

NOTICE OF ANNUAL GENERAL MEETING 2020

The Annual General Meeting of the shareholders of JB Hi-Fi Limited ("**Company**") will be held virtually on **Thursday 29 October 2020 at 10.30 am (AEDT)**.

Holding a Virtual General Meeting

As part of the Australian Government's response to Covid-19, temporary modifications have been made to the Corporations Act which allow companies to hold fully virtual annual general meetings. To protect the health and safety of our shareholders and staff, the Company will hold a fully virtual Meeting, which means there will not be a physical venue for shareholders to attend.

To allow shareholders to participate in the Meeting, shareholders can attend virtually using the Lumi online platform or the Lumi AGM app. Shareholders will be able to listen to the proceedings, view the presentations, ask questions of the Board, and vote in real-time using their computer, mobile phone or other device.

If you are planning to attend the Meeting online, you are still encouraged to cast proxy votes and lodge questions prior to the Meeting at www.investorvote.com.au.

Further detail about the process for the Meeting is set out in this Notice.

Postponement/Adjournment/Future alternative arrangements

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 this happens. 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 10.30 am (AEDT) on Tuesday 27 October 2020, even if they plan to attend online.

In the event of the need to postpone or adjourn the Meeting, the Company will provide an update on the ASX platform and its investor website <https://investors.jbhifi.com.au/annualgeneralmeetings/>.

AGENDA

Item 1 Financial and other Reports

To receive and consider the Financial Report, the Directors' Report and Auditor's Report for the financial year ended 30 June 2020.

Item 2 Election and Re-election of Directors

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

- (a) "That Ms Melanie Wilson, being a Director of the Company appointed since the last Annual General Meeting who retires pursuant to the Company's Constitution, and being eligible offers herself for election, is elected as a Director of the Company."
- (b) "That Ms Beth Laughton, being a Director of the Company who retires by rotation pursuant to the Company's Constitution, and being eligible offers herself for re-election, is re-elected as a Director of the Company."

Item 3 Remuneration Report

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

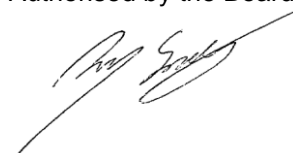
"That the Remuneration Report (which forms part of the Directors' Report) for the financial year ended 30 June 2020 be adopted."

Item 4 Approval of grant of restricted shares to Executive Director

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

"That the grant of restricted ordinary shares to the Executive Director, Mr Richard Murray, on the terms and conditions described in the Explanatory Notes to this Notice of Meeting, be approved."

Authorised by the Board.



Doug Smith
Company Secretary

18 September 2020

INFORMATION FOR SHAREHOLDERS

Voting

Voting on all resolutions will be conducted by a poll.

All resolutions are ordinary resolutions and will be passed if at least 50% of votes cast by shareholders entitled to vote on the resolution are cast in favour of the resolution.

Shareholders may vote at the Meeting in one of two ways:

- in advance of the Meeting, by appointing a proxy (preferably the Chairman of the Meeting) by 10.30 am (AEDT) on Tuesday 27 October 2020. The Company recommends that shareholders do this in case of technical difficulties at the Meeting; or
- live and online during the Meeting, using the Lumi platform or the Lumi AGM app.

Further details are set out below.

Eligibility to Vote

For the purposes of determining entitlements to vote at the Meeting, shares will be taken to be held by the persons who are registered as shareholders at 7.00 pm (AEDT) on Tuesday 27 October 2020. Transactions registered after that time will be disregarded in determining entitlements to vote at the Meeting.

Voting Exclusions

Item 3 – Remuneration Report

The Company will disregard any votes cast on Item 3:

- in any capacity by or on behalf of a member of the key management personnel whose remuneration is disclosed in the Remuneration Report or their closely related parties; or
- as a proxy by a member of the key management personnel at the date of the Meeting or any of their closely related parties,

unless the vote is cast as proxy for a person entitled to vote on Item 3:

- in accordance with a direction on the proxy form; or
- by the Chairman of the Meeting pursuant to an express authorisation to exercise the proxy as the Chairman thinks fit, even though the resolution is connected directly or indirectly with the remuneration of the key management personnel of the Company.

