

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately.**

If you sell or have sold or otherwise transferred all of your shares you should send this document and the accompanying form of proxy as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you sell or have sold or otherwise transferred only part of your holding, you should retain these documents.

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## **JOHN LEWIS PLC**

(Incorporated in England and Wales under the Companies Act 1908 - No. 00233462)

### **Proposed adoption of new Articles of Association**

#### **Circular to shareholders and Notice of General Meeting**

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Your attention is drawn to the letter from the chairman of the Company which is set out in this document and which contains, among other matters, the Board's recommendations to vote in favour of the Resolution to be proposed at the General Meeting referred to below.

Notice of a General Meeting of John Lewis plc to be held at Partnership House, Carlisle Place, London SW1P 1BX at 09:00 on 19 December 2014 is set out at the end of this document. The form of proxy for use at the meeting accompanies this document and, to be valid, should be completed and returned in accordance with the instructions set out thereon as soon as possible but in any event so as to reach the Company's registrar, Capita Asset Services, at PXS, 34 Beckenham Road, Beckenham BR3 4TU not later than 09:00 on 17 December 2014. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the General Meeting, should they so wish.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2014

Latest time and date for receipt of forms of proxy	09:00 on 17 December
General Meeting	09:00 on 19 December

### **Notes:**

(1) Reference to times in this document are to London time unless otherwise stated.

## LETTER FROM THE CHAIRMAN

### JOHN LEWIS PLC

(Incorporated and registered in England and Wales with No. 00233462)

*Directors:*  
Sir Charlie Mayfield  
Tracey Killen  
Rachel Osborne  
Mark Price  
Andrew Street  
Loraine Woodhouse

*Registered Office:*  
171 Victoria Street  
London  
SW1E 5NN

3 December 2014

Dear Shareholder

#### **Introduction**

Your Board has announced today proposals to adopt new Articles of Association.

These proposals are conditional upon the approval of Shareholders in general meeting. The purpose of this document is to provide details of these proposals and to seek the approval of Shareholders.

#### **1. Background to and reasons for adopting New Articles of Association**

The EU Regulation on Central Securities Depositories (the "CSD Regulation") was published in the Official Journal on 28 August 2014. A key requirement of Article 3(1) of the CSD Regulation is for transferable securities which are admitted to trading or traded on trading venues to be represented in "book-entry form" (i.e. in dematerialised form). This requirement applies from January 2023 for new securities and from January 2025 for all transferable securities.

Additionally, Article 3(2) of CSD Regulation requires that where transactions in transferable securities take place on a trading venue (which for these purposes includes the London Stock Exchange), the relevant securities should be recorded in "book entry form" (i.e. in dematerialised form) in a Central Securities Depository on or before the intended settlement date (unless already so recorded). As such, this requirement applies irrespective of whether the security is currently eligible for settlement in dematerialised form or not and applies to all transactions executed under the rules of the London Stock Exchange. This requirement comes into force on 1 January 2015 and will apply to the Preference Shares, which are currently admitted to the standard segment of the Official List maintained by the Financial Conduct Authority and admitted to trading on the London Stock Exchange's regulated market for listed securities.

Currently, in order for shares in the Company to be represented in "book-entry form", it is necessary for them to be dematerialised in CREST, the clearing system operated by Euroclear UK & Ireland. The Board has reviewed the Company's Articles in light of the requirements of the CSD Regulation and has concluded that the Articles do not currently make sufficient provision for settlement of the Preference Shares.

Additionally, the Board believes that adopting the measures necessary to accommodate settlement and holding of the Preference Shares in dematerialised form may be of assistance in establishing a matching facility to facilitate liquidity in the Preference

Shares in future. Should the Board take steps to establish such a facility, an announcement will be made at that time.

As a result the Directors are recommending that new articles of association should be adopted, reflecting the changes necessary to meet the requirements of the CSD Regulation.

A summary of the principal changes to be made as a result of the adoption of the proposed new articles of association is set out in section 2, below. A copy of the full terms of the amendments to the Articles will be available for inspection at the registered office of the Company during usual business hours on any weekday (excluding Saturdays, Sundays and public holidays) up to and including 19 December 2014 and at Partnership House, Carlisle Place, London SW1P 1BX during the General Meeting and for at least 15 minutes before its start.

The adoption of new Articles of Association is required to be approved by special resolution of shareholders in general meeting, and your attention is drawn to the Resolution set out in the notice of General Meeting.

