



Notice of Annual General Meeting 2020.

**Tesco PLC, Heart building, Shire Park, Welwyn Garden City, Herts, AL7 1TW
Friday, 26 June 2020 at 10.30am**

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to what action to take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent professional advisor authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if you reside elsewhere, another appropriately authorised financial advisor. If you have sold or transferred all of your shares in Tesco PLC, please send this document and the accompanying Proxy Form as soon as possible to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Chairman's letter.



Dear Shareholder.

The Tesco PLC 2020 Annual General Meeting (AGM) will be held on Friday, 26 June 2020 at 10.30am in the Heart building on our Welwyn Garden City campus.

Given prevailing Government guidance in relation to COVID-19, avoiding unnecessary travel and stopping all gatherings of more than two people in public, it is proposed that the AGM be convened with the minimum quorum of shareholders present (which will be facilitated by Tesco) in order to conduct the business of the meeting. The well-being of our shareholders is vitally important to us and as we expect shareholders will not be able to attend the AGM due to the latest Government guidance, we ask shareholders to adhere to the current instructions to stay at home and instead to vote by proxy on the resolutions set out in this notice as early as possible. In the interests of protecting the health and safety of our shareholders, colleagues and AGM support staff, as well as the public, shareholders will not be admitted to the AGM.

We will continue to closely monitor the rapidly developing impact of COVID-19, including the latest Government guidance, and how this may affect the arrangements for the AGM. Consequently, the AGM is subject to change, possibly at short notice. If it becomes necessary or appropriate to revise the current arrangements for the AGM, further information will be made available on our website at www.tescopl.com/AGM2020.

Despite these exceptional circumstances, the Board is keen to maintain engagement with shareholders. In order to facilitate this, if you are a shareholder and would like to ask the Board a question on the formal business of the AGM, please email your question to shareholderquestions@tesco.com by 10.30am on Wednesday, 24 June 2020. Answers will be provided during an audiocast which will be available at www.tescopl.com/AGM2020 from 2.00pm on Friday, 26 June 2020. The audiocast will be available on the website until Friday, 24 July 2020.

Website.

Our corporate website has a wealth of information you can access including the Annual Report and Financial Statements 2020 and this Notice. I would encourage you to take the opportunity to sign up to receive future communications electronically by setting up a Shareview portfolio at www.shareview.co.uk and providing an email address for future communications. More information on how to manage your shareholding can be found on page 15.

The results of the voting on the AGM resolutions will be announced through a Regulatory Information Service and will be published on our corporate website www.tescopl.com/investors.

Dividend.

The Board proposes a final dividend of 6.5 pence per share, making the total dividend for the year 9.15 pence per share, an increase of 58.6% year-on-year. Resolution 3 seeks shareholder approval of the final dividend.

Directors.

In October 2019, we announced that Dave Lewis will be stepping down as Group Chief Executive on 30 September 2020. His successor, Ken Murphy will join Tesco and the Board on 1 October 2020, ensuring a smooth transition. The Board and I believe Dave has done an outstanding job in turning the business around and reconnecting Tesco to its core purpose of serving shoppers a little better every day.

In line with the provisions of the UK Corporate Governance Code, all Directors will stand for re-election at the forthcoming AGM. Ken Murphy will also stand for election with effect from 1 October 2020 and his biographical details, along with those of the Directors seeking re-election, are set out on pages 8 to 10.

Recommendation.

Your Directors believe that all of the resolutions set out in this Notice are in the best interests of both Tesco PLC and its shareholders as a whole. Your Directors will be voting all of the Ordinary shares and American Depositary Receipts which they hold in favour of all of the resolutions and unanimously recommend that you do so as well.

I hope you and your family and friends stay safe and healthy during these unprecedented times and I would like to take this opportunity to thank you for your continued support.



John Allan
Non-executive Chairman

1 May 2020

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Summary of resolutions.