Item 4 - Approval of grant of restricted shares to Executive Director

The Company will disregard any votes cast in favour of Item 4:

- in any capacity, by or on behalf of the Executive Director and any of his associates; and
- as a proxy by a member of the key management personnel at the date of the Meeting or any of their closely related parties,

unless the vote is cast on Item 4:

- as proxy or attorney for a person entitled to vote on Item 4 in accordance with a direction given to the proxy or attorney to vote on Item 4 in that way; or
- as proxy for a person entitled to vote on the resolution by the Chairman of the Meeting pursuant to an express authorisation to exercise the proxy as the Chairman thinks fit, even though the resolution is connected directly or indirectly with the remuneration of the key management personnel of the Company; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Chairman intends to vote all available proxies in favour of Items 3 and 4.

For the purposes of the Voting Exclusions above, the key management personnel (“KMP”) are the Chairman, the Executive Director, the other Directors, and 3 other senior executives classed as KMP in the Remuneration Report.

The term ‘closely related party’ is defined in the Corporations Act 2001 and “associate” has the meaning given in the ASX Listing Rules. Both terms include a spouse, dependants and certain other close family members, as well as any companies controlled by the KMP.

Appointing a Proxy

If you are a shareholder entitled to vote, you may appoint a proxy. Instructions on how to appoint a proxy are on the online voting website www.investorvote.com.au.

A proxy need not be a shareholder of the Company. Shareholders are encouraged to notify an appointed proxy of their appointment to enable them to participate in the Meeting online and to exercise your voting instructions. Appointed proxies will need to contact Computershare Investor Services to obtain a username and password to vote online. Further details are available in the Online Meeting Guide available at <https://investors.jbhifi.com.au/annualgeneralmeetings/>. Due to Covid-19 we suggest that you appoint the Chairman of the Meeting as your proxy.

If you do not specify a proxy in your completed proxy vote or if the person you appoint as proxy does not participate in the AGM, the Chairman of the Meeting will be taken to be your proxy by default. In accordance with the Corporations Act 2001, any directed proxies that are not voted as directed on a poll at the Meeting will automatically default to the Chairman, who is required to vote proxies as directed.

If you are a shareholder entitled to cast two or more votes, you may appoint two proxies and specify the number or proportion of votes that each may exercise, failing which each may exercise half of the votes.

Directed and Undirected Proxies

You are encouraged to appoint the Chairman of the Meeting as your proxy and to actively direct your proxy how to vote on each item of business by marking the appropriate boxes on the Proxy Form.

In view of the Voting Exclusions set out above, if you intend to appoint a member of the KMP as your proxy, please ensure that you direct them how to vote on Items 3 and 4.

If you appoint the Chairman of the Meeting as your proxy, or the Chairman becomes your proxy by default, and you direct the Chairman how to vote on an item of business, the Chairman must vote in accordance with your direction.

If you appoint the Chairman of the Meeting as your proxy or he becomes your proxy by default, and you do not provide any voting directions on your proxy vote, by validly submitting your proxy you will be expressly authorising the Chairman to cast your vote on Items 3 and 4 as he sees fit. This applies even though these resolutions are connected with the remuneration of the Company’s KMP.

The Chairman of the Meeting intends to vote all available proxies in favour of all resolutions.

Lodging your Proxy Form

Proxies should be lodged by **10.30 am (AEDT) on Tuesday 27 October 2020**.

The easiest way to do this is to lodge online at www.investorvote.com.au. You will need your six-digit Control Number and your Securityholder Reference Number (SRN) or Holder Identification Number (HIN). This information is located on the front of your Shareholder Letter. You will be deemed to have signed your proxy form if you lodge it in accordance with the instructions on the website.

Alternatively, you can lodge your completed and signed Proxy Form (together with any Power of Attorney or other authority under which the appointment was signed, or a certified copy of the authority, Letter of Representation, or Power of Attorney):

- by mail to: Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001
- by fax to: 1800 783 447 (within Australia) or 61 3 9473 2555 (outside Australia).

Intermediary Online subscribers (custodians) can submit their voting intentions at www.intermediaryonline.com.

