

TATE & LYLE



ingredients of quality

Tate & Lyle PLC
Notice of Annual General Meeting 2003
Thursday 31 July at 11.30 am

This document is important. Please read it straight away.

If you have any doubts about the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in Tate & Lyle PLC, please send this document, and the accompanying proxy form, at once to the purchaser or transferee, or to the stockbroker, bank or agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Contents

1. Letter from the Chairman
3. Notice of Annual General Meeting
4. Explanatory Notes
6. Special Business
7. Tate & Lyle 2003 Performance Share Plan

26 June 2003

To the holders of Ordinary shares and Cumulative Preference shares**Dear Shareholder**

I am pleased to send you your notice of Annual General Meeting for 2003. This meeting will be held on Thursday 31 July 2003 at 11.30 am at the Royal Lancaster Hotel, London W2 2TY. This will be the one hundredth Annual General Meeting of shareholders of Tate & Lyle PLC, an important landmark in the life of our Company.

The notice of meeting is set out in appendix 1 on page 3. An explanation of the resolutions you will be asked to vote on can be found in appendix 2 on pages 4 and 5. As well as matters which your Annual General Meeting ('AGM') deals with every year (resolutions 1 to 11), there are also four items of special business (resolutions 12 to 15). The full text of the resolutions for the four items of special business is set out in appendix 3 on page 6.

Directors' Remuneration Report

Resolution 2, which seeks your approval of the Directors' Remuneration Report for the year ended 31 March 2003, is a new addition to our normal AGM business. In accordance with best practice in corporate governance, last year shareholders were invited to approve the Company's general policy on Directors' Remuneration. Following the introduction of the Directors' Remuneration Report Regulations 2002, shareholders must now be given the opportunity to vote on the entire Directors' Remuneration Report. A copy of this report can be found on pages 33 to 40 of the Annual Report 2003.

New Performance Share Plan

Resolution 12 seeks your approval for the introduction of a new performance-based long-term incentive plan, the Tate & Lyle 2003 Performance Share Plan (the 'Plan'). The Remuneration Committee will be responsible for the operation of the Plan which, subject to shareholders' approval, will supplement the Executive Share Option Scheme ('ESOS') introduced in 2000.

Tate & Lyle's policy is to provide remuneration packages which attract, retain and motivate high-calibre executives, taking into account the international nature of the Company's business and the need to remain competitive. With the assistance of independent external advisers, the Remuneration Committee has reviewed the Company's long-term incentive arrangements and come to the view that they have fallen behind market practice. More than 50% of FTSE 100 companies currently operate both an ESOS and a Performance Share Plan. Accordingly, to ensure that the Company's remuneration practices remain competitive, the Remuneration Committee is proposing the introduction of a second element to the Company's long-term incentive arrangements. The Remuneration Committee believes that the introduction of the Plan will make the Company's executive remuneration arrangements more performance-oriented, more competitive and more aligned with long-term shareholder interests.

The new Plan is based on demanding performance targets which have to be met before executives can receive their performance shares. The making of awards under the Plan to senior executives will be at the discretion of the Remuneration Committee and in any year will not exceed one times base salary. If the Plan is approved by shareholders, it is expected that awards will be made each year under both the Plan and the ESOS. However, when considering the level of awards to be made under the two long-term incentive plans, the Remuneration Committee will take into account the increased value of any combined award and would not expect to make a maximum award under both the Plan and the ESOS in any one year other than in special circumstances.

A summary of the Plan and the proposed performance targets can be found in appendix 4 on pages 7 and 8.

Executive Shareholding Policy

Subject to shareholders' approval of the Plan, the Remuneration Committee intends to strengthen the Company's existing executive shareholding policy. Under this policy, executive Directors are expected to build and maintain a minimum shareholding in Tate & Lyle equivalent to one times base salary. If an executive Director's target shareholding has not been met, a significant proportion of shares acquired through the Company's long-term incentive plans is to be retained in order to achieve the target shareholding.

Share Capital Resolutions

Resolutions 13, 14 and 15 relate to the share capital of the Company and are similar to resolutions passed by shareholders in previous years. An explanation of these resolutions can be found in appendix 2 on page 5. Your Directors believe that the authorities in these resolutions should be continued, to give flexibility for business opportunities as they arise.

