the closing middle-market quotations over a period of consecutive dealing days, not exceeding 5 days, immediately before the date of an invitation. Options must be granted within 30 days (or 42 days if applications are scaled back) after the first day by reference to which the exercise price is set.

7. Savings Contract

As a condition of the grant of an option, an eligible employee must agree to enter into an HM Treasury approved savings contract with a bank or building society under which the employee agrees to pay monthly contributions over a three or five year period and on the maturity of which a tax-free bonus is payable. The aggregate maximum monthly contribution payable by an employee under all savings contracts linked to the SAYE Scheme may not exceed such sum as the Board may determine, being not more than the amount from time to time permitted by the Income Tax (Earnings and Pensions) Act 2003 (currently, £250).

8. Individual limit

An option will be over such number of shares as has a total exercise price as nearly as possible equal to, but not exceeding, the amount repayable under the relevant savings contract on its maturity.

9. SAYE Scheme limit

An option shall not be granted in any calendar year if, at the time of the proposed grant date, it would cause the number of shares allocated in the previous 10 years under all employee share schemes of the Group, including the SAYE Scheme (but excluding shares allocated

before the Company's listing), to exceed 10% of the equity share capital of the Company in issue at that time. For these purposes, shares are allocated when rights to acquire or obtain them are granted and otherwise when they are issued. The limit does not include existing shares which are transferred to an employee on exercise of his options (other than shares transferred out of treasury, which shall be included for so long as the Association of British Insurers requires treasury shares to be included) or shares which are issued as consideration for the acquisition of any asset equal in value to the shares issued. Rights which lapse, by reason of non-exercise or otherwise, cease to count.

10. Exercise of options

Options will normally be exercisable in whole or in part during the period of six months starting on the maturity date of the related savings contract; this will be the third, fifth or seventh anniversary of the starting date of the SAYE contract and will depend (where the Board offers a choice) upon the election made by the participant at the time of grant. Whenever an option is exercised, it may only be exercised to the extent of savings under the related savings contract plus any interest or bonus payable under the contract.

11. Termination of employment

If the participant dies, his personal representatives may exercise his options in the 12 months following his death or, if earlier, the maturity date of the related savings contract. If a participant ceases to be employed within the Group for a permitted reason, the participant may exercise his options in the six months following cessation of his employment. A permitted reason is injury, disability, redundancy, retirement at age 60 or at the age at which he is bound to retire in accordance with the terms of his employment, the sale outside the Group of the company or business in which the participant works or, in the case of any option which the participant has held for at least three years, any other reason except misconduct on his part. If a participant ceases to be employed for any other reason, his option will lapse.

12. Change of control

The exercise of options will also be permitted in the event of a change in control, a scheme of arrangement under section 899 of the Companies Act 2006 or a voluntary winding-up of the Company. In the event of a change in control, participants may exchange their options for substitute options over shares in the acquiring company or some other company. If, immediately following the change of control, not less than 75 per cent of the shareholders of the acquiring company are the same as the shareholders of the Company and participants are offered substitute options, the Board may decide that options may not be exercised early.

13. Listing

The Company will apply for admission to the Official List of new shares issued under the SAYE Scheme and for permission to trade in those shares. Shares issued on the exercise of options will rank equally in all respects with existing shares except for rights attaching to shares by reference to a record date prior to the date of allotment. The Company will at all times keep available sufficient authorised and un-issued share capital to satisfy outstanding options to subscribe for shares.

14. Variation of capital

If there is a variation in the share capital of the Company, the Board may adjust options in such manner as it determines to be appropriate.

15. Benefits non-pensionable

Benefits under the SAYE Scheme will not form part of a participant's remuneration for pension purposes.

16. Amendments

The Board may make such amendments to the SAYE Scheme either as are necessary or desirable to obtain or retain the approval of HMRC under the Income Tax (Earnings and Pensions) Act 2003 or to take account of changes to that Act or other applicable legislation. The Board may also make such amendments to the SAYE Scheme and to any option as may be necessary or desirable to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any company in the Group. Except as described above or for

amendments designed to ease the administration of the SAYE Scheme or to correct clerical errors, no amendment which is to the advantage of employees or participants may be made to those provisions dealing with eligibility, individual or SAYE Scheme limits, the terms of options, the adjustment of options or the power of amendment without the prior approval of the Company in general meeting. All amendments to key features of the SAYE Scheme (being provisions necessary to meet the requirements of the tax legislation) require the prior approval of HMRC.

APPENDIX - PART C

Summary of the main provisions of the SThree plc Share Incentive Plan (the 'SIP')

1. Revenue approval

Application will be made to HM Revenue & Customs ("HMRC") for approval of the SIP under the provisions of Schedule 2 to the Income Tax (Earnings and Pensions) Act 2003.

2. Outline

The Company may offer any combination of the features outlined below to allow eligible employees to obtain shares. Under the SIP, the Company can:

(a) give up to £3,000 worth of free shares a year to an employee ("Free Shares");

(b) offer an employee the opportunity of buying up to £1,500 of Shares a year ("Partnership Shares");

(c) give an employee up to two free matching shares for each Partnership Share bought ("Matching Shares"); and

(d) in addition to buying up to £1,500 of Partnership Shares each year, allow employees to purchase more shares using dividends received on Free Shares, Partnership Shares and Matching Shares ("Dividend Shares"). Employees may buy up to £1,500 of Dividend Shares annually.

