

IMPORTANT NOTES REGARDING COVID-19 AND PARTICIPATION IN THE MEETING

The 2020 Annual General Meeting (**AGM** or the **Meeting**) of shareholders of Metcash Limited (**Company**) is to be held at **2.30pm** (AEST) on **Wednesday, 26 August 2020**.

In response to Government restrictions and the potential health risks arising from the rapidly evolving coronavirus (COVID-19) pandemic, this year the Company's AGM will be held virtually. There will not be a physical meeting where shareholders can attend but shareholders can participate in the meeting online via <https://web.lumiagm.com/384046591>.

The online platform will allow shareholders to view the Meeting, ask questions during the meeting, and vote during the meeting. Further details on how to participate online will be published on the Metcash website at <https://www.metcash.com/investor-centre/2020-AGM/>.

Even if you plan to attend the Meeting online, we encourage you to submit a directed proxy vote as early as possible. Shareholders may use the Proxy Form **attached** and can lodge their proxy online at www.votingonline.com.au/metcashagm2020 by **2.30pm** (AEST) on **Monday, 24 August 2020**.

In addition to the online platform, the Meeting will also be webcast live via <https://web.lumiagm.com/384046591>.

Shareholders can also ask questions before the meeting by emailing questions to metcash@boardroomlimited.com.au by no later than **2.30pm** (AEST) on **Wednesday, 19 August 2020**.

In the event that it is necessary for the Company to give further updates, information will be provided on the Company's website (at <https://www.metcash.com/investor-centre/2020-AGM/>) and lodged with the Australian Securities Exchange (**ASX**).

We appreciate your understanding in this challenging time.

Notice of Annual General Meeting

Metcash Limited
ABN 32 112 073 480

Notice is given that the 2020 annual general meeting of Metcash Limited (Company) will be held as a virtual meeting at <https://web.lumiagm.com/384046591> on Wednesday, 26 August 2020 at 2.30pm (AEST):

Agenda Items

1 Financial report

To receive and consider the financial report of the Company and the reports of the directors and auditor for the year ended 30 April 2020.

2 Resolutions to re-elect directors

Shareholders are asked to consider, and if thought fit, to pass each of the following resolutions as separate ordinary resolutions:

(a) To re-elect Mr Robert Murray as a director

“That Mr Robert Murray, being a director of the Company who retires by rotation under rule 8.1(d)(2) of the Company’s constitution, and being eligible, is re-elected as a director of the Company.”

(b) To re-elect Ms Tonianne Dwyer as a director

“That Ms Tonianne Dwyer, being a director of the Company who retires by rotation under rule 8.1(d)(2) of the Company’s constitution, and being eligible, is re-elected as a director of the Company.”

3 Resolution to adopt the remuneration report

Shareholders are asked to consider, and if thought fit, to pass the following resolution as an ordinary resolution:

“That the remuneration report that forms part of the directors’ report of the Company for the financial year ended 30 April 2020 be adopted.”

The remuneration report is set out on pages 37 to 54 of the 2020 annual report. Please note that the vote on this resolution is advisory only, and does not bind the directors or the Company.

Voting exclusion statement

The *Corporations Act 2001* (Cth) (**Corporations Act**) restricts the Company’s key management personnel and their closely related parties from voting in relation to the resolution proposed in item 3 in certain circumstances.

The terms ‘key management personnel’ and ‘closely related party’ are defined in the *Corporations Act*. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company. A closely related party includes a spouse, dependant and certain other close family members, as well as any companies controlled by a member of the key management personnel.

In accordance with the Corporations Act, the Company will disregard any votes cast on the resolution proposed in item 3:

1. by or on behalf of a person who is a member of the Company's key management personnel named in the remuneration report for the year end 30 April 2020 or their closely related parties (regardless of the capacity in which the vote is cast); or
2. as proxy by a person who is a member of the Company's key management personnel on the date of the annual general meeting or their closely related parties.