Corporate Representatives

Corporate shareholders and corporate proxies who wish to appoint a representative to attend and vote at the Meeting on their behalf, must provide that person with a properly executed letter or other document confirming that they are authorised to act as their representative in accordance with section 250D of the Corporations Act. A form of authorisation may be obtained from Computershare. A copy of the authorisation must be lodged with Computershare before the Meeting.

Participating in the Meeting

By participating in the Meeting online you will be able to:

- listen to the proceedings of the Meeting;
- view the presentations;
- submit questions at the appropriate time whilst the Meeting is in progress; and
- vote during the Meeting.

To participate in the Meeting online, you can log in to the Meeting in the following ways:

- from your computer, by entering the URL in your browser: <https://web.lumiagm.com/342004634>;
- from your mobile device by either:
 - entering the URL in your browser: <https://web.lumiagm.com/342004634>; or
 - by using the Lumi AGM app, which is available by downloading the app from the Apple App Store or Google Play Store.

Once you have selected one of the options above, you will need the following information:

- the meeting ID for the JB Hi-Fi Limited AGM, which is: 342-004-634;
- your username, which is your SRN/HIN; and
- your password, which is the postcode registered to your holding if you are an Australian shareholder. Overseas shareholders should refer to the Online Meeting Guide for their password details.

Registration for online participants will open at 9.30 a.m (AEDT) on Thursday 29 October 2020.

Further information regarding participating in the Meeting online, including browser requirements, is detailed in the Online Meeting Guide available on JB Hi-Fi's Investor website at: <https://investors.jbhifi.com.au/annualgeneralmeetings/>.

Asking Questions – before and during the Meeting

You can submit a question or comment prior to the Meeting at www.investorvote.com.au.

Written questions (including questions to the Auditor) should be submitted no later than the fifth business day before the Meeting, being Thursday 22 October 2020. Written questions to the Auditor should relate to the content of the Auditor's Report or the conduct of the audit.

You may also submit your questions and comments online during the Meeting via the Lumi platform or the Lumi AGM app.

The Chairman of the Meeting will endeavour to address as many of the questions as possible during the course of the Meeting. However, there may not be sufficient time available at the Meeting to address all of the questions raised.

EXPLANATORY NOTES

Item 1: Financial and other reports

The Company's Annual Report 2020 (which includes the Financial Report, the Directors' Report and the Auditor's Report) is available on the Company's investor website at <https://investors.jbhifi.com.au/annual-reports/>. A printed copy of the Annual Report has been sent only to those shareholders who have elected to receive a printed copy.

Shareholders will be given a reasonable opportunity to ask questions about, and make comments on, the reports and the Company's management, businesses, operations, financial performance and prospects, however there will be no formal resolution put to the Meeting. The Company's Auditor will also attend the Meeting to answer any questions in relation to the Auditor's Report and the conduct of the audit. Shareholders may also submit questions in advance of the Meeting in accordance with the instructions in this Notice.

2. Re-election of Directors

Background and Further Information

Under Listing Rule 14.5 the Company must hold an election of Directors at each Annual General Meeting.

Ms Melanie Wilson was appointed as a Director by the Board with effect from 3 June 2020. In accordance with the Company's Constitution and Listing Rule 14.4, Ms Wilson holds office until the conclusion of the Annual General Meeting unless elected at the Meeting. Ms Wilson therefore offers herself for election as a Director.

Ms Beth Laughton retires by rotation in accordance with the Company's Constitution and Listing Rule 14.4 and offers herself for re-election as a Director.

A profile of each candidate seeking election or re-election as a Director, and any other information that the Company believes to be relevant to the decision on whether or not to elect or re-elect such person, is set out below.