1. Reports and accounts.

The Directors are required to present the annual accounts, strategic report, directors' report and the auditors' report on the accounts to the meeting.

2. Directors' remuneration report.

This resolution is to seek shareholder approval of the Directors' remuneration report for the year ended 29 February 2020 as set out on pages 52 to 64 of the Annual Report and Financial Statements 2020. The vote is advisory in nature and therefore no entitlement to remuneration is conditional on the passing of the resolution.

3. Final dividend.

This resolution is to approve a final dividend of 6.5 pence per share for the year ended 29 February 2020. If approved, the final dividend will be paid on 3 July 2020 to all shareholders on the register of members at close of business on 22 May 2020.

4 – 17. Election and re-election of directors.

Ken Murphy will stand for election to the Board effective from 1 October 2020. In accordance with the Company's Articles of Association and the UK Corporate Governance Code, all other Directors will retire and stand for re-election. Resolutions 4-17 (inclusive) propose their election or re-election by the Company's shareholders. Biographical details of all Directors together with the contribution that they bring to the Board are set out on pages 8 to 10 to enable shareholders to take an informed decision on their election or re-election.

The Nominations and Governance Committee identifies, evaluates and recommends to the Board candidates for appointment and reappointment as Directors. Appointments are made on merit and candidates are considered against objective criteria, having regard to the benefits of the diversity of the Board. The Committee keeps diversity, mix of skills, experience and knowledge of the Board under review and seeks to ensure an orderly succession of Directors. The formal annual evaluation of each Director, and the outside directorships and broader commitments of the Non-executive Directors, including time commitments, are also monitored by the Committee.

The Nominations and Governance Committee has reviewed the independence of each Non-executive Director and determined that they are all independent in character and judgement and there are no relationships or circumstances which are likely to affect the judgement of any of the Non-executive Directors. The Non-executive Chairman was considered independent upon appointment.

Following an internal Board evaluation process, the Board believes that the oversight the Non-executive Directors provide is balanced, contributing a broad range of skills, diverse experience and knowledge, demonstrating independence and constructive challenge. The Board considers each Director to be fully effective and committed to his or her role.

All Directors are recommended by the Board for election or re-election.

18 – 19. Reappointment of auditors and remuneration of auditor.

At each meeting at which the Company's accounts are presented to its members, the Company is required to appoint auditors to serve until the next such meeting.

The Audit Committee has assessed the effectiveness, independence, objectivity, appropriate mindset and professional scepticism of the external auditor, Deloitte LLP, and concluded that the external auditor was in all respects effective.

Deloitte LLP have indicated their willingness to continue in office as auditor of the Company until the conclusion of the next annual general meeting at which accounts are laid before the Company. Resolution 19 gives authority to the Directors to determine the auditors' remuneration.

20. Share Incentive Plan.

This resolution seeks authority for the Directors to renew and continue The Tesco PLC Share Incentive Plan (the Plan) which was first approved by shareholders on 15 June 2000 and subsequently renewed by shareholders on 2 July 2010.

The main provisions of the Plan are summarised in the Appendix to this Notice.

21. Renewal of Board's authority to allot shares.

This resolution is to renew the Directors' authority to allot shares. The authority will allow the Directors to allot new shares that represent not more than one-third of the issued share capital of the Company; and the authority to allot relevant securities in connection with a rights issue up to a further one-third of the issued share capital as at 29 April 2020, being the latest practicable date prior to the publication of this document.

22. Disapplication of pre-emption rights in certain circumstances.

This resolution would allow the Directors to allot shares for cash and/or sell treasury shares up to a set value without having to offer such shares to existing shareholders on the conditions as described on page 5.

23. Disapplication of pre-emption rights for acquisitions and other capital investment.

This resolution would give the Directors authority to allot additional shares for cash and/or sell treasury shares up to a set value as described on page 5 without having to offer such shares to existing shareholders, in connection with an acquisition or capital investment.