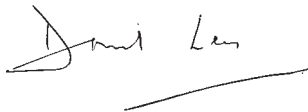
Form of Proxy

A form of proxy is enclosed which covers all the resolutions to be proposed at the Annual General Meeting. You should complete the form of proxy according to the instructions printed on it and send it to the Company's registrar as soon as possible. All proxies must be received by the registrar by 11.30 am on Tuesday 29 July 2003. Appointment of a proxy will not prevent you from attending and voting at the meeting, if you so wish.

Recommendation

Your Directors believe that all the resolutions in the notice of meeting are in the best interests of Tate & Lyle and its shareholders and recommend that you vote in favour of them. The Directors intend to vote their own shares in favour of these resolutions.

Yours sincerely,

A handwritten signature in black ink that reads "David Lees". The signature is written in a cursive style and is positioned above a horizontal line that extends to the right.

Sir David Lees
Chairman

Appendix 1

Notice of Annual General Meeting

Notice is hereby given that the one hundredth Annual General Meeting of Tate & Lyle PLC will be held at the Royal Lancaster Hotel, Lancaster Terrace, London W2 2TY on Thursday 31 July 2003 at 11.30 am for the following purposes:

Ordinary Business

1. To receive the Accounts and Reports of the Directors and of the Auditors for the year ended 31 March 2003.
2. To approve the Directors' Remuneration Report set out in the Report and Accounts for the year ended 31 March 2003.
3. To declare a final dividend on the ordinary shares of the Company.
4. To re-elect Mr I Ferguson, a Director retiring under Article 90.
5. To re-elect Mr S Musesengwa, a Director retiring under Article 90.
6. To re-elect Mrs C Piwnica, a Director retiring under Article 84.
7. To re-elect Mr S Strathdee, a Director retiring under Article 84.
8. To re-elect Mr A Yurko, a Director retiring under Article 84.
9. To re-elect Dr K Hopkins, a Director having served for three years.
10. To re-appoint PricewaterhouseCoopers LLP as Auditors.
11. To authorise the Directors to set the remuneration of the Auditors.

Special Business

To consider and, if thought fit, pass the resolutions set out in appendix 3 of the Chairman's letter dated 26 June 2003, of which this notice forms part, of which resolutions numbered 12 and 14 will be proposed as ordinary resolutions and resolutions numbered 13 and 15 will be proposed as special resolutions:

12. To approve the Tate & Lyle 2003 Performance Share Plan.
13. To renew the Company's authority to purchase its own shares.
14. To renew the Directors' authority to allot shares.
15. To renew the Directors' authority to disapply shareholders' pre-emption rights in relation to the allotment of shares.

By order of the Board
Robert Gibber
Company Secretary
26 June 2003

Registered Office: Sugar Quay, Lower Thames Street, London EC3R 6DQ

Notes

Any member of the Company entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him or her. A proxy need not be a member of the Company. A form of proxy is enclosed. Completion and return of the proxy will not prevent a member from attending and voting in person.

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, to be entitled to attend and vote at the meeting (and for the purpose of determining the number of votes they may cast), shareholders must be entered on the Company's register of members at 6.00 pm on Tuesday 29 July 2003.

Copies of Directors' service contracts and the draft rules of the Tate & Lyle 2003 Performance Share Plan are available for inspection at the registered office of the Company during normal business hours and on the date of the Annual General Meeting when they will be available at the Royal Lancaster Hotel from 11.15 am until the close of the meeting.

Appendix 2

Explanatory Notes

This year, shareholders will be asked to approve 15 resolutions. Resolutions 1 to 12 and resolution 14 will be proposed as ordinary resolutions. This means that more than 50% of the votes cast must support these resolutions. Resolutions 13 and 15 will be proposed as special resolutions. At least 75% of the votes cast must support these resolutions if they are to be passed.

Resolution 1:

To receive the Accounts and Reports of the Directors and of the Auditors for the year ended 31 March 2003

The Directors will present their report and audited accounts for the year ended 31 March 2003. Copies of the Annual Report 2003 will be available at the Annual General Meeting. A copy can also be found on our website at: <http://www.tateandlyle.com>

Resolution 2:

To approve the Directors' Remuneration Report for the year ended 31 March 2003

Following the introduction of the Directors' Remuneration Report Regulations 2002, quoted companies must now give shareholders the opportunity to vote on the report on Directors' remuneration before the Company in general meeting. A copy of this year's report can be found on pages 33 to 40 of the Annual Report 2003.