- (a) Ms Melanie Wilson
Non-Executive Director
MBA, B.Comm (Hons), GAICD

Melanie was appointed to the Board on 3 June 2020 and is a member of the Audit and Risk Management Committee. Melanie gained extensive experience in senior management roles across global retail brands, including Woolworths (Head of Online, Big W and Manager, Strategy Group), Limited Brands (Victoria's Secret and Bath & Bodyworks, New York), and Diva/Lovisa. Her retail experience includes online/e-commerce, store operations, merchandise systems, marketing, brand development and logistics/fulfilment. Melanie has also held roles with Bain & Company (Boston) and Goldman Sachs (Hong Kong/Sydney) and completed an MBA at Harvard Business School. Melanie is currently a non-executive director of Baby Bunting Group Ltd and Chair of its Remuneration & Nominations Committee and a non-executive director of iSelect Limited and Chair of its Audit & Risk Committee. She is also a non-executive director of EML Payments Ltd and Property Guru Group (Singapore). Melanie was previously a non-executive director of Shaver Shop Group Limited.

Prior to her appointment, the Company conducted appropriate checks into Melanie's background and experience and those checks revealed no information of concern.

The Board considers Melanie to be an independent director.

- (b) Ms Beth Laughton
Non-Executive Director
B.Ec, FAICD, FCA

Beth was appointed to the JB Hi-Fi Board in May 2011, became Chair of the Audit and Risk Management Committee in June 2012, and is also a member of the Company's Remuneration and Nominations Committee. After qualifying as a Chartered Accountant,

Beth spent over 25 years in corporate finance, providing mergers and acquisition advice and arranging equity funding for companies in a range of industries including specialty retail. For 12 years her primary focus was on information technology, telecommunications and entertainment. She is also a member of the Board of GPT Funds Management Limited and Chair of its Audit, Compliance & Risk Management Committee, and a non-executive director of Shopping Centres Australasia Property Group. Beth was previously a member of the Defence SA Advisory Board, a non-executive director of Port Adelaide Maritime Corporation, a non-executive director and Chair of the Audit Committee of both Sydney Ferries and CRC Care Pty Ltd, and a non-executive director of the ASX listed Australand Property Group companies.

The Board notes that GPT Funds Management Limited ("GPTFM") is the responsible entity for the GPT Wholesale Shopping Centre Fund and that this Fund has ownership interests in a number of shopping centres in which the Company currently leases stores. The Board is of the opinion that Beth is an independent Director on the basis that individual leasing arrangements at both the Company and GPTFM are generally determined at a managerial level rather than Board level. In addition, the Company's internal protocols provide that Beth would be excluded from any discussion and decision making where any material conflict of interest arises between Beth's role as a Director of the Company and her role as a director of GPTFM.

Board Recommendation

Having considered the skills, experience, knowledge and independence of each candidate, the Board recommends (with each Director abstaining in respect of their own re-election) that shareholders vote in favour of these resolutions. The Chairman will vote all undirected proxies in favour of these resolutions.

In the event that a resolution for the election or re-election of a Director is not passed, that Director will cease to hold office at the end of the Annual General Meeting.

Item 3: Remuneration Report

Background and Further Information

The Directors' Report for the year ended 30 June 2020 (which is contained in the Company's Annual Report) contains a Remuneration Report, which sets out the policy for the remuneration of key management personnel (being the Chairman, the Group CEO, the other Directors, and 3 other senior executives classed as key management personnel ("KMP") in the Remuneration Report).

The Corporations Act requires that a resolution be put to a vote that the Remuneration Report be adopted. The vote is advisory only and does not bind the Company or its Directors. However, when considering the future remuneration arrangements of the Company, the Remuneration and Nominations Committee and the Board will take into account feedback from shareholders in relation to the Company's remuneration strategy, including the discussion and vote on this resolution.

As a result of provisions in the Corporations Act known generally as the "two strikes rule", shareholders should note that the result of the vote on this Item may affect next year's Annual General Meeting. If 25% or more of the votes cast are "against" the adoption of the Remuneration Report at the 2020 and 2021 Annual General Meetings, the Corporations Act requires a resolution whether to spill the Board to be put to the 2021 AGM. The Directors therefore encourage shareholders to apply the same level of diligence as for the other resolutions being considered at the Meeting in casting their vote on this Item 3.

A Voting Exclusion Statement applies to this resolution as set out in the Information for Shareholders section of this Notice of AGM.