24. Purchase of own shares.

This resolution will authorise the Company to make market purchases of up to a set number of shares as described on page 6 and specifies the minimum and maximum prices at which the shares may be bought.

25. Political donations.

It is not proposed or intended to alter the Company's policy of not making political donations, within the normal meaning of that expression. However, this resolution is proposed to ensure that the Company and its subsidiaries do not, because of any uncertainty as to the bodies or activities covered by the Companies Act 2006 (the Act), unintentionally commit any technical breach of the Act by making political donations.

26. General meetings.

This resolution seeks to approve an equivalent authority granted to the Directors at last year's annual general meeting to call general meetings (other than an annual general meeting) on 14 clear days' notice.

Tesco PLC – Notice of meeting.

Notice is hereby given that the 2020 Annual General Meeting (the AGM) of Tesco PLC (the Company) will be held at Tesco PLC, Heart building, Shire Park, Welwyn Garden City, Herts, AL7 1TW on Friday, 26 June 2020 at 10.30am to consider and, if thought fit, pass the following resolutions. Resolutions 22, 23, 24 and 26 will be proposed as special resolutions, with the remainder being proposed as ordinary resolutions.

1. Reports and accounts

To receive the audited accounts for the financial year ended 29 February 2020, together with the strategic report, directors' report and auditors' report on those accounts.

2. Directors' remuneration report

To receive and to approve the Directors' remuneration report set out on pages 52 to 64 of the Annual Report for the year ended 29 February 2020.

3. Final dividend

To declare a final dividend of 6.5 pence per share for the year ended 29 February 2020 as recommended by the Directors.

To re-elect as Directors by separate resolutions each of:

- | | |
|------------------------|----------------------|
| 4. John Allan | 5. Mark Armour |
| 6. Melissa Bethell | 7. Stewart Gilliland |
| 8. Steve Golsby | 9. Byron Grote |
| 10. Dave Lewis | 11. Mikael Olsson |
| 12. Deanna Oppenheimer | 13. Simon Patterson |
| 14. Alison Platt | 15. Lindsey Pownall |
| 16. Alan Stewart | |

17. To elect Ken Murphy as a Director with effect from 1 October 2020.

18. Reappointment of auditors

To reappoint Deloitte LLP as auditors of the Company, to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.

19. Auditors' remuneration

To authorise the Directors to determine the remuneration of the auditors.

20. Share Incentive Plan

That:

- the Directors be and are hereby authorised to renew and continue The Tesco PLC Share Incentive Plan (the Plan) as summarised in the Appendix to this document and the Directors be authorised to do all acts and things necessary to carry this into effect; and
- the Directors be authorised to adopt similar plans for overseas employees subject to such modifications as may be necessary or desirable to take account of overseas tax, exchange controls or securities laws provided that any Ordinary shares made available under such further plans are treated as counting against any limits on individual or overall participation in the Plan.

This resolution seeks shareholders' approval of the Directors' authority to renew and continue the Plan which was approved by shareholders on 15 June 2000 and renewed by shareholders on 2 July 2010. The Plan has been amended since last renewed by shareholders to take into account changes to the legislation governing qualifying tax-favoured share incentive plans. This plan operates on an "all employee" basis and is an important part of the benefits package offered to our colleagues. Currently over 110,000 colleagues participate in the Plan. Further details of the Plan are set out in the Appendix to this document.

21. Authority to allot shares

That, in place of the equivalent authority given to the Directors at the last annual general meeting of the Company (but without prejudice to the continuing authority of the Directors to allot equity securities pursuant to an offer or agreement made by the Company before the expiry of the authority pursuant to which such offer or agreement was made), the Directors be generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the Act) to allot:

- shares in the Company or to grant rights to subscribe for, or to convert any securities into shares in the Company up to a maximum aggregate nominal amount of £163,224,942; and, in addition
- equity securities (as defined in section 560 of the Act) of the Company up to an aggregate nominal amount of £163,224,942 in connection with an offer of such securities by way of a rights issue,

provided that this authority shall expire at the end of the next annual general meeting of the Company, save that the Company may, before such expiry, make an offer or agreement which would or might require rights to subscribe for or to convert any securities into shares to be granted or equity securities to be allotted after such expiry and the Directors may allot equity securities or grant such rights under any such offer or agreement as if the authority conferred by this resolution had not expired.