Resolution 3:

To declare a final dividend

You will be asked to declare a final dividend of 12.8p per ordinary share for the year ended 31 March 2003. If approved, the dividend will be paid on Wednesday 6 August 2003 to shareholders on the register of members at the close of business on Friday 11 July 2003.

Resolutions 4 to 9:

Re-election of Directors

Article 90 of the Company's Articles of Association states that when the Board appoints a new Director, that Director must retire and stand for re-election at the next Annual General Meeting. This gives shareholders the opportunity to confirm their appointment. Stanley Musesengwa was appointed as an executive Director from 2 April 2003 and Iain Ferguson was appointed as an executive Director from 1 May 2003 and, therefore, both are retiring and standing for re-election.

Article 84 of the Company's Articles of Association states that every year one-third (or the nearest whole number below one-third) of the Directors must retire by rotation. This year, Carole Piwnica, Stuart Strathdee and Allen Yurko are retiring by rotation and standing for re-election.

In addition to the requirements of the Company's Articles of Association, the Directors have agreed to submit themselves for re-election at least every three years. Keith Hopkins was last re-elected at the Annual General Meeting on 27 July 2000 and, accordingly, he will also retire and seek re-election at this year's Annual General Meeting.

Biographical details of all the Directors standing for re-election are given on pages 26 and 27 of the Annual Report 2003.

Resolution 10:

Re-appointment of Auditors

The Company is required to re-appoint Auditors at each general meeting at which accounts are laid. Following the conversion of PricewaterhouseCoopers to a Limited Liability Partnership ('LLP'), effective from 1 January 2003, PricewaterhouseCoopers resigned as Auditors on 24 February 2003 and the Board appointed PricewaterhouseCoopers LLP to fill the casual vacancy created by their resignation. Under this resolution, therefore, you will be asked to re-appoint PricewaterhouseCoopers LLP as the Company's Auditors (special notice having been received as required under the Companies Act 1985).

Resolution 11:
Auditors' remuneration

You will be asked to authorise the Directors to set the Auditors' remuneration.

Resolution 12:
To approve the Tate & Lyle 2003 Performance Share Plan

You will be asked to approve the adoption of the new Tate & Lyle 2003 Performance Share Plan (the 'Plan') for executive Directors and other selected senior executives. The introduction of this Plan is recommended by the Board's Remuneration Committee. Details of the remuneration policy under which the Plan will operate are set out in the Directors' Remuneration Report on pages 33 to 40 of the Annual Report 2003. A summary of the Plan and the proposed performance targets can be found in appendix 4 on pages 7 to 8.

Resolution 13:
To renew the Company's authority to purchase its own shares

As in previous years, you will be asked to renew the Company's authority, which has not previously been used, to purchase up to 10% of its ordinary shares. The resolution specifies the maximum number of shares which may be purchased and the minimum or maximum prices at which they may be bought. This power would be used only after careful consideration by the Directors, having taken into account market conditions prevailing at that time, the investment needs of the Company, its opportunities for expansion and its overall financial position. The Directors would exercise the authority to purchase ordinary shares only if they considered it to be in the best interests of the shareholders and it would lead to an increase in earnings per share.

At present, any shares purchased under this authority are automatically cancelled. However, following the proposed introduction of treasury shares, it will be possible for the shares to be held in treasury rather than being cancelled, and for them to be used in connection with the Company's employee share schemes.

The total number of ordinary shares which may be issued on the exercise of outstanding options as at 4 June 2003 (the latest practicable date prior to posting of this document) is 8,812,324 which represents 1.83% of the issued share capital at that date. If the Company were to purchase shares up to the maximum permitted by this resolution, that percentage would increase to 2.03% of the issued share capital as at 4 June 2003.

Resolutions 14 and 15:
To renew the Directors' authority to allot shares and disapplication of pre-emption rights

Under resolution 14, which is similar to that passed by shareholders in previous years, you will be asked to give the Directors the authority to allot £40,177,815 in nominal value of the authorised but unissued share capital consisting of 160,711,260 ordinary shares and representing one-third of the ordinary share capital in issue as at 4 June 2003.