Remuneration overview

The Board recognises that the performance of the Group depends on the quality and motivation of its people, including both its senior executives (referred to below as Executive KMP) and the approximately 12,900 employees of the Group across Australia and New Zealand. The Company's remuneration strategy seeks to appropriately reward, incentivise

and retain key employees. The Board aims to achieve this by setting competitive remuneration packages that include a mix of fixed remuneration and incentives ("packages").

Executive KMP FY2020 remuneration packages

To remain competitive in attracting and retaining key talent in FY2020 the Board considered the remuneration levels and remuneration structures for Executive KMP with reference to external market benchmarks as well as the skills, experience, complexity and responsibilities of the Executive KMP roles and the challenging market conditions at the time. As a result of this review, for FY2020 the Board:

- retained fixed remuneration and annual remuneration packages at FY2019 levels for all Executive KMP, with the exception of Nick Wells whose remuneration package was adjusted taking into account external benchmarking; and
- retained the remuneration structure used in FY2019 for Executive KMP remuneration, including the Variable Reward Plan adopted in FY2019. The Board continues to believe that the Variable Reward Plan is the most appropriate form of incentive plan for Executive KMP for the reasons set out in the Company's Remuneration Report.

Executive KMP FY2020 incentive achievement

The 2020 financial year was a successful year for the Group, with management having delivered record revenue (up 11.6%), EBIT (up 25.2%¹) and EPS (up 23.6%¹). This strong financial performance was reflected in the near 70% appreciation in the Company's share price over the 12 months of the financial year and in the record level of dividends paid to shareholders in respect of the FY2020 year.

The Board acknowledges that, for FY2020, the Covid-19 pandemic contributed to the elevated sales and profit figures, but notes that the Group was already performing strongly prior to the impact of virus. In addition to a sales uplift, the pandemic has also brought challenges, and the Group's employees, from its leadership team to its team members in both JB Hi-Fi and The Good Guys stores, have risen to the challenges of social distancing, increased safety requirements, and the stresses placed on its supply chain, in order to enable the Group to fulfil the needs of its many customers as they live, work and learn during these difficult times. The Group's number one priority at this time has been the health and wellbeing of its team members, customers, business partners and the wider community. The Group provided a cash bonus of \$1,000 to each of its full-time customer facing team members (pro-rated for part-timers and casuals) in JB Hi-Fi Australia, The Good Guys and JB Hi-Fi New Zealand, in recognition of their commitment and effort during these trying times.

For FY2020, recognising that there was a balance to be struck between having remuneration outcomes reflect management's strong performance (both before and since the impact of the pandemic), the impact of Covid-19 on the trading environment, and the potential volatility of the trading environment going forward, the Board determined that, for the purposes of determining Executive KMP FY2020 incentive achievement, the Group's FY2020 results would be normalised to reflect performance based on the Group's most recent market guidance prior to the onset of Covid-19, in order to essentially remove the impact of the virus to FY2020 profit.

Accordingly, rather than the Company's reported FY2020 NPAT result of \$308.7² million being the basis for outcomes under the Variable Reward Plan (VRP), remuneration outcomes for Executive KMP for FY2020 were based off the top end of the guidance range given to the market in February 2020 prior to the pandemic triggering social restrictions in Australia and New Zealand, being \$270 million. Consequently, the financial component of the VRP scorecard resulted in outcomes at approximately 90% of maximum (noting that, without adjustment, management would have received 100% of the financial component for FY2020).

As a result of the above the vesting outcomes of FY2020 incentives for Executive KMP resulted in between 87% and 90% of rewards available under the VRP for the year (or, in the case of Terry Smart, the Company's STI plan) being earned.

¹ EBIT and EPS prior to the impact of AASB 16 Leases

² Statutory profit prior to the impact of AASB 16 Leases

25% of VRP rewards made in relation to FY2020 are paid in cash. The remaining 75% of the VRP rewards made in relation to FY2020 are delivered in deferred equity. One third of these shares will be released from dealing restrictions in each of August 2021, August 2022 and August 2023, and these rewards will therefore be subject to the share price performance over the medium to longer term.

Non-Executive Directors FY2020 remuneration

Fees for Non-Executive Directors remained at the levels set for FY2018 and FY2019, with no increases.

