

# MYER HOLDINGS LIMITED

## NOTICE OF 2016 ANNUAL GENERAL MEETING

Notice is hereby given that the seventh Annual General Meeting (**Meeting**) of Myer Holdings Limited (ABN 14 119 085 602) (**the Company**) will be held at Mural Hall, located on level 6 of the Myer Melbourne Store (Bourke St Mall, Melbourne, Victoria) on Friday 18 November 2016 at 11.00am (Melbourne time).

Registration will commence at 10.00am.

The Meeting will be webcast live on the Investor Centre section of Myer's website, [myer.com.au/investor](http://myer.com.au/investor), and will also be archived on this website for later viewing.

Shareholders who attend the Meeting in person may download a smartphone App (LinkVote), and vote digitally. Paper registration and voting forms will also be available at the meeting for shareholders who would prefer not to use the App. Additional information about the LinkVote App will also be available on the Investor Centre website.

For security reasons, parcels, bags (excluding handbags) and umbrellas will need to be checked into the cloakroom at the Meeting venue. We reserve the right to inspect all bags that are brought to the Meeting.

We reserve the right to restrict the use of video or audio recorders or other electronic devices at the Meeting.

Photographs will be taken at the Meeting. If you attend the Meeting in person, you may be included in the webcast or photographs.

### ITEMS OF BUSINESS

#### 1. Chairman and Chief Executive Officer Presentations

#### 2. Financial Statements and Reports

To receive and consider the Financial Report for the year ended 30 July 2016, together with the Directors' Report and Auditor's Report as set out in the Annual Report.

*The Company's Auditor will be present at the Meeting to answer questions regarding the audit and the Auditor's Report.*

#### 3. Election and re-election of Directors

To consider and if thought fit, to pass the following resolutions as ordinary resolutions:

- (a) "THAT Mr Dave Whittle (appointed as a Director of the Company on 30 November 2015), who retires in accordance with rule 8.1(c) of the Company's Constitution and, being eligible, offers himself for election, be elected as a Director of the Company."
- (b) "THAT Mr Ian Cornell, who retires by rotation in accordance with rule 8.1(d) of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

- (c) "THAT Mr Bob Thorn, who retires by rotation in accordance with rule 8.1(d) of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

*Items 3(a) to (c) will be voted on as separate ordinary resolutions.*

*Information about each of these directors is set out in the attached Explanatory Notes.*

#### 4. Remuneration Report

To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

"THAT the Remuneration Report forming part of the Directors' Report for the year ended 30 July 2016 be adopted."

#### 5. Allocation of restricted shares and grant of performance rights to the Chief Executive Officer and Managing Director.

To consider and, if thought fit, to pass the following resolutions as separate ordinary resolutions:

- (a) "THAT the allocation of restricted shares to the Chief Executive Officer and Managing Director, Mr Richard Umbers, under the Myer Equity Incentive Plan as part of his short term incentive arrangements, as described in the Explanatory Notes be approved."
- (b) "THAT the grant of performance rights to the Chief Executive Officer and Managing Director, Mr Richard Umbers, and the provision of ordinary shares in the Company on the exercise of those performance rights, under the Myer Equity Incentive Plan as part of his long term incentive arrangements, as described in the Explanatory Notes be approved."

By order of the Board



**Richard Amos**  
Company Secretary  
29 September 2016

# INFORMATION FOR SHAREHOLDERS

## LINKVOTE APP

Shareholders attending the Meeting in person can download the LinkVote App from the Apple App store or Google Play store if they would like to vote during the meeting using their personal mobile phone. The LinkVote App will be available for download prior to the meeting. Shareholders can find out more by visiting the Investor Centre on the Myer website.

## VOTING AT THE MEETING

The Directors have determined that for the purposes of voting at the Meeting, shareholders will be taken to be those persons who are the registered holders of shares in the Company as at 7.00pm (Melbourne time) on Wednesday 16 November 2016.

## APPOINTING PROXIES AND POWERS OF ATTORNEY

A shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy or attorney to attend and vote on behalf of the shareholder. A proxy or attorney need not be a shareholder and can be either an individual or a body corporate.