'rights issue' means an offer of equity securities to:

- holders of Ordinary shares on the register on a record date fixed by the Directors in proportion (as nearly as may be practicable) to their existing holdings; and
- holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with any treasury shares, fractional entitlements or legal or practical issues arising under the laws of or the requirements of any recognised regulatory body or any stock exchange in any territory.

Paragraph 21(a) will give the Directors a general authority to allot new shares up to a nominal value of £163,224,942, which is equal to approximately one-third of the issued share capital of the Company as at 29 April 2020, being the latest practicable date prior to the publication of this document.

Paragraph 21(b) will give the Directors additional authority to allot relevant securities in connection with a rights issue up to a further one-third of the issued share capital of the Company as at 29 April 2020, being the latest practicable date prior to the publication of this document, being an aggregate nominal amount of £163,224,942.

In total, the resolution will allow the Directors to allot a maximum aggregate of two-thirds of the issued share capital of the Company. The Share Capital Management Guidelines published by The Investment Association consider this to be a routine authority.

As at 29 April 2020, being the latest practicable date prior to the publication of this document, the Company does not hold any treasury shares.

This authority will remain in force until the conclusion of the annual general meeting of the Company in 2021. The Company is proposing this resolution, as it does at the annual general meeting

each year, to give the Board flexibility, however, there are no current plans to allot shares (except in connection with any possible future scrip dividend programme).

22. Disapplication of pre-emption rights

That, subject to the passing of resolution 21, the Directors be empowered pursuant to section 570 of the Companies Act 2006 (the Act) to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority given by resolution 21 and/or to sell equity securities held as treasury shares for cash pursuant to section 727 of the Act, in each case as if section 561(1) of the Act did not apply to any such allotment or sale, provided that this power shall be limited:

- (a) to the allotment and/or sale of equity securities in connection with an offer of such securities by way of a rights issue (as defined in resolution 21); and
- (b) to the allotment and/or sale (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate nominal value of £24,483,741,

such authority to expire at the end of the next annual general meeting of the Company save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted or equity securities held as treasury shares to be sold after such expiry, and the Directors may allot equity securities and/or sell equity securities held as treasury shares in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

This resolution would allow the Directors to allot shares for cash and/or sell treasury shares without having to offer such shares to existing shareholders:

- (a) in connection with a rights issue (as defined in resolution 21); or
- (b) up to a nominal value of £24,483,741, which is approximately 5% of the Company's issued share capital as at 29 April 2020, being the latest practicable date prior to the publication of this document.

This disapplication authority is in line with the Pre-Emption Group's Statement of Principles 2015 (the Statement of Principles). Annual renewal of this authority is sought in accordance with best practice and in line with the Statement of Principles.

There are no current plans to allot shares pursuant to the authority under this resolution 22, however, your Directors wish to ensure that the Company has maximum flexibility in managing the Group's capital resources.

The authority sought, and the limits set by this resolution will also apply to any sale or transfer of treasury shares. Your Directors consider it prudent to have the flexibility to buy back shares into treasury and subsequently to sell or to transfer them, if appropriate. This will enable them to act on short notice in appropriate circumstances if that is in the best interests of the Company.

The Directors do not intend to issue pursuant to the authority under this resolution 22 more than 7.5% of the issued share capital of the Company on a non pre-emptive basis in any rolling three year period, without prior consultation with shareholders. This authority will expire at the conclusion of the annual general meeting of the Company in 2021.