3. Administration

The SIP will be operated and administered by the Board.

4. Eligibility

All UK resident tax-paying employees of the Company and its participating subsidiaries will be eligible to participate in the SIP. The Board may set a qualifying period of service (which cannot exceed eighteen months) and invite other employees of the Group to participate.

5. Free Shares

Up to £3,000 worth of Free Shares can be awarded to each employee in a tax year. Free Shares must be awarded on similar terms, so that the number awarded to each employee is determined by standard criteria such as remuneration, length of service and number of hours worked. The award of Free Shares can, if the Company so chooses, be subject to the satisfaction of a performance target which measures the objective success of the individual, team, division or business.

There is a holding period of between three and five years during which the employee cannot withdraw the Free Shares from the SIP unless the employee leaves employment.

The Company can, at its discretion, provide that the Free Shares will be forfeit if the employee leaves employment other than in the circumstances of injury, disability, redundancy, transfer of the employing business or company, on reaching retirement age or on death. Forfeiture can only take place within 3 years of the Free Shares being awarded.

6. Partnership Shares

The Company may allow an employee to use pre tax salary to buy Partnership Shares. The maximum limit is the lower of £1,500 or 10 per cent of salary in any tax year. The salary allocated to Partnership Shares can be accumulated for a period up to 12 months ("Accumulation Period") or Partnership Shares can be purchased monthly out of deductions from the employee's pay. In either case, Partnership Shares must be bought within 30 days of, as appropriate, the end of the Accumulation Period or the deduction from pay. An employee may stop and start deductions at any time. Once acquired, Partnership Shares may be withdrawn from the SIP by the employee at any time and will not be capable of forfeiture.

7. Matching Shares

The Company may offer Matching Shares free to an employee who has purchased Partnership Shares. If awarded, Matching Shares must be awarded on the same basis to all employees up to a maximum of two Matching Shares for every Partnership Share purchased.

There is a holding period of between three and five years during which the employee cannot withdraw the Matching Shares from the SIP unless the employee leaves employment.

The Company can, at its discretion, provide that the Matching Shares will be forfeit if the employee leaves employment other than in the circumstances of injury, disability, redundancy, transfer of the employing business or company, on reaching retirement age or on death or if the associated Partnership Shares are withdrawn by the employee. Forfeiture can only take place within 3 years of the Matching Shares being awarded.

8. Investment of Dividends

The Company may allow an employee to reinvest dividends in up to £1,500 of shares each tax year. Dividend Shares must be held in the SIP for three years, unless the employee leaves employment. Once acquired, Dividend Shares are not capable of forfeiture.

9. SIP Trust

The SIP is operated through a UK resident trust ("SIP Trust"). The SIP Trust buys or subscribes for shares that are subsequently awarded to employees. The money to buy shares will be provided either by the Company or, if employees are allowed to acquire Partnership Shares, by the employees.

10. Limits

An award shall not be made in any calendar year if, at the time of the proposed acquisition date, it would cause the number of shares allocated in the previous 10 years under all employee share schemes of the Group, including the SIP (but excluding shares allocated before the Company's listing), to exceed 10% of the equity share capital of the Company in issue at that time. For these purposes, shares are allocated when rights to acquire or obtain them are granted and otherwise when they are issued or transferred. The limit includes shares transferred out of treasury but only for as long as the Association of British Insurers requires treasury shares to be included. Rights which lapse, by reason of non-exercise or otherwise, cease to count. No account is taken of shares which are (or are to be) acquired by purchase in the market (rather than by subscription) or which an employee purchases at market value using his own funds, or are issued to him as consideration for the acquisition of any asset equal in value to the shares issued.

11. Benefits non-pensionable

Any award under the SIP is not pensionable, although the salary used to purchase Partnership Shares may be.

12. Amendments

The Board may make such amendments to the SIP either as are necessary or desirable to obtain or retain the approval of HMRC under the Income Tax (Earnings and Pensions) Act 2003 or to take account of changes to that Act or other applicable legislation. The Board may also make such amendments to the SIP as may be necessary or desirable to obtain or maintain favourable tax, exchange control or regulatory treatment for participants, the trustee of the SIP Trust or for any company in the Group. Except as described above or for amendments designed to ease the administration of the SIP or to correct clerical errors, no amendment which is to the advantage of employees or participants may be made to those provisions dealing with eligibility, limits, the basis for determining how many shares employees receive, the adjustment of awards or the power of amendment without the prior approval of the Company in general meeting. All amendments to key features of the SIP (being provisions necessary to meet the requirements of the tax legislation) require the prior approval of HMRC.

Note:

Parts B and C of the Appendix summarise the main features of the rules of the SAYE Scheme and the rules and trust deed of the SIP, but do not form part of them and should not be taken as affecting the interpretation of the rules or trust deed. The directors reserve the right up to the time of the Annual General Meeting to make such amendments to the SAYE Scheme and the SIP as they may consider necessary or desirable provided that such amendments do not conflict in any material respect with the summaries set out above.