Where the Chairman is appointed proxy, unless he is restricted from voting on a resolution, he will vote in accordance with the shareholder's directions as specified on the Proxy Form or, in the absence of a direction, **in favour** of the resolutions contained in this Notice of Meeting.

A shareholder that is entitled to cast two or more votes may appoint no more than two proxies or attorneys. Shareholders who wish to appoint two proxies should write the names of each proxy and the percentage of votes or number of shares to be voted by each proxy on Step 1 of the Proxy Form.

If a shareholder appoints two proxies or attorneys and does not specify the percentage of voting rights that each proxy or attorney may exercise, the rights are deemed to be 50% each. Fractions of votes will be disregarded.

## VOTING BY PROXIES

Shareholders should consider directing their proxy as to how to vote on each resolution by marking either the "For", "Against" or "Abstain" box when completing their Proxy Form to ensure that their proxy appointment specifies the way their proxy is to vote on each resolution. In certain circumstances (see below under the heading "Voting Restrictions"), a proxy may be prohibited from voting undirected proxies.

Under the Corporations Act, if the appointment of a proxy specifies the way the proxy is to vote on a particular resolution:

- > the proxy is not required to vote on a show of hands, but if the proxy does so, the proxy must vote as directed (subject to any applicable voting exclusions);
- > if the proxy has two or more appointments that specify different ways to vote on the resolutions, the proxy must not vote on a show of hands;
- > if the proxy is not the Chairman of the Meeting, the proxy need not vote on a poll but if the proxy does so, the proxy must vote as directed (subject to any applicable voting restrictions); and
- > if the proxy is the Chairman of the Meeting, the proxy must vote on a poll and must vote as directed.

In addition, there are some circumstances where the Chairman of the Meeting will be taken to have been appointed as a shareholder's proxy for the purposes of voting on a particular resolution even if the shareholder has not expressly appointed the Chairman of the Meeting as their proxy.

This will be the case where:

- > the appointment of proxy specifies the way the proxy is to vote on a particular resolution; and
- > the appointed proxy is not the Chairman of the Meeting; and

- > a poll is called on the resolution; and either of the following applies:
  - the proxy is not recorded as attending the Meeting; or
  - the proxy attends the Meeting but does not vote on the resolution.

## LODGING YOUR PROXY FORM

A personalised Proxy Form accompanies this Notice of Meeting. To be valid, your Proxy Form must be received at the Myer Share Registry by one of the means outlined below by no later than 11.00am (Sydney time) on Wednesday 16 November 2016 (Proxy deadline):

- > **by mail or in person to:**  
Link Market Services Limited  
  
**by mail:**  
Locked Bag A14  
Sydney South, NSW 1235  
  
**in person:**  
1A Homebush Bay Drive  
Rhodes, NSW 2138
- > **by facsimile to:**  
+61 2 9287 0303
- > **online at:** [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

If a shareholder has appointed an attorney to attend and vote at the Meeting, or if the proxy is signed by an attorney, the power of attorney (or a certified copy of the power of attorney) must be received by the Myer Share Registry before the Proxy deadline, unless this document has previously been lodged with the Myer Share Registry for notation.

Powers of attorney may be delivered to the Myer Share Registry by mail (Link Market Services Limited, Locked Bag A14, Sydney South, NSW 1235).

## CORPORATE REPRESENTATIVES

In accordance with s 250D of the Corporations Act, any corporate shareholder or proxy may appoint a person to act as its representative.

The representative must bring a formal notice of Appointment of Corporate Representative signed by the corporation.

A copy of that notice can be obtained from the Myer Share Registry by calling +61 1300 820 260 between 9.00am and 5.00pm (Melbourne time) or at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

A copy of the signed Appointment of Corporate Representative, or other evidence satisfactory to the Chairman of the Meeting, must be produced prior to admission to the Meeting.