Board Recommendation

The Board recommends that shareholders vote in favour of this non-binding resolution. The Chairman will vote all undirected proxies in favour of this resolution.

Item 4: Approval of grant of Restricted Shares to Executive Director

Background and Further Information

The Board believes that a significant portion of Executive remuneration should be linked to sustained growth in long term shareholder wealth. In that regard, the Company operates a Variable Reward Plan ("VRP") as part of its long term remuneration strategy.

While shareholder approval of the grant of restricted shares to the Executive Director pursuant to the VRP is not required under the Listing Rules as the Company will continue its practice of acquiring shares on market to satisfy this grant, the Company continues to seek shareholder approval as a matter of good governance

Accordingly, shareholder approval is sought for the grant to the Executive Director, Mr Richard Murray, of 36,687 ordinary shares earned by Mr Murray under the Variable Reward Plan during FY2020, the terms and conditions attaching to which are summarised in the Table set out in Appendix 1.

If granted, details of these shares will be published in the Company's 2021 Annual Report. If shareholders do not approve the grant, issues may arise with the competitiveness of Mr Murray's total remuneration package and alignment of rewards with other senior executives in the Group. The Board would then need to consider alternative remuneration arrangements for Mr Murray which are consistent with the Company's remuneration principles, including providing a cash amount up to the value of the incentive component of his total FY2020 remuneration package in lieu of the allocation of the restricted shares.

A Voting Exclusion Statement applies to this resolution as set out in the Information for Shareholders section of this Notice of AGM.

Board Recommendation

The Board (with Mr Murray abstaining), recommends that shareholders vote in favour of this resolution. The Chairman will vote all undirected proxies in favour of this resolution.

Appendix 1: Summary of Restricted Shares to be granted to R Murray

Number and value of restricted shares earned	<p>Approval is being sought for the grant to Mr Murray of \$1,831,689 worth of restricted shares being Mr Murray's FY2020 VRP award. Based on the volume weighted average price of shares traded on the ASX in the 5 trading days immediately following the release of the Company's FY2020 financial results (\$49.93), this amounts to 36,687 restricted shares.</p> <p>This amount represents 87% of the shares that could have been earned by Mr Murray under the FY2020 VRP, based on Mr Murray's incentive achievement outcomes against the relevant KPIs (see below for further detail).</p>
Achievement against KPIs	<p>Under the VRP for FY2020 for Mr Murray, performance was assessed against a scorecard of robust measures, with:</p> <ul style="list-style-type: none"> 75% of the available rewards under the plan based on Group EPS growth. The performance range for the Group EPS growth targets was in line with the Company's historical incentive ranges i.e. commencing rewards when performance exceeds the previous year's earnings performance and paying maximum reward at 10% earnings growth. Within this range the percentage of the incentive payable was set (on a non-linear basis) taking account of budgets reviewed by the Board and longer term corporate plans; and 25% of the available rewards under the plan based on strategic measures approved by the Board and aligned with the Group's long term corporate plans. <p>Overall, based on performance in FY2020, Mr Murray achieved 87% of the available incentive.</p> <p>Details of the composition and achievement of targets/measures for FY2020 are set out in the Schedule to this Appendix.</p> <p>Restricted shares are not subject to any additional performance-based vesting conditions during the restriction period.</p>
Price payable on grant or exercise	No amount will be payable by Mr Murray in respect of the grant of the Restricted shares
Restrictions	<p>Following grant, the restricted shares will be held on trust for Mr Murray in the JB Hi-Fi Employee Share Trust. Mr Murray will be restricted from transferring, selling, gifting, encumbering, granting security over, or hedging the restricted shares until the relevant restriction period has ended as follows:</p> <ul style="list-style-type: none"> one third will cease to be subject to restriction one year after grant (August 2021); one third will cease to be subject to restriction two years after grant (August 2022); and one third will cease to be subject to restriction three years after grant (August 2023). <p>The effective grant date for the purpose of these restriction periods will be 18 August 2020 (the date following the release of the Company's FY2020 results).</p>
Minimum Shareholding Policy	Mr Murray is subject to the Group's Minimum Shareholding Policy for Group Executives which requires Mr Murray to hold shares equal in value to 1.5 times fixed annual remuneration within 5 years of the adoption of the Policy (July 2023). Based on the Company's share price on 31 August 2020, the value of Mr Murray's current shareholding significantly exceeds