Within this authorised amount, by the passing of special resolution 15, the pre-emption provisions contained in Section 89(1) of the Companies Act 1985 will be disapplied for any rights issue or any other allotment for cash up to £6,026,672 in nominal amount of share capital, representing 5% of the ordinary share capital in issue on 4 June 2003 and consisting of 24,106,689 ordinary shares. This authority will give the Directors the flexibility to issue ordinary shares up to this amount without the need first to offer such shares to existing shareholders.

This authority covers the disposal of shares held in treasury in the same way as the allotment of unissued share capital.

The authority and disapplication provided for in these resolutions will remain in force until the next AGM or 30 October 2004 whichever is the earlier. The Directors have no present intention to issue any of the unissued share capital except in connection with the Company's employee share schemes.

Appendix 3

Special Business

At the one hundredth Annual General Meeting of the Company to be held on Thursday 31 July 2003 the resolutions below will be proposed as special business. Resolutions 12 and 14 will be proposed as ordinary resolutions and resolutions 13 and 15 as special resolutions.

Ordinary resolution 12

That:

- a) The Rules of the Tate & Lyle 2003 Performance Share Plan (the 'Plan') the main features of which are summarised in appendix 4 to the letter to shareholders dated 26 June 2003 and produced in draft to this meeting and for the purposes of identification initialled by the Chairman be approved, subject to such modifications as the Directors may consider necessary to take account of the requirements of the UK Listing Authority and best practice, and that the Directors be authorised to adopt and do all acts and things necessary to operate the Plan; and
- b) the Directors be authorised to establish such further plans for the benefit of employees overseas based on the Plan, 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 of the Company made available under such further plans are treated as counting against any limits on individual participation, or overall participation in the Plan.

Special resolution 13

That the Company be and is hereby unconditionally and generally authorised for the purpose of Section 166 of the Companies Act 1985 to make market purchases (as defined in Section 163 of that Act) of ordinary shares of 25p each in the capital of the Company provided that:

- a) the maximum number of shares which may be purchased is 48,213,378;
- b) the minimum price which may be paid for a share is the nominal value of that share;
- c) the maximum price which may be paid for a share is an amount equal to 105% of the average of the middle market quotations of the Company's ordinary shares as derived from the Stock Exchange Daily Official List for the five business days immediately preceding the day on which such shares are contracted to be purchased; and
- d) this authority shall expire at the conclusion of the Annual General Meeting of the Company held in 2004 or, if earlier, 30 October 2004 (except in relation to the purchase of shares the contract for which was concluded before the expiry of such authority and which might be executed wholly or partly after such expiry).

Ordinary resolution 14

That the authority conferred on the Directors by Article 11(B) of the Company's Articles of Association be renewed for the period ending on the date of the Annual General Meeting in 2004 or on 30 October 2004, whichever is the earlier, and that for such period the Section 80 Amount shall be £40,177,815.

Special resolution 15

That the power conferred on the Directors by Article 11(C) of the Company's Articles of Association be renewed for the period ending on the date of the Annual General Meeting in 2004 or on 30 October 2004, whichever is the earlier, and that for such period the Section 89 Amount shall be £6,026,672.

Appendix 4

Tate & Lyle 2003 Performance Share Plan (The 'Plan')

A summary of the main features of the proposed Plan is set out below, together with details of the way in which it is intended to operate.

Operation of the Plan

The Plan will be operated by the Remuneration Committee. If the Remuneration Committee decides to make grants under the Plan in any year, it will normally do so within 42 days after the announcement of the Company's annual or interim results. However, the first grants are intended to be made within 42 days of the adoption of the Plan.

Eligibility

The Remuneration Committee has discretion to select executive Directors of the Company and other employees of the Company and its subsidiaries for participation in the Plan. Initially it is intended that participation will be restricted to executive Directors and other key senior employees. Non-executive Directors are not eligible to participate in the Plan.

Grant

Participants will be granted the right to receive a number of shares dependent on the degree to which the performance condition is satisfied. The maximum value of shares which may be granted to any participant in any financial year may not exceed 100% of base salary at the date of grant. The calculation of the number of shares to be granted will be based on the average share price over the last six months of the preceding financial year. Benefits under the Plan are not pensionable.

Performance condition

The target which the Remuneration Committee intends to use for the first operation of the Plan will be based on the Company's total shareholder return measured against a comparator group. Total shareholder return is the return received by investors if dividends are reinvested. The comparator group will consist of the FTSE 100, excluding companies in the technology, media, telecommunications and financial services sectors (approximately 60 companies). The performance period will be the three years commencing on the first day of the financial year of the grant. All share prices for the purposes of these calculations will be based on a six-month average share price.

