

NOTICE OF
— ANNUAL GENERAL MEETING —
2017

MYER

MESSAGE FROM THE CHAIRMAN



Dear Shareholder,

On 11 October 2017, I announced my retirement from the Myer Board which I have had the pleasure of serving for five years as Chairman.

On 19 September 2017, Myer announced the appointment of Mr Garry Hounsell as a non-Executive Director. On completion of the AGM on 24 November 2017, I will step down from the Myer Board and I am delighted that Garry Hounsell has been appointed as the next Chairman of Myer. I would encourage each and every one of you to support Garry's election to the Myer Board as Chairman at this year's Annual General Meeting.

I have great confidence in the capability of the Myer Board and Garry's extensive experience will complement the deep and diverse skill set available to the Board. This includes not only traditional retail including department stores and speciality retail but also in fields that are shaping the new retail environment such as digital, data, customer experience and brand management.

Myer's Directors also have a wider range of skills acquired in other sectors and countries that are required to deliver Myer's transformation including property, financial, risk management, change and talent management.

There is important work to be done at Myer and I step down from the Chairman's role confident in the knowledge there is a strong Board and management team in place with a clear and detailed vision to execute the New Myer strategy.

I would like to sincerely thank the Board and management as well as the broader Myer team for their strong support and dedication to the business over the past five years.

A handwritten signature in black ink, which appears to read "Paul McClintock". The signature is fluid and cursive.

Paul McClintock AO
Chairman

MESSAGE FROM THE CHAIRMAN-ELECT



Dear Shareholder,

I am writing to introduce myself to you having had the great honour of being appointed as a Director of Myer Holdings on 20 September 2017.

Myer is an icon of the Australian retailing landscape. If I am elected at this year's AGM, I am very much looking forward to be playing a leading role in its transformation. I have confidence in the New Myer strategy and I believe in the capability and skills mix of the Board and management to deliver it. My recent purchase of 500,000 shares in the Company is a reflection of my conviction.

Since my appointment to the board, I have spent time listening to shareholders and I look forward to meeting more shareholders at this year's AGM.

I have been a part of a number of successful business transformations in recent years, including Qantas and Treasury Wine Estates. In my experience there are three key elements that will be absolutely critical to Myer's future success.

First, you must have the right strategy. The Myer Board has played a central role in developing the New Myer agenda and overseeing its implementation. The evidence to date demonstrates that underlying earnings have been stabilised and our competitive position has been strengthened but there is much more to do.

Second, you need the right skills on the Board and in senior management not only to deliver the strategy but also to ensure it is capable of evolving to meet market conditions. The Board has a deep, diverse and relevant skill set, with experience in traditional retail and also in fields that are shaping the new retail environment such as digital, data, customer experience and brand management. The Board also has a wide range of skills acquired in other sectors and countries that are essential to deliver the New Myer transformation, including property, financial, risk management, change and talent management.

I am delighted that the Board has decided to strengthen that skill set to include fashion retailing and luxury brands experience, with the addition of Julie Ann Morrison to the Board.

Finally, continued unity and alignment are essential – both within the Board and between Board and management. Our focus must remain on delivering shareholder value.

You may have read recent criticisms of Myer in the media. As your incoming Chairman, I would encourage you to visit our stores and shop online to see for yourselves how New Myer is being delivered.

I am convinced that the New Myer strategy is the right one. I come to this role very motivated by how much progress the management team has made in delivering New Myer. Analysis of Myer's results relative to others in the apparel sector demonstrates the strategy is working, but it is a difficult environment and in my experience transformation takes time. Nevertheless, I am impatient for a return to growing profits.

I know I speak on behalf of the entire Board in saying that we are all united in our focus to deliver the New Myer strategy. Myer is a much loved brand and we are all working very hard to ensure it remains relevant for its customers and delivers for its shareholders.

A handwritten signature in black ink, appearing to read 'Garry Hounsell'.