23. Disapplication of pre-emption rights for acquisitions and other capital investment

That, subject to the passing of resolution 21, the Directors be empowered pursuant to section 570 of the Companies Act 2006 (the Act) in addition to any authority granted under resolution 22, to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority given by resolution 21 and/or to sell equity securities held as treasury shares for cash pursuant to section 727 of the Act, as if section 561(1) of the Act did not apply to any such allotment or sale, provided that this power shall be:

- (a) limited to the allotment and/or sale of equity securities up to an aggregate nominal value of £24,483,741; and
- (b) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Pre-Emption Principles most recently published by the Pre-Emption Group prior to the date of this Notice,

such authority to expire at the end of the next annual general meeting of the Company, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted or equity securities held as treasury shares to be sold after such expiry, and the Directors may allot equity securities and/or sell equity securities held as treasury shares in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

This resolution would give the Directors authority to allot additional shares for cash and/or sell treasury shares up to a nominal value of £24,483,741, which is approximately 5% of the Company's issued share capital as at 29 April 2020, being the latest practicable date prior to the publication of this document, without having to offer such shares to existing shareholders, in connection with an acquisition or capital investment: (i) which is announced contemporaneously with the issue; or (ii) which has taken place in the preceding six month period and is disclosed in the announcement of the issue.

This additional disapplication authority is being sought in line with the Pre-Emption Group's Statement of Principles 2015.

The authority sought and the limits set by this resolution will also apply to any sale or transfer of treasury shares. Your Directors consider it prudent to have the flexibility to buy back shares into treasury and subsequently to sell or to transfer them, if appropriate. This will enable them to act on short notice in appropriate circumstances if that is in the best interests of the Company.

Together with resolution 22 (if passed) this would give the Directors the authority to allot shares for cash and/or sell treasury shares of up to 10% of the issued share capital of the Company, on a non pre-emptive basis.

There are no current plans to allot shares pursuant to the authority under this resolution 23, however, your Directors wish to ensure that the Company has maximum flexibility in managing the Group's capital resources. This authority will expire at the conclusion of the annual general meeting of the Company in 2021.

The Directors intend to seek renewal of the authority and powers set out in resolutions 21, 22 and 23 at each annual general meeting of the Company.

24. Purchase of own shares

That, the Company be generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006 (the Act)) of Ordinary shares of 5 pence each in the capital of the Company (Shares) on such terms as the Directors think fit, provided that:

- (a) the maximum number of Shares which may be purchased is 979,349,656;
- (b) the minimum price, exclusive of any expenses, which may be paid for each Share is 5 pence;
- (c) the maximum price, exclusive of any expenses, which may be paid for each Share is an amount equal to the higher of:
 - (i) 105% of the average of the middle market quotations of a Share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Share is contracted to be purchased; and
 - (ii) the amount stipulated by Regulatory Technical Standards adopted by the European Commission pursuant to Article 5(6) of the Market Abuse Regulation (EU) No.596/2014; and
- (d) this authority will expire at the end of the next annual general meeting of the Company, except in relation to the purchase of Shares under this authority the contracts for which are made before the expiry of this authority and which are executed wholly or partly thereafter.

This resolution will authorise the Company to make market purchases of up to 979,349,656 Shares, being just under 10% of the Company's issued share capital as at 29 April 2020, being the latest practicable date prior to the publication of this document, and specifies the minimum and maximum prices at which the Shares may be bought.

This authority will expire at the conclusion of the annual general meeting of the Company in 2021. Renewal of this authority is sought at the annual general meeting each year.

The Directors confirm that they will exercise the buy back authority only when, in light of the prevailing market conditions, they consider such purchases would result in an increase in earnings per share and would be in the best interests of shareholders generally.

Any Shares purchased would be effected by a purchase in the market and may either be cancelled or held as treasury shares, which may then be cancelled, sold for cash or used to meet the Company's obligations under its employee share schemes.