## **2. Changes to the existing Articles**

The purpose of the proposed amendments to the Articles is simply to facilitate the mechanics of holding and trading in the Preference Shares in order to comply with the Company's legal obligations under the CSD Regulation. Accordingly, the new articles of association of the Company make provision for:

- the Preference Shares to be held on an uncertificated basis and to be capable of transfer in dematerialised form through CREST subject to the provisions of the Regulations;
- the Directors not to have a discretion to decline to register transfers of uncertificated Preference Shares other than in accordance with the Regulations;
- proxy voting to be permitted in respect of uncertificated Preference Shares by means of uncertificated proxy instructions via CREST; and
- dividends payable in respect of uncertificated Preference Shares to be validly discharged by the making of payment through CREST.

Additionally, the new articles of association make provision for the use of electronic communications with Shareholders.

## **3. General Meeting**

Set out at the end of this document is a notice convening a General Meeting of the Company to be held at Partnership House, Carlisle Place, London SW1P 1BX at 09:00 on 19 December 2014 at which the Resolution will be proposed as a special resolution to adopt new articles of association.

## **4. Action to be taken**

You will find enclosed with this document a form of proxy for use at the General Meeting.

Under the Articles, each member of the Company has one vote on a show of hands. On a vote on a poll:

- each Ordinary Shareholder has one vote for every Ordinary Share held on a vote on a poll.
- each Preference Shareholder shall have one vote for every ten Preference Shares held by such member except in certain specified circumstances, including where the interests or rights and privileges of the Preference Shareholders are affected in any manner (in which case Preference Shareholder will have one vote for every Preference Share held in a vote on a poll).

The Board has concluded that the matters being voted on do not directly affect the interests of the Preference Shareholders as a class since the purpose of the amendments to the Articles is simply to facilitate the mechanics of holding and trading in the Preference Shares in order to comply with the Company's legal obligations under the CSD Regulation. Accordingly, on a vote on a poll, Preference Shareholders will have one vote on the Resolution for every ten Preference Shares held and on a vote on a show of hands, each Preference Shareholder will have one vote as a Member of the Company.

Since the interests, rights and privileges attaching to the two classes of Preference Shares will not be amended or varied in any way, it is not necessary for the Company to obtain the consent of either class of the Preference Shareholders to the proposed amendment to the Articles.

#### *How to vote*

Whether or not you propose to attend the General Meeting in person, you are asked to complete the form of proxy and return it to the Company's registrars, Capita Asset Services, at PXS, 34 Beckenham Road, Beckenham BR3 4TU, so as to arrive as soon as possible, but in any event so as to be received not later than 09:00 on 17 December 2014. Completion and return of a form of proxy will not preclude you from attending and voting at the General Meeting in person if you wish.

**If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately.**

#### **5. Recommendation**

**Your Board considers the resolution to be proposed at the General Meeting of the Company to be in the best interests of the Company and its Shareholders as a whole.**

**Accordingly your Directors unanimously recommend that Shareholders vote in favour of the resolution set out in the notice of General Meeting at the end of this document.**

Yours sincerely

Sir Charlie Mayfield  
Chairman

## DEFINITIONS

The following definitions apply throughout this document, unless the context otherwise requires:

"Articles"	the articles of association of the Company
"Board" or "Directors"	the board of directors of the Company
"Company"	John Lewis plc
"CSD Regulation"	EU Regulation 909/2014 on Central Securities Depositories
"CREST"	the relevant system for the purposes of the Regulations, operated by Euroclear UK & Ireland
"Deferred Ordinary Shares"	deferred ordinary shares of £1.00 each in the capital of the Company
"General Meeting"	the general meeting of the Company to be held on 19 December 2014, notice of which is set out at the end of this document
"Group"	the Company and its subsidiary undertakings
"London Stock Exchange"	the London Stock Exchange plc
"Ordinary Shareholders"	holders of Deferred Ordinary Shares
"Preference Shares"	the units (i) in the Company's 5 per cent First Cumulative Preference Stock and (ii) in the Company's 7 per cent Cumulative Preference Stock, taken together
"Preference Shareholders"	holders of Preference Shares
"Regulations"	the Uncertificated Securities Regulations 1991, as amended
"Resolution"	the resolution set out in the notice of General Meeting at the end of this document
"Shareholders"	the Ordinary Shareholders and the Preference Shareholders, taken together

## JOHN LEWIS PLC

(Registered in England No. 00233462)

### NOTICE OF GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a general meeting of the Company will be held at Partnership House, Carlisle Place, London SW1P 1BX at 09:00 on 19 December 2014 for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed a special resolution:

#### SPECIAL RESOLUTION

- THAT the Articles of Association set out in the document produced to this meeting and signed by the Chairman of the meeting for the purposes of identification be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association of the Company.

Dated: 3 December 2014

*Registered Office:*  
171 Victoria Street  
London  
SW1E 5NN

By order of the Board  
Alan Buchanan  
*Secretary*

#### Notes:

- Any member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies (who need not be a member of the Company) to attend on a poll and to vote instead of the member. Completion and return of a form of proxy will not preclude a member from attending and voting at the meeting in person, should he subsequently decide to do so.
- The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the company in accordance with section 146 of the Companies Act 2006 ("nominated persons"). Nominated persons may have a right under an agreement with the registered shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.
- In order to be valid, any form of proxy and a power of attorney or other authority under which it is signed, or a notarially certified or office copy of such power or authority, in order to be valid, must reach the Company's Registrars, Capita Asset Services, at PXS, 34 Beckenham Road, Beckenham BR3 4TU not less than 48 hours before the time of the meeting or of any adjournment of the meeting.
- Any member attending the General Meeting is entitled, pursuant to section 319A of the Companies Act 2006 to ask any question relating to the business being dealt with at the meeting. The Company will answer any such questions unless (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; or (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the company or the good order of the meeting that the question be answered.
- From the date of this notice and for the following two years the following information will be available on the Company's website and can be accessed at [www.johnlewis.com](http://www.johnlewis.com):
  - (i) the matters set out in this notice of meeting;

- (ii) the total numbers of shares in the Company and shares of each class, in respect of which members are entitled to exercise voting rights at the meeting; and
- (iii) the totals of the voting rights that members are entitled to exercise at the meeting in respect of the shares of each class.

Any members' statements, members' resolutions and members' matters of business received by the Company after the date of this notice will be added to the information already available on the website as soon as reasonably practicable and will also be made available for the following two years.

- A form to be used for appointing a proxy or proxies for this meeting to vote on your behalf accompanies this notice.
- The right of members to vote at the meeting is determined by reference to the register of members. As permitted by section 360B(3) of the Companies Act 2006, shareholders must be entered on the Company's share register at 09:00 on 17 December 2014 in order to be entitled to attend and vote at the meeting. Such shareholders may only cast votes in respect of shares held at such time. Changes to entries on the relevant register after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
- Under the Articles, each member of the Company has one vote on a show of hands. On a vote on a poll:
  - (i) each Ordinary Shareholder has one vote for every Ordinary Share held on a vote on a poll.
  - (ii) each Preference Shareholder shall have one vote for every ten Preference Shares held by such member except in certain specified circumstances, including where the interests or rights and privileges of the Preference Shareholders are affected in any manner (in which case Preference Shareholder will have one vote for every Preference Share held in a vote on a poll).

The Board has concluded that the matters being voted on do not directly affect the interests of the Preference Shareholders as a class since the purpose of the amendments to the Articles is simply to facilitate the mechanics of holding and trading in the Preference Shares in order to comply with the Company's legal obligations under the CSD Regulation. Accordingly, on a vote on a poll, Preference Shareholders will have one vote on the Resolution for every ten Preference Shares held and on a vote on a show of hands, each Preference Shareholder will have one vote as a Member of the Company.

As at 30 November 2014, the last practicable day before printing this document:

- the total number of Deferred Ordinary Shares of £1.00 each in issue was 6,750,000;
- the total number of units in the Company's 5 per cent First Cumulative Preference Stock in issue was 1,457,500; and
- the total number of units in the Company's 7 per cent Cumulative Preference Stock in issue was 750,000.

Therefore, the total voting rights in the Company as at that date for the purposes of the Resolution, expressed on the basis of voting on a poll, were 6,750,000 votes (attributable to the Deferred Ordinary Shares), 145,750 votes (attributable to the Company's 5 per cent First Cumulative Preference Stock) and 75,000 votes (attributable to the Company's 7 per cent Cumulative Preference Stock). On a vote on a show of hands, each Member has one vote.