Garry Hounsell
Deputy Chairman

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the eighth 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 24 November 2017 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, and will also be archived on this website for later listening. 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 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 29 July 2017, 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 of Directors

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

- (a) "THAT Ms JoAnne Stephenson (appointed as a Director of the Company on 28 November 2016), who retires in accordance with rule 8.1(c) of the Company's Constitution and, being eligible, offers herself for election, be elected as a Director of the Company."
- (b) "THAT Mr Garry Hounsell (appointed as a Director of the Company on 20 September 2017), 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."
- (c) "THAT Ms Julie Ann Morrison (appointed as a Director of the Company on 17 October 2017), who retires in accordance with rule 8.1(c) of the Company's Constitution and, being eligible, offers herself for election, be 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 29 July 2017 be adopted."

5. Grant of performance rights to the Chief Executive Officer and Managing Director

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

“**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 FY2018 Long Term Incentive Plan as part of his long term incentive arrangements, as described in the Explanatory Notes be approved.”

6. Amendments to the Constitution to permit Hybrid AGMs

To consider and, if thought fit, to pass the following resolution as a special resolution:

“**THAT** the proposed amendments to Articles 7.3(d) and 7.7(j) of the Company’s Constitution set out in the Explanatory Notes be approved and adopted with immediate effect.”

7. Renewal of proportional takeover provisions in the Constitution

To consider and, if thought fit, to pass the following resolution as a special resolution:

“**THAT** the proportional takeover approval provisions in Article 6 of the Company’s Constitution be renewed for a period of three years commencing on the day this resolution is passed by reinserting those provisions.”

By order of the Board



Richard Amos
Company Secretary
23 October 2017

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 22 November 2017.

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.

* Apple and App Store are trademarks of Apple Inc. Google Play is a trademark of Google Inc.

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 22 November 2017 (**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 0309

> **online at:** 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.

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 on the resolution and the proxy appointment expressly authorises the Chairman to vote undirected proxies as the Chairman sees fit, even if the resolution is connected directly or indirectly with the remuneration of a KMP.

Resolution 5 – Grant of performance rights to Chief Executive Officer and Managing Director

The Company will disregard any votes cast on resolution 5 by Mr Umbers and his associates.

Further, a vote must not be cast on resolution 5 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 resolution 5 (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 vote undirected proxies as the Chairman sees fit, 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 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. Ms JoAnne Stephenson, Mr Garry Hounsell and Ms Julie Ann Morrison were appointed since the 2016 Annual General Meeting, and will retire and offer themselves 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. Mr Paul McClintock AO and Ms Anne Brennan have each notified the Board that they do not intend to seek re-election as a director of the Board at this year's AGM. Accordingly, they will each retire at the end of the AGM.

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 Ms JoAnne Stephenson, Mr Garry Hounsell and Ms Julie Ann Morrison.

Profiles of the Directors are as follows:



JoAnne Stephenson
Independent non-executive director

- > Member of the Board since 28 November 2016
- > Member – Audit, Finance and Risk Committee
- > Member – Human Resources and Remuneration Committee

JoAnne has extensive experience spanning over 25 years across a range of industries. JoAnne was previously a senior client partner in the Advisory division at KPMG and has key strengths in finance, accounting, risk management and governance. JoAnne holds a Bachelor of Commerce and Bachelor of Laws (Honours) from The University of Queensland. She is also a member of both the Australian Institute of Company Directors and The Institute of Chartered Accountants in Australia. JoAnne resides in Victoria.

JoAnne is also an Independent Non-Executive Director of Challenger Limited, Asaleo Care Limited and Japara Healthcare Limited. She is also Chair of the Audit and Risk Committee of the Department of Health and Human Services (Victoria), the Victorian Major Transport Infrastructure Board and the Melbourne Chamber Orchestra.



Garry Hounsell
Deputy Chairman
Independent non-executive director

- > Member of the Board since 20 September 2017
- > Member – Nomination Committee
- > Member – Human Resources and Remuneration Committee

Garry has been Chairman of Spotless Holdings Limited, PanAust Limited and eMitch Limited and Deputy Chairman of Mitchell Communications Group Limited. He has also been a Director of Qantas Airways Limited, Orica Limited, Nufarm Limited and Integral Diagnostics Limited. Garry was also a Director of the Burnet Institute Limited and MLC Limited. He was an Advisory Board member of PanAust Limited and Rothschild Australia Limited. Garry is a former Chief Executive Officer and Country Managing Partner of Arthur Andersen and a Senior Partner of Ernst & Young. He is a Fellow of Australian Institute of Company Directors and a Fellow of Chartered Accountants Australia and New Zealand. Garry resides in Victoria.

Garry is the Chairman of Helloworld Travel Limited and a Director of Treasury Wine Estates Limited and Dulux Group Limited. He is also a Director of Commonwealth Superannuation Corporation Limited. Garry has advised the Company that he will resign from one of his other ASX listed boards by 30 November 2017.



Julie Ann Morrison
Independent non-executive director

> Member of the Board since 17 October 2017

Julie Ann has extensive experience in fashion retailing and brands from the sales floor through to merchandising, buying, marketing and managing director. She was the Managing Director of Bulgari UK (2012 to 2014) concurrent with being the Managing Director of Bulgari Australia (2007 to 2014), part of the LVMH Group. She was also the Managing Director of FJB Australia, the then largest luxury goods company in Australia, which had retail and distribution rights for brands including Gucci, Guess, Moschino, Lanvin and Fendi in South East Asia and Australia. While at FJB, she also established an international licensing business for local and US brands including accessories for David Lawrence, Sportscraft, Ann Taylor (US) and Bill Blass (US). Julie Ann was a finalist in the BRW/Qantas Business Woman of the Year and went on to establish a management consulting business specialising in retail and brands. She has been a member of the Institute of Directors (UK) and is currently a member of the Australian Institute of Company Directors. Julie Ann resides in Victoria.

Julie Ann is an advisory board member and consultant to Carla Zampatti Pty Ltd (including the Carla Zampatti and Bianca Spender brands) and a fashion business curator and advisor to the Sherman Centre for Culture and Ideas, which is a non-profit project to advance engagement in fashion culture and ideas. Julie Ann also consults on projects specialising in fashion, retail, brands and the arts.

Since February 2016, Julie-Ann has been a non-executive director of subsidiary boards of Myer Holdings Limited which operate the sass & bide fashion brand, providing valuable guidance on addressing performance issues, setting a new strategy and restructuring the management team. Since July 2017 she has been non-executive Chair of those subsidiaries and a further subsidiary within Myer Holdings which operates the Marcs and David Lawrence fashion brands.

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 2017 Annual Report, which is available on the Investor Centre section of the

Company's website, 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 – 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 performance rights, to Mr Umbers under an employee incentive scheme.

As described in the 2016 Notice of Meeting, Mr Umbers' total remuneration package 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 grant performance rights to Mr Umbers for his FY2018 LTIP.

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

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 FY2018.

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 FY2018 LTIP offer.

EXPLANATORY NOTES

Continued

Performance hurdles

Three performance hurdles, designed to reflect long term performance beyond the transformation period, 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 FY2018 to the end of FY2020) (**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**), over the Performance Period; 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 across the Performance Period (**TSR hurdle**).

The hurdles for the FY2018 LTIP have been chosen to align with shareholder returns and the delivery of shareholder value over the Performance Period.

The performance hurdles are intended to focus participants on the strategy fundamentals of improving earnings and return on funds employed; align to shareholders through specified ROFE, EPS and TSR hurdles; as well as to complement the measures in the STI. The result is a remuneration framework that is closely aligned to the creation of shareholder value. The number of performance rights that vest will depend on how well Myer has performed during the Performance Period. For outstanding performance, 100 percent of the performance rights will vest. Only a percentage of performance rights will vest for performance below that level. If Myer does not achieve certain minimum thresholds then all the applicable performance rights will lapse and no performance rights can vest.

In determining the ROFE and EPS performance targets, the Board will take into account internal financial metrics, prevailing economic conditions and market consensus.

The ROFE hurdle will be tested following the end of the Performance Period with vesting determined by comparing the Company's ROFE at the end of the Performance Period with the pre-determined performance targets. Vesting of performance rights subject to this hurdle will start at the threshold level with 50% vesting, and continue on a linear basis to 100% vesting at the maximum level of performance as agreed by the Board.

The EPS hurdle will be tested over the Performance Period with vesting determined by comparing the compound annual growth rate in the Company's EPS, using EPS at the end of FY17 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 with vesting commencing at the threshold level with 50% vesting and continuing on a linear basis to 100% vesting at the defined maximum level of performance.

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 & 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). Vesting of the TSR rights will commence at the 50th percentile where 50% of the rights will vest and will proceed on a linear basis up to the 75th percentile where 100% of the rights will vest.

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.

EXPLANATORY NOTES

Continued

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 2016 for the award of performance rights to Mr Umbers under the LTIP, Mr Umbers was awarded 808,443 performance rights on 22 December 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 \$1.34.

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 approval was last obtained by the Company at the Annual General Meeting in 2016 for the award of restricted shares to Mr Umbers under the FY2016 Short Term Incentive Plan, Mr Umbers was awarded 114,617 restricted shares on 15 December 2016.

No amount was payable by Mr Umbers for the grant of the restricted shares.

The number of restricted shares awarded to Mr Umbers at that time was based on a VWAP of \$1.31.

BOARD'S RECOMMENDATION

The non-executive directors have concluded that Mr Umbers' remuneration package, including the proposed award of 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.

ITEM 6 – AMENDMENTS TO THE CONSTITUTION TO PERMIT HYBRID AGMS

Shareholders will note that there has been a significant amount of discussion about the evolution of the AGM. Further, a number of hybrid general meetings have been held by ASX/NZX listed companies in recent years permitting shareholders to attend either the physical meeting location or online and vote and ask questions.

The advantages of hybrid meetings include:

- > greater accessibility for institutional and large holders (who travel and are time poor);
- > every investor, regardless of location, can participate and virtually attend the meeting, vote and ask questions; and
- > provides ease of attendance for global and local analysts.

The Company wishes to have the flexibility to embrace hybrid AGMs in future. However, it is unclear whether the Company would be permitted to do so under its Constitution as currently drafted. Accordingly, the Company proposes to amend Articles 7.3(d) and 7.7(j) of the Constitution to permit it to do so. The effect of section 136(2) of the Corporations Act is that a special resolution of shareholders is required to amend the Constitution.

Proposed Amendments

The proposed amendments to Articles 7.3(d) and 7.7(j) are set out below.

“7.3 Admission to general meetings

(d) If a separate meeting place is linked to the main place of a general meeting by an instantaneous audio visual communication device which, by itself or in conjunction with other arrangements:

- (1) gives the general body of members in the separate meeting place a reasonable opportunity to participate in proceedings in the main place; and
- ~~(2) enables the chairperson to be aware of proceedings in the other place; and~~
- (2) enables the members in the separate meeting place to vote ~~on a show of hands or on a poll,~~

a member present at the separate meeting place is taken to be present at the general meeting and entitled to exercise all rights as if he or she was present at the main place.”

“7.7 Decisions at general meetings

(j) Despite anything to the contrary in this constitution, the directors may decide that, at any general meeting or class meeting, a member who is entitled to attend and vote on a resolution at that meeting is entitled to a direct vote in respect of that resolution. A 'direct vote' includes a vote delivered to the company by post, fax or other electronic means approved by the directors. A member who delivers a direct vote at any general meeting or class meeting is deemed to be present at

EXPLANATORY NOTES

Continued

that meeting for all purposes. The directors may prescribe regulations, rules and procedures in relation to direct voting, including specifying the form, method and timing of giving a direct vote at a meeting for the vote to be valid.”

ITEM 7 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS IN THE CONSTITUTION

A proportional takeover bid is one under which an offer is made for only a proportion of each shareholder’s shares. The existing proportional takeover provisions in the Company’s Constitution prohibit the registration of transfers of shares acquired under a proportional takeover bid unless a resolution is passed by the shareholders approving the bid.

The proportional takeover approval provisions were first inserted into the Company’s Constitution when the Constitution was first adopted on 21 August 2009 and were renewed on 21 November 2014. As provided in Article 6, the proportional takeover provisions will cease to have effect on the third anniversary of the date on which the provisions were last renewed. Accordingly, if item 7 is approved at this Annual General Meeting, then the provisions will be renewed by being reinserted into the Constitution and will cease to have effect on 24 November 2020.

Effect of the provisions proposed to be renewed

If Article 6 is renewed and a proportional takeover bid is made, the Directors will be required to convene a general meeting of the persons entitled to vote on the resolution to approve the proportional takeover bid. The resolution must be voted on before the 14th day before the last day of the bid period.

In the context of a proportional takeover bid, each shareholder has one vote for each fully paid share held. The vote is decided on a simple majority. The bidder and its associates are not allowed to vote. If the resolution is not passed, no transfers of shares will be registered as a result of the takeover bid and the offer will be taken to have been withdrawn. Any documents sent to the bidder accepting the offer must be returned and any contracts formed by any acceptances will be rescinded. If the resolution to approve the bid is not voted on at least 14 days before the last day of the bid period, the bid is taken to have been approved. If the bid is approved (or taken to have been approved) all valid transfers of shares must be registered provided they comply with the Corporations Act and any relevant provisions of the Company’s Constitution.

If approved, the renewed provisions will expire after three years, unless again renewed by the shareholders by a special resolution.

Reasons for proposing the resolution

The Directors consider that shareholders should continue to have the opportunity to vote on any proposed proportional takeover bid. Without the proposed proportional takeover provisions, a proportional takeover bid for the Company might enable a bidder to obtain control of the Company without the shareholders having the opportunity to sell all of their shares to the bidder. Shareholders may be exposed to the risk of being left as a minority in the Company and the risks of the bidder being able to acquire control of the Company without payment of an adequate premium for all of their shares.

The proposed proportional takeover provisions lessen this risk because they allow shareholders to decide whether a proportional takeover bid is acceptable and should be permitted to proceed.

No knowledge of any acquisition proposals

As at 10 October 2017, none of the Directors is aware of a proposal by a person to acquire, or to increase the extent of, a substantial interest in the Company.

Review of potential advantages and disadvantages of the provisions

During the period in which Article 6 has been in effect there have been no proportional takeover bids made for the Company. Accordingly, there are no examples against which to review the advantages or disadvantages of the existing proportional takeover provisions.

It may be argued that during the period for which Article 6 has been in effect it has had the disadvantage of discouraging proportional takeover bids and reducing any takeover speculation element in the Company’s share price. However, the Directors are not aware of any potential takeover bid that was discouraged by Article 6.

Potential advantages and disadvantages of the provisions

The Directors consider that the proposed renewal of the proportional takeover provisions has no potential advantages or potential disadvantages for the Directors because they remain free to make a recommendation on whether a proportional takeover bid should be approved.

The major potential advantage of the proportional takeover provisions for shareholders is that they give shareholders an opportunity to consider a proportional takeover bid proposal and vote on whether it should be permitted to proceed.

This should ensure that the terms of any future proportional takeover bids are structured to be attractive to a majority of shareholders. In addition, the provisions may help shareholders to avoid being locked in as a minority and avoid the bidder acquiring control of the Company without paying an adequate control premium and also not being required to pay for all of the shares on issue.

Some potential disadvantages are that inclusion of the proportional takeover approval provisions may reduce the likelihood of a proportional takeover bid being successful and may accordingly discourage the making of a proportional takeover bid. This may reduce the opportunities which shareholders have to sell some of their securities, and it may reduce an element of takeover speculation from the Company’s security price.

Board’s recommendation


The Board considers that, on balance, renewal of the proportional takeover provisions in the Constitution is in the best interests of the shareholders and accordingly recommend that shareholders vote in favour of the resolution.


LODGE YOUR QUESTIONS

 **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, 24 November 2017 at Mural Hall, Level 6, Myer Melbourne Store (Bourke St Mall) Melbourne, Victoria (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolutions 4 and 5: 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 and 5, 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.


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*
3a Election of Ms JoAnne Stephenson as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Grant of Performance Rights to the Chief Executive Officer and Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3b Election of Mr Garry Hounsell as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Amendments to the Constitution to permit Hybrid AGMs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3c Election of Ms Julie Ann Morrison as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Renewal of the proportional takeover provisions in the Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Adoption of the Remuneration Report	<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, either shareholder may 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, either shareholder may 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.

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, 22 November 2017**, 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

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) or Employee ID 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

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**
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X999999999999

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 2017 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, 17 November 2017**.

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.

Please tick if your question is directed to the Auditor

QUESTIONS

1.

2.

3.

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