As at 29 April 2020, being the latest practicable date prior to the publication of this document, the total number of options to subscribe for Shares in the Company was 179 million (approximately 1.8% of the Company's issued share capital and approximately 2.0% of the Company's issued share capital if the full authority proposed by this resolution 24 was used and the shares purchased were cancelled).

25. Political donations

That, in accordance with section 366 of the Companies Act 2006 (the Act), the Company and any company which is, or becomes, a subsidiary of the Company at any time during the period for which this resolution has effect, be authorised to:

- (a) make donations to political parties and/or independent election candidates not exceeding £100,000;
- (b) make political donations to political organisations, other than political parties, not exceeding £100,000; and
- (c) incur political expenditure not exceeding £100,000,

as such terms are defined in Part 14 of the Act during the period beginning on the date of the passing of this resolution and ending on the date of the Company's next annual general meeting, provided that the aggregate of all expenditure under paragraphs (a), (b) and (c) shall not exceed £100,000 in total.

The Act requires companies to obtain shareholders' authority before they can make donations to EU political organisations or incur EU political expenditure.

The Company's policy is that it does not, directly or through any subsidiary, make what are commonly regarded as donations to any political party. The authorities we are requesting from shareholders are not designed to change this.

However, the Act defines political donations very broadly and, as a result, covers activities that form part of normal relationships and which are accepted as a way of engaging with stakeholders and opinion-formers to ensure that companies' issues and concerns are considered and addressed. Activities of this nature are not designed to support any political party or to influence public support for a particular party and would not be thought of as political donations in the ordinary sense of those words.

This resolution is proposed to ensure that the Company and its subsidiaries do not, because of any uncertainty as to the bodies or activities covered by the Act, unintentionally commit any technical breach of the Act.

In the financial year ended 29 February 2020, the Company and its subsidiaries did not incur any expenditure pursuant to equivalent authorities.

26. General meetings

That, a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

Under the Companies Act 2006, all general meetings must be held on 21 days' notice unless shareholders approve a shorter notice period subject to a minimum of 14 clear days. Annual general meetings must continue to be held on at least 21 clear days' notice.

This resolution seeks to approve an equivalent authority granted to the Directors at last year's annual general meeting to call general meetings (other than an annual general meeting) on 14 clear days' notice.

The approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed.

In order to allow for the shorter notice period, the Company will continue to make electronic voting available to all shareholders.

The shorter notice period would not be used as a matter of routine for general meetings, but only where the flexibility is merited by time-sensitive matters and is thought to be to the advantage of shareholders as a whole.

By order of the Board



Robert Welch
Group Company Secretary

1 May 2020

Registered office

Tesco House
Shire Park
Kestrel Way
Welwyn Garden City
AL7 1GA

Board of Directors.

Board Committee key.

| | |
|-----|--------------------------------------|
| (N) | Nominations and Governance Committee |
| (A) | Audit Committee |
| (R) | Remuneration Committee |
| (C) | Corporate Responsibility Committee |
| ● | Chair of Committee |
| (i) | Independent Board member |

John Allan CBE Non-executive Chairman

Appointed March 2015
Tenure 5 years

Skills and experience.

John has significant board, retail and financial experience gained from both the commercial and financial sectors. He was CEO of Exel PLC and, when it was acquired by Deutsche Post in 2005, he joined the board of Deutsche Post, becoming CFO in 2007 until his retirement in 2009. John was chairman of Dixons Retail plc during its turnaround period, and following its merger with Carphone Warehouse was deputy chairman and senior independent director of Dixons Carphone until 2015. He was also previously a non-executive director of Worldpay Group PLC, National Grid plc, the UK Home Office Supervisory Board, 3i plc, PHS Group plc, Connell plc, Royal Mail plc, Wolseley plc and Hamleys plc and chairman of London First.

Contribution.

John has extensive leadership experience and a wealth of knowledge gained across a number of business sectors, including retail. As Chairman, he has a deep understanding of governance and what is required to lead an effective Board.

External appointments.

- Chairman of Barratt Developments PLC;
- President of the Confederation of British Industry; and
- Chair of the Council of Imperial College.

Dave Lewis Group Chief Executive

Appointed September 2014
Tenure 5.5 years

Skills and experience.

Dave has significant experience in brand marketing, customer management and general management. Prior to joining Tesco, he worked for Unilever for nearly 30 years in a variety of different roles across Europe, Asia and the Americas. He has experience across many sectors in the UK and overseas, and has been responsible for a number of business turnarounds. He was previously a non-executive director of Sky PLC.

Contribution.

Dave's extensive international consumer experience and expertise in change management, business strategy, brand management and customer development, along with his drive, enthusiasm and commitment to customers make him a valuable member of the Board.

External appointments.

- Member of the Governance Committee of the Consumer Goods Forum; and
- Chair of Champions 12.3, a UN programme seeking to add momentum to the achievement of the UN Sustainable Development Target 12.3 by 2030.

Alan Stewart Chief Financial Officer

Appointed September 2014
Tenure 5.5 years

Skills and experience.

Alan brings to the Board significant corporate finance and accounting experience from a variety of highly competitive industries, including retail, banking and travel, as well as executive leadership experience within a listed company environment. Alan is a non-executive director of Tesco Bank. Prior to joining Tesco, he was UK CEO and CFO of Thomas Cook Holdings, group finance director of WH Smith PLC and CFO for AWAS and Marks & Spencer plc. He was previously a non-executive director of Games Workshop Group plc.

Contribution.

Alan's deep understanding of financial operations and risk management, and his leadership experience and ability to set financial strategy make him a valuable member of the Board.

External appointments.

- Non-executive director of Diageo plc;
- Member of the Advisory Board, Chartered Institute of Management Accountants; and
- Member of the main committee and chairman of the pension committee of the 100 Group of Finance Directors.

Mark Armour Independent Non-executive Director

Appointed September 2013
Tenure 6.5 years

Skills and experience.

Mark has significant strategic planning and financial expertise, as well as experience of executive leadership. He was CFO of Reed Elsevier Group plc and its two parent companies, Reed Elsevier PLC and Reed Elsevier NV (now RELX PLC), from 1996 to 2012. This role has provided him with considerable experience of digital business transition and operating in a multi-channel environment. Prior to joining Reed Elsevier, he was a partner at Price Waterhouse in London. He was previously a non-executive director and chair of the audit committee of SABMiller PLC.

Contribution.

Mark's background in finance, risk and strategy and associated sectors make him a valuable member of the Board.

External appointments.

- Member of the Takeover Panel.

Melissa Bethell Independent Non-executive Director

Appointed September 2018
Tenure 1.5 years

Skills and experience.

Melissa brings to the Board a wealth of international business strategy and investment management experience. Melissa is currently a partner of Atairos, an equity investment fund backed by Comcast NBCUniversal. She is managing partner of the London office and responsible for Atairos' investment activities in Europe. Melissa was previously a managing director of Bain Capital, where she worked for over 18 years and was a member of the senior leadership team responsible for strategy setting, fundraising and portfolio management. Prior to joining Bain Capital, Melissa worked in the capital markets group at Goldman, Sachs & Co., with a particular focus on media and technology. She was also previously



a director of Ship Midco Limited and served as a non-executive director of Samsonite Corporation (Samsonite International S.A.), Worldpay Group PLC and Atento S.A.

Contribution.

Melissa's extensive international corporate experience, with a focus in the financial sector is invaluable in delivering our strategy.

External appointments.

- Partner at Atairos, an independent, private investment firm and managing director of Atairos Europe; and
- Non-executive director and chair of the audit committee of Exor N.V.