## VOTING RESTRICTIONS

### Resolution 4 – Remuneration Report

Except to the extent otherwise permitted by law, any member of the key management personnel of the Company's consolidated group (**KMP**) whose remuneration details are included in the Remuneration Report (or a closely related party of any such member), may not vote, and the Company will disregard the votes cast by or on behalf of such persons on resolution 4, unless the vote is cast:

- > as proxy for a person entitled to vote in accordance with a direction on the proxy form; or
- > by the Chairman of the Meeting as proxy for a person entitled to vote, and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit.

### Resolutions 5(a) and 5(b) – Allocation of restricted shares and grant of performance rights to Chief Executive Officer and Managing Director

The Company will disregard any votes cast on resolutions 5(a) and 5(b) by Mr Umbers and his associates.

Further, a vote must not be cast on resolutions 5(a) and 5(b) by a KMP, or a closely related party of a KMP acting as proxy if their appointment does not specify the way the proxy is to vote on the resolution.

However, the Company will not disregard a vote on resolutions 5(a) and 5(b) (and that person is not prohibited from voting) if:

- > it is cast by a person identified above as proxy for a person who is entitled to vote on the resolution and the vote is cast in accordance with the directions on the proxy form; or
- > it is cast by the Chairman (who is a KMP) as proxy for a person who is entitled to vote on the resolution and the proxy appointment expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a KMP.

# EXPLANATORY NOTES

## ITEM 2 — FINANCIAL STATEMENTS AND REPORTS

The Corporations Act requires that the financial report and the reports of the directors and auditor be laid before the Meeting. There is no requirement for shareholders to vote on these reports. Shareholders will be given a reasonable opportunity to raise questions and make comments on these reports and on the management of the Company at the Meeting.

## ITEM 3 — ELECTION AND RE-ELECTION OF DIRECTORS

Rule 8.1(c) of the Company's Constitution requires a director who was appointed during the year to retire at the next Annual General Meeting following their appointment. Directors so appointed are eligible for election. Mr Dave Whittle was appointed since the 2015 Annual General Meeting, and will retire and offer himself for election by shareholders at the Meeting.

Rule 8.1(d) of the Company's Constitution requires two of the current directors to retire by rotation at the Meeting. Accordingly, Mr Ian Cornell and Mr Bob Thorn will each retire and offer themselves for re-election.

The Board (other than the Director who is the subject of the relevant resolution) considers each of the Directors to be independent, and recommends the election of Mr Dave Whittle and the re-election of Mr Ian Cornell and Mr Bob Thorn.

Profiles of the Directors are as follows:



**Dave Whittle**  
Independent non-executive director

- > Member of the Board since 30 November 2015
- > Member – Audit, Finance and Risk Committee

Dave has considerable digital and omni-channel retail experience in marketing and advertising, including his expertise in helping brands appeal to consumers. Previously, Dave spent 10 years with global advertising group M&C Saatchi in a number of local and international leadership roles, culminating in three years as Managing Director in Australia. During this time he advised clients including Commonwealth Bank, Optus, IAG, ANZ, Qantas Loyalty and Google on brand, digital, data, omni-channel retail and digital transformation. Prior to joining M&C Saatchi, Dave was the first employee of a marketing services group that built four digital service and software businesses. Two were acquired locally, and the other two were acquired by Oracle and Netratings in the US.

Dave has a Bachelor of Arts and Bachelor of Commerce from Deakin University. Dave resides in New South Wales and is currently a non-executive director of the Melbourne Festival and GWS GIANTS Foundation.



**Ian Cornell**  
Independent non-executive director

- > Member of the Board since 6 February 2014
- > Member – Human Resources and Remuneration Committee

Ian has extensive experience in the retail industry across a number of senior retail roles including 11 years at Westfield. During his time at Westfield, Ian was Head of Human Resources for seven years and also responsible for retailing relationships in Australia and New Zealand. He also spent three years as the Head of Management and Marketing for Westfield's shopping centres in Australia and New Zealand and has extensive experience in large scale retail operations and responding to changing consumer trends. Prior to joining Westfield, Ian was chairman and CEO of supermarket chain, Franklins, and earlier spent 22 years at Woolworths, including his role as Chief General Manager Supermarkets. Ian has previously been a director of Goodman Fielder Limited. Ian is also a Fellow of the Institute of Management, a Fellow of the Human Resources Institute, a member of the Institute of Company Directors, and a graduate of the Advanced Management Programme at Harvard. Ian resides in New South Wales and is a non-executive director of Baby Bunting Group Limited and Inglis Bloodstock, as well as of the PKD Foundation, a charitable foundation raising funds for medical research into kidney disease.