However, votes will not be disregarded if they are cast as proxy for a person entitled to vote on the resolution proposed in item 3:

1. in accordance with a direction on the proxy form; or
2. by the Chairman of the meeting in accordance with an express authorisation in the proxy form to exercise the proxy even though the resolution in item 3 is connected with the remuneration of the Company's key management personnel.

What the voting exclusions on the resolution in item 3 mean for shareholders

If you intend to appoint a member of the Company's key management personnel (such as one of the directors) as your proxy, please ensure that you direct them how to vote on the resolution proposed in item 3.

If you appoint the Chairman of the meeting as your proxy (or the Chairman becomes your proxy by default) and you do not mark a voting box for the resolution proposed in item 3, then by completing and submitting the proxy form you will be expressly authorising the Chairman of the meeting to exercise the proxy in respect of the relevant resolution, even though the resolution is connected with the remuneration of the Company's key management personnel.

4 Special resolution to replace the constitution of the Company

Shareholders are asked to consider, and if thought fit, to pass the following resolution as a **special** resolution:

'That the new constitution, as tabled at the Meeting and signed by the Chairman of the Meeting for the purposes of identification, be approved and adopted as the constitution of the Company in place of the current constitution, with effect from the close of the Meeting.'

The Chairman of the meeting intends to vote all available proxies **in favour** of each resolution.

Background Information and Explanatory Memorandum

Shareholders are referred to the Background Information and Explanatory Memorandum accompanying and forming part of this notice of meeting.

By Order of the Board

A handwritten signature in black ink, which appears to read "Julie Hutton". The signature is written in a cursive style and is positioned above the printed name and title.

Julie Hutton
Company Secretary

23 July 2020

Background Information

Entitlement to vote and required majority

Snapshot time

The Company has determined, under Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), that for the purposes of the annual general meeting, persons who are the registered holders of shares in the Company as **at 7.00pm (AEST) on Monday, 24 August 2020** will be entitled to attend and vote at the annual general meeting as a shareholder. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

If more than one joint holder of shares is present at the annual general meeting (whether personally, by proxy, by attorney or by representative) and tenders a vote online, only the vote of the joint holder whose name appears first on the register will be counted.

Required majority

The resolutions proposed in item 2 (*Resolutions to re-elect directors*) and item 3 (*Resolution to adopt the remuneration report*), are ordinary resolutions and each will be passed if more than 50% of the votes cast by shareholders entitled to vote on the resolution are cast in favour of the resolution.

The resolution proposed in item 4 (*Resolution to replace the constitution of the Company*) is a special resolution and will be passed if more than 75% of the votes cast by shareholders entitled to vote on the resolution are cast in favour of the resolution.

The vote on each resolution set out in the notice of meeting will be decided on a poll.

Each shareholder voting online or by proxy, attorney or representative has one vote for each fully paid ordinary share held (subject to the exclusions on voting referred to below).

Attending the AGM and voting online

Shareholders can watch and participate in the Meeting virtually via:

- Desktop – by entering the following URL in your browser <https://web.lumiagm.com/384046591>. The Meeting will be viewable from desktops and laptops
- Mobile device – by downloading the 'LUMI AGM' app onto your smartphone device.

To participate and vote online you will need your Boardroom S reference number and postcode (or country code for overseas shareholders, which can be found in the Online User Guide). Proxy holders will need to contact Boardroom on 1800 655 325 or +61 2 9290 9696 to obtain their login details no later than 24 hours prior to the meeting and following lodgement of the proxy appointment. Online participants should register at least 15 minutes before the AGM.

Further information about how to attend online and the terms and conditions of online participation can be found in the online guide which will be available on Metcash's website at <https://www.metcash.com/investor-centre/2020-AGM/>.

Technical difficulties

Technical difficulties may arise during the course of the Meeting. The Chairman has discretion as to whether and how the meeting should proceed in the event that a technical difficulty arises. In exercising his discretion, the Chairman will have regard to the number of shareholders impacted and the extent to which participation in the business of the meeting is affected. Where he considers it appropriate, the Chairman may continue to hold the meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, shareholders are encouraged to

lodge a proxy by 2.30pm (AEST) on Monday, 24 August 2020 even if they plan to attend online.

Proxies, attorneys and corporate representatives

A shareholder entitled to attend and vote can do so either by:

- attending and voting online, by appointing an attorney to attend and vote online during the meeting for the shareholder, or if the shareholder is a corporate shareholder, appointing a representative to attend and vote online during the meeting on the shareholder's behalf; or
- appointing not more than 2 proxies in advance to attend and vote online for the shareholder.

Voting by proxy

If a shareholder cannot attend the meeting but is entitled to attend and vote, the shareholder can appoint the Chairman or another person as proxy to attend and vote for the shareholder. A proxy may but need not be a shareholder of the Company and can be either an individual or a body corporate. The proxy can be appointed in respect of some or all of the votes held by the shareholder. A shareholder that is entitled to cast 2 or more votes may appoint up to 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the shareholder's votes. If a shareholder appoints two proxies, neither is entitled to vote as proxy on a show of hands at the meeting (however, as noted above, the vote on each resolution set out in the notice of meeting will be decided on a poll).

If a shareholder appoints a body corporate as proxy, that body corporate will need to ensure that it appoints an individual as its corporate representative to exercise its powers at the meeting.

If a shareholder wishes to appoint a proxy, they must complete the accompanying proxy form. Completed proxy forms (together with any authority under which the proxy was signed or a certified copy of the authority) must be received by the Company's corporate registry, Boardroom Pty Limited, at least 48 hours before the meeting for the proxy to be effective (that is, no later than **2.30pm (AEST) on Monday, 24 August 2020**), at the following address, facsimile number or website address:

| | | | | |
|------------|--|---|------------|---|
| Address: | By mail: | Boardroom Pty Limited GPO Box 3993 Sydney NSW 2001 AUSTRALIA | In person: | Level 12 225 George Street Sydney NSW 2000 AUSTRALIA |
| Facsimile: | +61 2 9290 9655 | | | |
| Online: | www.votingonline.com.au/metcashagm2020 | | | |

Voting by attorney

Where a shareholder appoints an attorney to act on their behalf at the meeting, the instrument appointing the attorney (together with any authority under which the instrument was signed or a certified copy of the authority) must be received by **2.30pm (AEST) on Monday, 24 August 2020** by the Company's corporate registry, Boardroom Pty Limited, as set out above for proxy forms.

Voting by corporate representative

Any corporate shareholder or proxy may appoint a person to act as its representative at the meeting. The representative must ensure the Company has received a formal notice of appointment signed as required by section 127 of the Corporations Act or the constitution of the corporation in advance of the Meeting. A form of notice of appointment can be obtained from Boardroom Pty Limited or downloaded from <http://boardroomlimited.com.au/investor-forms/>

Voting exclusions

Certain voting restrictions apply to item 3 (*Resolution to adopt the remuneration report*). If you wish to appoint a member of the Company's key management personnel (which includes each of the directors and the Chairman) as your proxy, please read the voting exclusions in item 3 in this notice of meeting and the proxy form carefully. Shareholders are encouraged to direct their proxies how to vote.

How the Chairman will vote available proxies

The Chairman of the meeting intends to vote all available proxies **in favour** of the resolutions set out in this notice of meeting.

Default to the Chairman

Any directed proxies that are not voted on a poll at the meeting will automatically default to the Chairman of the meeting, who is required to vote proxies as directed.

Asking Questions in Advance of the Meeting

A shareholder entitled to attend and be heard at the AGM may submit a written question to the Company before the meeting. Any questions should be emailed to metcash@boardroomlimited.com.au by no later than **2.30pm (AEST) on Wednesday, 19 August 2020**. The Chairman will endeavour to address as many of the more frequently raised relevant questions as possible. However, there may not be sufficient time available at the meeting to address all of the questions raised. Please note that individual responses will not be sent to any shareholder.

Explanatory Memorandum to Shareholders

Metcash Limited

ABN 32 112 073 480

This Explanatory Memorandum has been prepared to assist shareholders to understand the business to be put to shareholders at the annual general meeting. It is an important document. Please read it carefully.

Agenda Items

1 Financial report

The Corporations Act requires:

1. the reports of the directors and auditor; and
2. the annual financial report, including the financial statements of the Company,

for the year ended 30 April 2020 to be laid before the annual general meeting. Neither the Corporations Act nor the Company's constitution requires a vote of shareholders on the reports or statements (other than the non-binding vote in respect of the remuneration report forming part of the directors' report – see the resolution in item 3). However, shareholders will be given an opportunity to raise questions or comments on the reports and statements at the meeting. A copy of the annual report of the Company for the year ended 30 April 2020 is available on Metcash's website at <https://www.metcash.com/investor-centre/annual-reports/>.

Also, a reasonable opportunity will be given to shareholders as a whole at the meeting to ask the Company's auditor questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit. In addition, shareholders can submit written questions to the auditor about the conduct of the audit of the Company's financial report for the year ended 30 April 2020 and the content of the auditor's report. Written questions must be received by **2.30pm (AEST) on Wednesday, 19 August 2020** by the Company's corporate registry, Boardroom Pty Limited (at the address or facsimile number for lodgement of proxies or via email at metcash@boardroomlimited.com.au). The auditor is not obliged to provide written answers. If written answers are tabled at the meeting, they will be made available to shareholders as soon as practicable after the meeting.

2 Resolutions to re-elect directors

Under rule 8.1(d)(2) of the Company's constitution, at each annual general meeting one third of the directors of the Company (excluding the managing director and any director appointed since the last annual general meeting), rounded down, if necessary, to the nearest whole number, and any other director who, if they do not retire, will at the conclusion of the meeting have been in office for 3 or more years and for 3 or more annual general meetings since they were last elected to office, must retire from office as directors. Under rule 8.1(e) of the Company's constitution, the directors who must retire at an annual general meeting are those who have been longest in office since their last election but, as between persons who were last elected as directors on the same day, those to retire must be determined by agreement among themselves or, in the absence of agreement, by lot.

Accordingly:

1. Mr Robert Murray retires by rotation in accordance with rule 8.1(d)(2) of the Company's constitution and, being eligible, offers himself for re-election as a director of the Company in accordance with rule 8.1(f) of the Company's constitution.
2. Ms Tonia Dwyer retires by rotation in accordance with rule 8.1(d)(2) of the Company's constitution and, being eligible, offers herself for re-election as a director of the Company in accordance with rule 8.1(f) of the Company's constitution.

Each year, the Nomination Committee reviews the skills and experience represented on the Board and considers whether there are any areas that should be addressed through Board renewal and succession. In addition, the Board conducts an annual review of the performance and effectiveness of the Board, its Committees and the individual directors, alternating each year between an internal self-assessment and an external review conducted by a board performance and effectiveness consultant. Through these processes the Nomination Committee and Board has conducted a detailed and assessment of each of the candidates standing for re-election.

Profiles of directors standing for re-election

Robert Murray, Chairman, Independent Non-executive Director (MA Hons, Economics (Cantab))

Mr Murray was appointed to the Board on 29 April 2015 and was appointed as Chair of the Board, and elected as a director, on 27 August 2015. He is a member of the Nomination Committee and the People & Culture Committee.

Mr Murray has extensive experience in fast moving consumer goods. He has held positions with industry leaders, having been CEO of both Lion Nathan and Nestle Oceania, and he therefore brings with him a deep understanding of consumers and their requirements as well as the issues faced by those supplying the industry.

As a former director of Dick Smith Holdings Limited (2014 to 2016), Super Retail Group Limited (2013 to 2015) and Linfox Logistics, Mr Murray also has experience in the logistics, electronics, automotive, leisure and sports industries.

Mr Murray is currently a non-executive director of Southern Cross Media Group Limited (since 2014), Advisory Chairman of Hawkes Brewing Company (since August 2019) and is a board member of the not-for-profit charity the Bestest Foundation.

The Board considers Mr Murray to be an independent director.

Ms Tonia Dwyer, Independent Non-Executive Director (BJuris (Hons), LB (Hons), GAICD)

Ms Dwyer was appointed to the Board on 24 June 2014 and elected as a director on 27 August 2014. She is a member of the Nomination Committee and Audit, Risk & Compliance Committee (and previously chaired that Committee before recently transitioning the role to Mr Peter Birtles). Through her career and her experience on a number of boards, Ms Dwyer brings to the Board a breadth of understanding of diverse industries.

Ms Dwyer enjoyed a successful 20-year career in the UK, focussing on investment banking and real estate. Since returning to Australia, she has continued her involvement with real estate, being a director of Dexus Property Group and Dexus Wholesale Property Fund (since 2011). This enables Ms Dwyer to bring insight and perspective to Metcash's property portfolio and risks.

Ms Dwyer is also a non-executive director of ALS Limited (since July 2016), Oz Minerals Limited (since March 2017) and Queensland Treasury Corporation (since February 2013) and is a

director of Chief Executive Women and Deputy Chancellor of the University of Queensland (both since 2017).

The Board considers Ms Dwyer to be an independent director.

Recommendations

The Board (other than each candidate standing for re-election in respect of their own re-election) unanimously recommends that shareholders vote in favour of the resolutions to re-elect Mr Robert Murray and Ms Tonianne Dwyer as a director.

In summary, the Board supports:

- the re-election of Mr Robert Murray as a director due to his capacity to bring extensive fast moving consumer goods and breadth of other industry experience to the Board; and
- the re-election of Ms Tonianne Dwyer as a director due to her capacity to bring extensive property, investment and financial experience and expertise to the Board,

each being skills and experience very relevant and valuable to the Company and its businesses in its current circumstances.

3 Resolution to adopt the remuneration report

Shareholders are asked to adopt the Company's remuneration report. The remuneration report is set out on pages 37 to 54 of the 2020 annual report and is also available on the Company's website www.metcash.com. The remuneration report:

1. describes the policies behind, and structure of, the remuneration arrangements of the Company and the link between the remuneration of team members and the Company's performance;
2. sets out the remuneration details for the non-executive directors, the Group CEO and the group executives of the Company who together have the authority and responsibility for planning, directing and controlling the activities of the Company; and
3. explains the differences between the bases for remunerating non-executive directors and executives.

A reasonable opportunity for discussion of the remuneration report will be provided at the annual general meeting. The vote on the resolution in item 3 is advisory only, and does not bind the directors or the Company. However, the Board will take the outcome of the vote and discussion at the meeting into account in setting remuneration policy for future years.

Recommendation

The Board unanimously recommends that shareholders vote in favour of this resolution.

4 Resolution to replace the constitution of the Company

The constitution of Metcash was last updated in 2005. There have been a number of developments in law, corporate governance principles and general corporate and commercial practice for ASX listed companies since that time.

The Board proposes to adopt a new constitution which reflects current market practice and terminology. Many of the proposed changes are administrative or relatively minor in nature. The principal differences between the current constitution and the proposed constitution are outlined below.

Copies of the Company's existing constitution and proposed new constitution are available

on Metcash's website (at <https://www.metcash.com/investor-centre/2020-AGM/>). You can also request a copy of the Company's existing constitution and proposed new constitution by emailing metcash@boardroomlimited.com.au.

Share capital and variation of class rights

The preference share provisions in rule 2.2 of the proposed constitution have been simplified in relation to preference shares that may be issued in the future. The Company has no intention of issuing preference shares at this stage.

The variation of class rights provisions in rule 2.5 have been amended so that class rights may be varied with the written consent of the holders of 75% of the shares in the class. In the Company's current constitution, this was only permitted within 2 months from the date of a general meeting of the class if a quorum was not present at that general meeting. The quorum requirement for class meetings has also been updated. In addition, any holder of shares of the class present or the chair of the meeting may demand a poll.

The restricted securities provisions of the proposed constitution have been updated to reflect changes to Listing Rule 15.12 in December 2019.

Dividends

Rule 4.1 of the proposed constitution reflects section 254V(1) of the Corporations Act and reflects market practice. There are a number of other updates to the dividend provisions in the proposed constitution including:

- providing the Board with the ability to pay dividends by electronic means;
- providing the Company with the ability to reinvest unclaimed dividends, for the benefit of the relevant shareholder, into shares in the Company after a period of time has elapsed;
- permitting the Company to remit payment to any of the joint holders (if the circumstances warranted it), rather than requiring the cheque to be sent to the first name of any joint holders (as required under the current constitution); and
- providing the ability to require bank account details before a dividend needs to be paid.

Selling non marketable parcels

The Listing Rules do not permit a company's constitution to allow the company to sell non marketable parcels of shares unless certain matters are also included in the constitution. The proposed constitution includes these required matters in rule 5.4.

General meetings

The proposed constitution incorporates a number of changes to assist with the orderly conduct of general meetings of the Company. Rule 6.6 of the proposed constitution expressly confirms the Chairman's power to 'not put' certain resolutions to the meeting, notwithstanding they may have been listed in the notice of meeting.

Rule 6.7 of the proposed constitution allows for matters to be decided on a show of hands, but recognises that all resolutions set out in a notice of meeting would be determined by a poll. This reflects market practice as well as the Company's practice to provide for all resolutions in a notice of meeting to be determined by a poll.

The proposed constitution also clarifies that the directors may determine to hold a general meeting of members using or with the assistance of any technology that gives the members as a whole a reasonable opportunity to participate, which may include but is not limited to electronic participation facilities or linking separate meeting places together by technology.

The Company's current constitution is silent on direct voting. New direct voting provisions are proposed in rule 6.8 provide for the flexibility for shareholders to direct vote either in advance

of or during a general meeting. New rule 1.1(f) clarifies the treatment of a direct vote for quorum purposes.

The proposed constitution also provides greater flexibility in respect of incomplete proxy appointments, including the ability to clarify instructions with a shareholder and to amend the contents of the proxy form to reflect those instructions.

Directors

The Company's current constitution requires one third of the Board to stand for election at each AGM. The proposed constitution will omit this rule to bring the Company's constitution in line with the ASX Listing Rules, which require an election of directors each year and that a Director must not hold office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever is longer. The proposed constitution also provides flexibility for circulating resolutions to be approved by email.

Currency

Currently, rule 1.4 of the Company's constitution permits the Board to set a time for determining the relevant exchange rate up to 30 days before payment (only). The new constitution clarifies the ability of the Board to provide for the relevant exchange rate to be set at the time of payment – for example, a determination to make payments using the prevailing spot rate (rather than having to fix an exchange rate in advance).

General updates

The provisions of the constitution have been amended to reflect changes in terminology now contained in the Corporations Act, the ASX Listing Rules and ASX Settlement Operating Rules.

This includes updates to the terminology used in the constitution to reflect the ASX's current nomenclature, including the change from "Australian Stock Exchange Limited" to "Australian Securities Exchange Limited", and the references to "ASX Settlement Operating Rules", "ASX Settlement Pty Limited" and "ASX Clear Pty Limited."

Recommendation

The Board unanimously recommends that shareholders vote in favour of this resolution.