The full grant will vest if the Company is ranked in the top quartile; 25% of the shares will vest if the Company is ranked at median position. Between median and upper quartile, vesting will be on a straight-line basis. No shares will vest if the Company is ranked below median.

The Remuneration Committee may amend the comparator group to take account of events which may happen during the performance period.

Additional target

Participants will not receive shares, even after satisfaction of the performance condition, unless the Remuneration Committee is satisfied that this is justified by the underlying financial performance of the Group over the performance period.

Retention period

Participants will not receive shares, even after satisfaction of the performance condition, if they resign from the Group within one year after the end of the performance period.

Satisfaction of grants

Grants may be satisfied by the transfer of existing shares or by the issue of new shares. However, the Company's current intention is to satisfy grants with existing shares. Grants will generally be satisfied by the transfer of shares to participants from the existing employee trust (which will not hold more than 5% of the Company's issued share capital). Some grants may be structured as options with a ten-year term, which will be exercisable at any time in the six years after the end of the retention period.

Appendix 4

Tate & Lyle 2003 Performance Share Plan (continued)

Plan limits

If new shares are issued in connection with the Plan, the number of new shares will not exceed 5% of the issued share capital when aggregated with new shares issued for the purpose of the Company's executive share incentive schemes over the previous ten years, and will not exceed 10% of the issued share capital when aggregated with new shares issued for the purpose of all the Company's share incentive schemes over the same period.

Cessation of employment

Participants who leave the Group in the first year of the performance period will receive no shares. Participants who leave in subsequent years will receive no shares, unless they leave for specified reasons (e.g. death, disability, redundancy, retirement or sale of the business in which they work). A participant who leaves in the second or third year, for specified reasons, will receive a proportion of the potential award, calculated according to the degree of satisfaction of the performance condition and the length of time elapsed. A participant who leaves in the fourth year for specified reasons will receive the full number of shares which vest on satisfaction of the performance condition. A participant who is dismissed for dishonesty or misconduct will not receive any shares. If the performance condition is not satisfied, participants will not receive any shares.

Change of control

In the event of a change of control of the Company in the first year of the performance period, participants will receive no shares. However, in the event of a change of control in the second or third year, all participants will receive a proportion of the potential award, calculated according to the degree of satisfaction of the performance condition and the length of time elapsed. In the event of a change of control in the fourth year, all participants will receive the full number of shares which vest on satisfaction of the performance condition. If the performance condition is not satisfied, participants will not receive any shares.

Variation of share capital

The Remuneration Committee has power to vary grants to take account of variations in the Company's share capital or other corporate events which may affect the value of grants under the Plan.

Amendment

The Remuneration Committee has power to amend the Plan. Provisions relating to eligibility, the limits on grants, and the rights of participants on a variation of share capital cannot be altered to the advantage of participants without the prior approval of the Company in general meeting. However, approval is not required for minor changes intended to benefit the administration of the Plan, or to comply with or take account of existing or proposed legislation or to secure favourable tax treatment for group companies or participants.

Termination

The Remuneration Committee may in its discretion terminate the Plan at any time, without prejudice to subsisting grants or awards. No grants may be made after the tenth anniversary of the approval of the Plan by shareholders.

Useful addresses and telephone numbers:

Registered Office
Sugar Quay, Lower Thames Street
London EC3R 6DQ
Tel: 020 7626 6525
Fax: 020 7623 5213

Website
<http://www.tateandlyle.com>

Share Registrar
Lloyds TSB Registrars
The Causeway, Worthing
West Sussex BN99 6DA
For telephone enquiries please
phone 0870 600 3970
This is a Lloyds TSB Registrars
Helpline service which will
recognise the Company's name.

ADR Depository
The Bank of New York
Investor Relations Department
101 Barclay Street – 11th Floor
New York, NY 10286
Tel: 1 888 269 2377

**North American Contact for
Annual Reports**
Taylor Rafferty Associates, Inc.
205 Lexington Avenue
New York, NY 10016-6022
Tel: (212) 889 4350
Fax: (212) 683 2614

Stockbrokers
Hoare Govett Limited
250 Bishopsgate, London EC2M 4AA
Tel: 020 7678 8300