**Bob Thorn**  
Independent non-executive director

- > Member of the Board since 6 February 2014
- > Member – Audit, Finance and Risk Committee

Bob brings considerable general business and senior retail management experience to the Company from thirteen years at Super Retail Group; nine of those years in the role of Managing Director. During his time at the company, Bob drove Australia and New Zealand expansions and led the creation of the Boating Camping Fishing (BCF) business, the market leader in camping and leisure.

Prior to Bob's 13 years with Super Retail Group, he was previously General Manager at Lincraft, and held senior roles at other major retailers including nine years with David Jones. Bob has also been the chairman of Cutting Edge, and a director at WOW Sight and Sound, Babies Galore, and Unity Water.

Bob is a member of the Australian Institute of Company Directors, is a director of Rotah Group Pty Ltd, and is non-executive chairman of PWR Holdings Limited.

#### ITEM 4 — REMUNERATION REPORT

The Remuneration Report includes information on:

- > the remuneration policy adopted by the Board;
- > the relationship between that policy and the Company's performance;
- > the remuneration details of each Director and key management personnel; and
- > the performance conditions that must be met prior to an executive deriving any value from the 'at risk' components of their remuneration.

The Remuneration Report is included in the Company's 2016 Annual Report, which is available on the Investor Centre section of the Company's website, [myer.com.au/investor](http://myer.com.au/investor), and copies of which will also be available at the Meeting.

At the Meeting, the Chairman will give shareholders a reasonable opportunity to ask questions about or comment on the Remuneration Report.

The shareholder vote on this resolution is advisory only and will not bind the directors or the Company. The vote will, however, be taken into consideration in determining future remuneration policy for directors and executives.

The Board recommends that shareholders vote in favour of this resolution. The Board encourages shareholders to apply the same level of diligence to voting on this resolution as for the binding resolutions.

#### ITEM 5 — ALLOCATION OF RESTRICTED SHARES AND GRANT OF PERFORMANCE RIGHTS TO THE CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

##### WHY WE ARE SEEKING SHAREHOLDER APPROVAL

The Company is required by the ASX Listing Rules to obtain shareholder approval to grant securities, including restricted shares and performance rights, to Mr Umbers under an employee incentive scheme.

As described in the 2015 Notice of Meeting, Mr Umbers' total remuneration package includes an STI award, 60% of which is delivered in cash and, subject to shareholder approval, 40% of which is delivered in equity through an allocation of restricted shares. As with all other executives of the Company, the performance of Mr Umbers has been reviewed in accordance with the performance measurement framework described in the Company's 2016 Remuneration Report. As a result of the 2016 performance year outcomes, Mr Umbers is eligible for an award under the Company's short term incentive (STI) plan.

Mr Umbers' total remuneration package also includes a long term incentive plan (LTIP) award, all of which is delivered in equity through an award of performance rights, subject to shareholder approval.

Accordingly, we are seeking approval to enable the Company to allocate restricted shares and grant performance rights to Mr Umbers for his FY2016 STI and FY2017 LTIP.

If shareholder approval is given, the restricted shares will be allocated, and the performance rights will be granted, to Mr Umbers shortly after the Meeting and in any event within 12 months of the Meeting.

## RESTRICTED SHARES

A restricted share is a fully paid ordinary share in the Company that will, if shareholder approval is obtained, be held on trust for Mr Umbers for a 12 month deferral period or until forfeited (described further below).

The key aspects of the restricted shares are described in more detail below.