	this amount.
Dividends and Votes	Whilst the restricted shares are subject to the restrictions set out above, Mr Murray is still entitled to receive the dividends on the shares (and associated franking credits) and to exercise the votes on those shares. Mr Murray is also entitled to participate in any bonus or rights issue in respect of the restricted shares, although any share issued under any bonus issue in respect of any restricted share will also be restricted until the end of the relevant restriction period.
Clawback	Restricted shares are subject to clawback at the Board's discretion in the event of fraud, dishonesty, material misstatement, material breach or negligence by Mr Murray and in certain other circumstances.
Cessation of employment	<p>If Mr Murray ceases to be employed during the restriction period he will, subject to the Board's discretion:</p> <ul style="list-style-type: none"> • forfeit the restricted shares if he is a "bad leaver" (termination for cause or resignation to work for a competitor); • retain the restricted shares, subject to the restrictions, if he is a "good leaver" (retirement, redundancy, disablement, mental/terminal illness or death). <p>Treatment of restricted shares if Mr Murray leaves during the restriction period in other circumstances is at the Board's discretion.</p>
Trading restrictions	The trading restrictions set out in the Company's Securities Trading Policy will apply to any shares acquired under the VRP, even when the restriction period has ended.
Board Discretion	The Board has broad discretions under the VRP Rules in respect of: the forfeiture of awards; the treatment of awards in the event of a change of control of the Company, reorganisation of the issued share capital of the Company, or disposal of material assets by the Company; and in certain other circumstances including those summarised above.

Schedule – KPI Achievement

MEASURE	PERFORMANCE COMMENTARY
Financial Measures (75%)	
1. Group EPS	<p>1. Group EPS – Above Target (8.1% growth from 217.4 to 235.0 cents per share based on the Group's \$270 million (pre-Covid) NPAT guidance)</p> <p>Achievement 91% (as a % of maximum available)</p>
Strategic Measures (25%)	
<p>1. Group OHS</p> <p>2. Diversity</p> <p>3. Succession/talent</p> <p>4. Strategic initiatives</p> <p>5. Investor relations</p>	<p>1. Group OHS – At Target, with strong results in OHS metrics as set out in the Sustainability Report</p> <p>2. Diversity – Below Target, but progress made with launch of Group diversity strategy and introduction of other significant diversity initiatives as set out in the Sustainability Report</p> <p>3. Succession/Talent – At Target, with continued progress in succession planning and talent development</p> <p>4. Strategic Initiatives – At Target, as key strategic initiatives were implemented</p> <p>5. Investor Relations – Above Target, with strong investor relations engagement in a challenging climate</p> <p>Achievement 78% (as a % of maximum available)</p>
Total (100%)	Achievement 87% (as a % of maximum available)

JB HI-FI

JB Hi-Fi Limited

ABN 80 093 220 136

JBH

MR SAM SAMPLE
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123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10.30am (AEDT) Tuesday, 27 October 2020.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

Lodge your Proxy Form:

XX

Online:

Use your computer or smartphone to appoint your proxy and vote at www.investorvote.com.au or scan your personalised QR code below using your smartphone.

Your secure access information is



Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

Step 1

Appoint a Proxy to Vote on Your Behalf

XX

I/we being a member/s of JB Hi-Fi Limited hereby appoint

☐ the Chairman of the Meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of JB Hi-Fi Limited to be held virtually on Thursday, 29 October 2020 at 10.30am (AEDT) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 3 & 4 (except where I/we have indicated a different voting intention in step 2) even though Items 3 & 4 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 3 & 4 by marking the appropriate box in step 2.

Step 2

Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Item 2a Election of Ms Melanie Wilson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2b Re-election of Ms Beth Laughton as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4 Approval of grant of restricted shares to Executive Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

Step 3

Signature of Securityholder(s)

This section must be completed.

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/

/

Date

Update your communication details

(Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically