

# WOOLWORTHS LIMITED

A.B.N. 88 000 014 675

# Notice of Annual General Meeting 2003

Notice is hereby given that the seventy-eighth Annual General Meeting of members of Woolworths Limited will be held on Friday, 21 November 2003 at Harbourside Auditorium – Sydney Convention & Exhibition Centre, Darling Harbour Sydney, NSW, commencing at 10.00am.

## Agenda

### Ordinary Business

#### 1. Financial Statements and Reports

To receive and consider the Financial Reports of the Company and the consolidated entity and the Declaration by the Directors and Reports of the Directors and Auditors thereon for the financial period ended 29 June 2003.

#### 2. Election of Directors

- (a) To elect as a Director Mr James Alexander Strong who retires by rotation in accordance with Article 10.3 of the Company's Constitution and being eligible offers himself for re-election.
- (b) To elect as a Director Dr Roderick Sheldon Deane who retires by rotation in accordance with Article 10.3 of the Company's Constitution and being eligible offers himself for re-election.

### Special Business

#### 3. Amendments to Constitution

To consider and if thought fit, to pass the following resolution as a Special Resolution: "That the Company's Constitution be altered by:

- (a) inserting new Articles 5.12 to 5.19, both inclusive, relating to Take-over approval provisions on the same terms as Articles 5.12 to 5.19, both inclusive, of the Constitution which will cease to apply from 21 November 2003; and
- (b) inserting in Article 1.1 the following definition of notice, "Notice" means any notice, communication or information that may be given by the Company to Directors, Members or any other person including:
  - (i) notices of meeting and proxy forms;
  - (ii) Chairman's addresses to Members;
  - (iii) annual or half-yearly reports including financial reports, directors' reports and auditor's reports;
  - (iv) any ASX announcement made by the Company;
  - (v) notices relating to the payment of dividends including notices in relation to the dividend reinvestment plan, or other similar plan;
  - (vi) issuer holding statements; and
  - (vii) notices relating to capital re-organisation, including share buy backs; and
- (c) by capitalising "Notice" where it appears in the Constitution in relation to any notice that may be given by the Company to any Member, Director or any other person."

## Notes on Ordinary Business

### Resolution 2: Retirement and re-election of Directors

In accordance with Article 10.3 of the Company's Constitution, which provides for the retirement by rotation at each annual general meeting of one-third of the Directors and in accordance with Australian Stock Exchange Limited Listing Rule 14.4, which prohibits Directors from holding office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever is longer, Mr J A Strong and Dr R S Deane are to retire at the Annual General Meeting on 21 November 2003 ('Annual General Meeting').

In accordance with Article 10.5, of the Company's Constitution, both Mr J A Strong and Dr R S Deane are eligible for re-election and have submitted themselves for re-election at the Annual General Meeting.

The Board's policy on board composition is to ensure that the Board comprises an appropriate mix of skills so as to provide the necessary breadth and depth of knowledge and experience which is required to meet the Company's responsibilities and objectives.

Details of the candidates are set out below:

#### James Alexander Strong

Chairman; Chairman Corporate Governance Committee; Member Audit Committee; Member Personnel Policy Committee.

Mr Strong is also Chairman of Insurance Australia Group Limited (IAG) and Rip Curl Group Pty Ltd. He is also a member of the Boards of various Arts and Sporting organisations.

He was the Chief Executive and Managing Director of Qantas Airways Limited until March 2001, and was previously the Chief Executive of Australian Airlines Limited, Managing Partner and National Chairman of Corrs Chambers Westgarth Solicitors and Group Chief Executive of DB Group Limited (New Zealand). He was appointed a Director of Woolworths Limited in March 2000 and Chairman in April 2001. Age 59.

#### Roderick Sheldon Deane

PhD, BCom (Hons), FCA, FCIM, FNZIM, LL.D (honorary from Victoria University)

Member Corporate Governance Committee; Member Audit Committee.

Dr Deane is the Chairman of Telecom Corporation of New Zealand Limited (having previously held the position of Chief Executive and Managing Director). He is also the Chairman of Fletcher

Building Limited, Te Papa Tongarewa (The Museum of New Zealand), ANZ Banking Group (New Zealand) Limited, the NZ Seed Fund and a Director of ANZ Banking Group Limited. Dr Deane is a board member and Patron of New Zealand's largest charitable organisation, the IHC, and is Chairman of the City Gallery Wellington Foundation. He was previously Chief Executive of the Electricity Corporation of NZ Limited, Chairman of the State Services Commission, and Deputy Governor of the Reserve Bank of NZ. He was appointed a Director of Woolworths Limited in April 2000. Age 62.

## Notes on Special Business

### Resolution 3: Amendments to Constitution

Amendments to the Constitution to include proportional take-over approval provisions.

At the annual general meeting of the Company held on 20 November 2000, shareholders approved the proportional takeover approval provisions in Articles 5.12 to 5.19, both inclusive, of the Company's Constitution which provide that a transfer of shares resulting from a proportional takeover bid made for shares in the Company cannot be registered unless the shareholders in general meeting approve the bid. This followed shareholders' approval of the insertion in the Company's Constitution of the same provisions at the 1998 annual general meeting.

Under the Corporations Act 2001, ("Act") proportional takeover approval provisions must be renewed by shareholders every three years or otherwise they will lapse and cease to apply. The proportional takeover approval provisions which are contained in Articles 5.12 to 5.19 of the Company's Constitution will cease to apply from 21 November 2003. To reinstate these provisions it is necessary to formally amend the Company's Constitution at this year's Annual General Meeting.

#### *Effect of proposed provision:*

If the proposed Articles 5.12 to 5.19 are adopted and a proportional takeover bid is made for a class of shares in the Company, the Directors will be required to either convene a general meeting of shareholders in that class to vote on a resolution to approve the proportional takeover bid or to conduct a postal ballot to approve the proportional takeover bid. The resolution must be voted on at least 14 days before the bid closes. The bidder and any associates will be excluded from voting.

If the resolution is rejected by shareholders, then the bid will be deemed to be withdrawn and registration of any shares resulting from the proportional bid will be prohibited. Acceptances will be returned and any contracts formed by acceptances will be rescinded.

If the resolution is approved, transfers of shares to the bidder will be registered provided they comply with other provisions of the Company's Constitution.

If no resolution is voted on at least 14 days before the close of the bid then a resolution to approve the bid will be deemed to have been passed in accordance with these provisions.

In accordance with section 648G of the Act, the provisions of the proposed Articles will expire 3 years from the date of the Annual General Meeting, unless previously renewed by shareholders by special resolution.

#### *Reasons for proposing resolution:*

Part 6.5 Division 5 of the Act permits a company to include proportional takeover approval provisions in its constitution. A proportional takeover bid is a bid to buy a specified portion of each shareholders shares.

The Directors consider that shareholders should have the opportunity to continue to include the proposed provisions in the Company's Constitution. Without the proposed provisions, a proportional takeover bid for the Company might enable a bidder to obtain control of the Company without shareholders having the opportunity to sell all their shares. The proposed provisions give shareholders the opportunity to decide whether a proportional takeover bid should proceed. If it does proceed, individual shareholders can make a separate decision as to whether they wish to accept the bid for the specified proportion of their shares.

#### *Present acquisition proposals:*

At the date of this Notice of Meeting, none of the Directors is aware of any proposal by a person to acquire, or to increase the extent of, a substantial interest in the Company.

#### *Potential advantages and disadvantages:*

The proposed provisions are considered advantageous as they will enable the Directors to ascertain the views of shareholders on any proportional takeover bid. Apart from this, there is no specific advantage or disadvantage for Directors, as directors, of inserting the proportional takeover approval provisions.

The provisions will ensure that all shareholders will have the opportunity to consider a proportional takeover bid and vote on whether it should be permitted to proceed. This should ensure that the terms of any future proportional takeover bid are structured to be attractive to a majority of independent shareholders. It may be argued that the takeover approval provisions make a proportional takeover more difficult to achieve and therefore proportional bids will be discouraged. This in turn may reduce opportunities which shareholders may have to sell some of their shares at an attractive price to persons securing control of the Company and may reduce an element of takeover speculation from the Company's share price. It may also be argued that the provisions constitute an additional restriction on the ability of shareholders to deal freely with their shares.

The Directors consider insertion of the proposed provisions in the Constitution is in the best interests of shareholders and accordingly recommend that you vote in favour of the resolution.

Shareholders may obtain a copy of the Company's Constitution containing the existing proportional takeover approval provisions applicable to the Company by contacting the Company's Share Registrar, Computershare Investor Services Pty Ltd on telephone 1300 368 664 or facsimile number (03) 9473 2564. Shareholders may also view a copy of the Company's Constitution at the office of Computershare Investor Services Pty Ltd at Level 12, 565 Bourke Street, Melbourne 3000 or Level 3, 60 Carrington Street, Sydney 2000.

### **Other Amendments to the Company's Constitution**

The other amendments are intended to clarify the meaning of the term "notice" to ensure, in particular, that all communications between the Company and its shareholders may be transmitted electronically.

### **Proxies**

A Member entitled to attend and vote is entitled to appoint not more than two proxies.

A proxy need not be a Member of the Company.

If you wish to appoint a proxy, please use the Proxy Form accompanying this Notice. A Member who is entitled to cast two or more votes may appoint two persons and may specify the proportion or number of votes which each proxy is appointed to exercise.

On a show of hands, every person present and qualified to vote shall have one vote. If you have appointed a proxy and the proxy appointed is also a Member, or a proxy for another Member, any direction to the proxy on how to vote may not be effective on a show of hands. Your directions will be effective if a poll is held.

To be effective, your Proxy Form and the Power of Attorney or other authority (if any) under which it is signed or a copy of the Power of Attorney or other authority, certified as a true copy by Statutory Declaration, must be received no later than 48 hours prior to the Meeting by Woolworths' Share Registrar,

Computershare Investor Services Pty Ltd, (using the reply-paid envelope enclosed) or by facsimile (02) 8235 8220 or at the Registered Office of Woolworths Limited, Level 5, 540 George Street, Sydney, 2000.

Dated: 3 October 2003  
By order of the Board



R K S Jeffs  
Company Secretary