### Number of restricted shares proposed to be allocated

The number of restricted shares to be allocated to Mr Umbers will be determined by dividing the maximum value of his restricted shares (\$149,862, being 40% of his FY2016 STI award) by the market price of the Company's shares at the time the shares are allocated. If new shares are issued by the Company to satisfy its obligation to allocate restricted shares, the market price will be the volume weighted average market price of the Company's shares, as traded on the ASX in the 5 trading days up to and including the day before the restricted shares are allocated to Mr Umbers. If, on the other hand, the Company acquires shares on-market to satisfy this obligation, the market price is the average purchase price of the shares. As no shares have been issued or purchased on market for the purposes of anticipating an allocation of restricted shares to Mr Umbers, the market value was not determined at the time of printing this Notice of Meeting.

If shareholder approval is not obtained, the Board has the discretion to provide Mr Umbers with a cash amount equal to the value of some or all of the restricted shares that would otherwise have been allocated to Mr Umbers.

### Deferral period and forfeiture

During the 12 month deferral period, the restricted shares will be held on trust for Mr Umbers and he will not be able to sell, transfer or otherwise deal with the restricted shares until the deferral period ends.

The trustee will, subject to applicable law and the Company's guidelines for dealing in securities, transfer to Mr Umbers all restricted shares which are allocated to his account, as soon as reasonably practicable following the expiration of the 12 month deferral period.

Subject to applicable law relating to the provision of benefits, if Mr Umbers' employment with the Company ceases during the deferral period:

- > for a permitted reason as defined in the restricted share terms, the restricted shares will remain subject to the restrictions on dealing until released in accordance with their normal terms; and
- > for a reason other than a permitted reason, all of his restricted shares for which the restriction period has not expired are forfeited.

### Other terms – restricted shares

No price is payable by Mr Umbers for the grant of the restricted shares.

While the restricted shares are held on trust, Mr Umbers will be entitled to any dividends paid on them and, subject to any applicable voting restrictions imposed by law, will be able to instruct the trustee to vote those shares at any general meeting of the Company's shareholders. However, as stated above, Mr Umbers will not be able to deal with the restricted shares and will not be entitled to have the restricted shares transferred to him, or require that the trustee deal with the restricted shares on his behalf, until the end of the 12 month deferral period.

If the Company's Board determines that an award under the STI, including an allocation of restricted shares, was made to Mr Umbers on the basis of a material misstatement or omission in the Company's financial statements, the Company's Board may, in its absolute discretion and subject to applicable law, take any steps that it determines appropriate to recover from Mr Umbers the amount by which his award for the relevant period exceeded the lower award that would have been made based on the Company's restated financial statements, including determining that some or all of his restricted shares not yet transferred into his name are forfeited.

## PERFORMANCE RIGHTS

Each performance right entitles Mr Umbers to acquire one fully paid ordinary share in the Company if the applicable performance hurdles are met (subject to adjustments for capital actions). The performance rights will be granted in one tranche and will be broadly on the same terms as performance rights granted to other executives participating in the performance rights offer for FY2017.

Subject to shareholder approval at the Meeting, Mr Umbers will be granted performance rights to a maximum value of \$1,080,000.

The key aspects of the performance rights are described in more detail below.

### Number of performance rights proposed to be granted

The number of performance rights granted will be determined by reference to the maximum value of the proposed grant (being \$1,080,000) divided by the value attributed to the performance rights. The value attributed to the performance rights will be the volume weighted average price (VWAP) of the Company's shares over the five trading days up to and including the day before the closing date of the FY2017 LTIP offer.

**Performance hurdles**

Three performance hurdles, designed to reflect transformation based performance, will apply to the performance rights:

- (a) 50% of the performance rights will be subject to a hurdle based on the growth in the Company's return on funds employed (**ROFE**) over a three year performance period (from the beginning of FY2017 to the end of FY2019) (**Performance Period**) (**ROFE Hurdle**);
- (b) 25% of the performance rights will be subject to a hurdle based on the Company's compound annual growth in earnings per share (**EPS Hurdle**), subject to a test as described below; and,
- (c) 25% of the performance rights will be subject to a hurdle based on the Company's Total Shareholder Return relative to an agreed peer group (**TSR hurdle**)

Each of the performance hurdles are described in more detail below.

Performance hurdle	Description								
<b>ROFE Hurdle</b>	<p>The growth in the Company's ROFE will be tested over the Performance Period.</p> <p>The table below sets out the percentage of performance rights subject to the ROFE Hurdle that can vest depending on the Company's performance against the ROFE Hurdle over the Performance Period.</p> <table border="1"> <thead> <tr> <th>The Company's ROFE at the end of the Performance Period</th> <th>% of performance rights subject to the ROFE Hurdle that will vest (rounded down to the nearest whole number)</th> </tr> </thead> <tbody> <tr> <td>Up to but excluding 15.0%</td> <td>Nil</td> </tr> <tr> <td>Including 15.0% and up to but excluding 16.5%</td> <td>Pro rata, with linear progression between 50% and up to 100%</td> </tr> <tr> <td>16.5% or greater</td> <td>100%</td> </tr> </tbody> </table>	The Company's ROFE at the end of the Performance Period	% of performance rights subject to the ROFE Hurdle that will vest (rounded down to the nearest whole number)	Up to but excluding 15.0%	Nil	Including 15.0% and up to but excluding 16.5%	Pro rata, with linear progression between 50% and up to 100%	16.5% or greater	100%
The Company's ROFE at the end of the Performance Period	% of performance rights subject to the ROFE Hurdle that will vest (rounded down to the nearest whole number)								
Up to but excluding 15.0%	Nil								
Including 15.0% and up to but excluding 16.5%	Pro rata, with linear progression between 50% and up to 100%								
16.5% or greater	100%								
<b>EPS Hurdle</b>	<p>The EPS Hurdle will be tested over the Performance Period by calculating the compound annual growth rate in the Company's earnings per share (<b>EPS</b>), using EPS at the end of FY2016 as the base year. The resulting growth rate will be used to determine the level of vesting for the performance rights subject to the EPS Hurdle.</p> <p>The table below sets out the percentage of performance rights subject to the EPS Hurdle that can vest depending on the Company's growth in EPS:</p> <table border="1"> <thead> <tr> <th>Growth in EPS</th> <th>% of performance rights subject to the EPS Hurdle that will vest (rounded down to nearest whole number)</th> </tr> </thead> <tbody> <tr> <td>Up to but excluding 20%</td> <td>Nil</td> </tr> <tr> <td>Including 20% and up to but excluding 25%</td> <td>Pro rata, with linear progression between 50% and up to 100%</td> </tr> <tr> <td>25% or greater</td> <td>100%</td> </tr> </tbody> </table>	Growth in EPS	% of performance rights subject to the EPS Hurdle that will vest (rounded down to nearest whole number)	Up to but excluding 20%	Nil	Including 20% and up to but excluding 25%	Pro rata, with linear progression between 50% and up to 100%	25% or greater	100%
Growth in EPS	% of performance rights subject to the EPS Hurdle that will vest (rounded down to nearest whole number)								
Up to but excluding 20%	Nil								
Including 20% and up to but excluding 25%	Pro rata, with linear progression between 50% and up to 100%								
25% or greater	100%								
<b>TSR Hurdle</b>	<p>The TSR Hurdle will be tested following the end of the Performance Period by comparing the Company's total shareholder return performance over the Performance Period relative to a set peer group. The peer group consists of Standard &amp; Poor's ASX 200 market constituents (excluding Finance, Health Care, Utilities, Consumer Staples Global Industry Classification Standard (GICS) sectors, and Metals and Mining or Oil, Gas and Consumer Fuels GICS Industry Groups).</p> <p>The table below sets out the percentage of performance rights subject to the TSR Hurdle that can vest depending on the Company's relative TSR performance:</p> <table border="1"> <thead> <tr> <th>TSR percentile ranking</th> <th>% of performance rights subject to the TSR Hurdle that will vest (rounded down to nearest whole number)</th> </tr> </thead> <tbody> <tr> <td>Up to but excluding 50th percentile</td> <td>Nil</td> </tr> <tr> <td>Including 50th percentile and up to but excluding 75th percentile</td> <td>Pro rata, with linear progression between 50% and up to 100%</td> </tr> <tr> <td>75th percentile or greater</td> <td>100%</td> </tr> </tbody> </table>	TSR percentile ranking	% of performance rights subject to the TSR Hurdle that will vest (rounded down to nearest whole number)	Up to but excluding 50th percentile	Nil	Including 50th percentile and up to but excluding 75th percentile	Pro rata, with linear progression between 50% and up to 100%	75th percentile or greater	100%
TSR percentile ranking	% of performance rights subject to the TSR Hurdle that will vest (rounded down to nearest whole number)								
Up to but excluding 50th percentile	Nil								
Including 50th percentile and up to but excluding 75th percentile	Pro rata, with linear progression between 50% and up to 100%								
75th percentile or greater	100%								

Each of the performance hurdles will be assessed separately and apply to different performance rights. This means that all hurdles do not need to be satisfied for any of the performance rights to vest. For example, it is possible for some or all of the performance rights subject to the ROFE Hurdle to vest, while none of the performance rights subject to the EPS Hurdle or TSR Hurdle vest (and vice versa).

The performance hurdles will be tested once, following the end of the Performance Period. There will be no retesting. Any performance rights that do not vest at the end of the Performance Period will lapse.

#### **Restriction periods**

Any shares provided on vesting of the performance rights (**LTIP Award Shares**) will be held on trust for Mr Umbers and will be subject to a restriction period of one year, during which they cannot be sold, transferred or otherwise dealt with.

The trustee will, subject to applicable law and the Company's guidelines for dealing in securities, transfer to Mr Umbers all LTIP Award Shares which are allocated to his account, as soon as reasonably practicable following the expiration of the restriction period.

#### **Other terms – performance rights**

No price is payable by Mr Umbers for the award of performance rights and, as is the case for all executives who hold performance rights, no price is payable by Mr Umbers to exercise the rights if they vest.

Mr Umbers will not be eligible to receive any dividends on the performance rights but, as with any other shareholder, Mr Umbers will be entitled to receive dividends on any LTIP Award Shares that are provided on vesting of the performance rights (including during any restriction period). The performance rights do not carry any voting rights, but Mr Umbers will be able to vote any LTIP Award Shares that are provided on vesting of the performance rights (including during any restriction period).

The terms of the LTIP also allow the Board to claw back any performance rights or LTIP Award Shares during any restriction period which were granted on the basis of, or have become eligible to vest as a result of, a material misstatement in, or omission from, the Company's financial statements. Subject to applicable law, the Board has the discretion to claw back such performance rights or restricted LTIP Award Shares by determining that unvested performance rights should lapse, determining that restricted LTIP Award Shares are forfeited, requiring a repayment of the overpaid amount or through another form of alteration to Mr Umbers' remuneration.

Subject to applicable law relating to the provision of benefits, and unless the Board determines otherwise:

- > if Mr Umbers' employment with the Company ceases prior to vesting of the performance rights:
  - for a permitted reason as defined in the performance rights terms, a pro-rata portion of the unvested performance rights will lapse, having regard to the portion of the Performance Period that has elapsed as at the date of cessation and the total Performance Period. Any performance rights that do not lapse will then be tested and become eligible to vest in accordance with their normal terms following the end of the Performance Period; and
  - for a reason other than a permitted reason, all of his unvested performance rights will lapse; and
- > if Mr Umbers' employment with the Company ceases during the restriction period:
  - for a permitted reason as defined in the terms, the LTIP Award Shares will remain subject to the relevant restriction period until released in accordance with their normal terms; and
  - for a reason other than a permitted reason, all of his LTIP Award Shares for which the restriction period has not expired are forfeited.

#### **OTHER REQUIRED INFORMATION - ASX LISTING RULES**

Since approval was last obtained by the Company at the Annual General Meeting in 2015 for the award of performance rights to Mr Umbers under the LTIP, Mr Umbers was awarded 939,130 performance rights on 5 January 2016.

No amount was payable by Mr Umbers for the award of the performance rights. The number of performance rights awarded to Mr Umbers at that time was based on a VWAP of \$1.15

Mr Umbers is the only Director of the Company entitled to participate in the LTIP.

No loans are provided by the Company in connection with the restricted shares or the performance rights awarded to Mr Umbers under the LTIP.

Since the Company's Annual General Meeting in 2015, the Company has not provided any restricted shares to Mr Umbers.

#### **BOARD'S RECOMMENDATION**

The non-executive directors have concluded that Mr Umbers' remuneration package, including the proposed awards of restricted shares and performance rights, is reasonable and appropriate having regard to the Company's circumstances and Mr Umbers' duties and responsibilities.

The Board (other than Mr Umbers) recommends that shareholders vote in favour of this resolution.




 **ONLINE**  
www.linkmarketservices.com.au

 **BY MAIL**  
Myer Holdings Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia

 **BY FAX**  
+61 2 9287 0309

 **BY HAND**  
Link Market Services Limited  
1A Homebush Bay Drive, Rhodes NSW 2138; or  
Level 12, 680 George Street, Sydney NSW 2000

 **ALL ENQUIRIES TO**  
Telephone: +61 1300 820 260

## PROXY FORM

I/We being a member(s) of Myer Holdings Limited (ABN 14 119 085 602) and entitled to attend and vote hereby appoint:

### APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am (Melbourne time) on Friday, 18 November 2016 at Mural Hall, Level 6, Myer Melbourne Store, Bourke Street Mall, Melbourne, Victoria** (the Meeting) and at any postponement or adjournment of the Meeting.

If two proxies are being appointed, the number of voting shares this proxy is appointed to represent is:

**Important for Resolutions 4, 5a and 5b:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 4, 5a and 5b, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.**


### VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed in accordance with the signing instructions overleaf and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an

#### Resolutions

	For	Against	Abstain*		For	Against	Abstain*
<b>3a</b> Election of Mr Dave Whittle as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>4</b> Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>3b</b> Re-election of Mr Ian Cornell as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>5a</b> Allocation of Restricted Shares to the Chief Executive Officer and Managing Director, Mr Richard Umbers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>3c</b> Re-election of Mr Bob Thorn as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>5b</b> Grant of performance rights to the Chief Executive Officer and Managing Director, Mr Richard Umbers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

 \* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, all shareholders must sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, all shareholders must sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am (Melbourne time) on Wednesday, 16 November 2016**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



#### BY MAIL

Myer Holdings Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
1A Homebush Bay Drive  
Rhodes NSW 2138  
  
or  
  
Level 12  
680 George Street  
Sydney NSW 2000

\* During business hours (Monday to Friday, 9:00am–5:00pm)



### COMMUNICATION PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**


## LODGE YOUR QUESTIONS

 **ONLINE**  
[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

 **BY MAIL**  
 Myer Holdings Limited  
 C/- Link Market Services Limited  
 Locked Bag A14  
 Sydney South NSW 1235 Australia

 **BY FAX**  
 +61 2 9287 0309

 **BY HAND**  
 Link Market Services Limited  
 1A Homebush Bay Drive, Rhodes NSW 2138; or  
 Level 12, 680 George Street, Sydney NSW 2000

 **ALL ENQUIRIES TO**  
 Telephone: +61 1300 820 260

Please use this form to submit any questions about Myer Holdings Limited (ABN 14 119 085 602) (“the Company”) that you would like us to respond to at the Company’s 2016 Annual General Meeting. Your questions should relate to matters that are relevant to the business of the meeting, as outlined in the accompanying Notice of Meeting and Explanatory Memorandum. If your question is for the Company’s auditor it should be relevant to the content of the auditor’s report, or the conduct of the audit of the financial report.

This form must be received by the Company’s share registrar, Link Market Services Limited, by **5:00pm (Melbourne time) on Friday, 11 November 2016.**

Questions will be collated. During the course of the Annual General Meeting, the Chairman of the Meeting will endeavour to address as many of the more frequently raised shareholder topics as possible and, where appropriate, will give a representative of the Company’s auditor the opportunity to answer written questions submitted to the auditor. However, there may not be sufficient time available at the meeting to address all topics raised. Please note that individual responses will not be sent to shareholders.

## QUESTIONS

*Please tick if your question is directed to the Auditor*

1.

2.

3.

4.

5.