Stewart Gilliland Independent Non-executive Director



Appointed March 2018
Tenure 2 years

Skills and experience.

Stewart has significant business and management experience in international markets, specifically those in Europe, having previously held roles with leading consumer-facing companies, including Whitbread, Mitchells & Butler and Interbrew. He held the position of chief executive of Müller Dairies UK and Ireland until 2010. Prior to joining Tesco, he was chairman of Booker Group plc.

Contribution.

Stewart has over 20 years' experience and knowledge in international marketing, logistics and business management having held a number of senior roles, predominantly in customer-centric businesses. The breadth and diversity of his experience benefit the Board.

External appointments.

- Interim executive chairman of C&C Group plc;
- Non-executive director and chair of the remuneration committee of Nature's Way Foods Ltd; and
- Chairman of Curious Drinks Limited.

Steve Golsby Independent Non-executive Director



Appointed October 2016
Tenure 3.5 years

Skills and experience.

Steve has a wealth of knowledge of operating internationally, specifically significant leadership experience in Asia. He has a strong background in consumer marketing and held senior executive positions with Bristol-Myers Squibb and Unilever, before being appointed president of Mead Johnson Nutrition, a leading global infant nutrition company, in 2004. He was president and CEO from 2008 to 2013 and a non-executive director from 2013 to 2017. He was also previously a non-executive director of Beam Inc. His extensive international and board experience give him invaluable insights and understanding as Chair of the Remuneration Committee.

Contribution.

Steve's extensive experience of building and developing international businesses, together with his operational experience and strong background in consumer marketing, make him a valuable member of the Board. As Chairman of the Remuneration Committee, he is responsible for setting and implementing the remuneration policy.

External appointments.

- Advisor to Thai Union Group PLC, a global leader in the seafood industry;

- Honorary Advisor to The British Chamber of Commerce Thailand;
- Honorary investment advisor to the Thailand Board of Investment; and
- External advisor to Bain & Company.

Byron Grote Independent Non-executive Director



Appointed May 2015
Tenure 5 years

Skills and experience.

Byron brings broad financial and international experience to the Board, having worked across BP PLC in a variety of commercial, operational and executive roles covering numerous geographies. Byron's strategic focus and financial experience complements the balance of skills on the Board and makes him ideal for the role of Chair of the Audit Committee. He served on the BP PLC board from 2000 until 2013 and was BP's CFO during much of that period. He was previously a non-executive director of Unilever PLC.

Contribution.

Byron brings a wide range of experience and skills including finance, strategy, risk and supply chain logistics through a variety of executive and non-executive roles. He is Chairman of the Audit Committee and, as such is responsible for leading the Committee to ensure effective internal controls and risk management systems are in place.

External appointments.

- Vice chairman of the supervisory board of Akzo Nobel N.V.;
- Senior independent director of Anglo American PLC; and
- Non-executive director of Standard Chartered PLC.

Mikael Olsson Independent Non-executive Director



Appointed November 2014
Tenure 5.5 years

Skills and experience.

Mikael joined the Board after an extensive career at IKEA Group, holding a variety of senior roles including being a member of the executive committee from 1995 until 2013 and holding the position of CEO and president from 2009 until 2013. He brings a wealth of retail and value chain experience as well as knowledge of sustainability, people and strategy in an international environment. He was previously a non-executive director and vice chairman of Volvo Cars AB.

Contribution.

Mikael brings an extensive range of skills with his strategic, retail, and property experience through his executive and non-executive directorships, supporting the delivery of the Group's strategy.

External appointments.

- Non-executive director of Ikano S.A.;
- Non-executive director of Lindengruppen AB; and
- Non-executive director and chair of the people committee (combined nomination and remuneration committee) of The Royal Schiphol Group.

Board of Directors continued

Deanna Oppenheimer Senior Independent Director



Appointed March 2012

Tenure 8 years

Skills and experience.

Deanna has significant marketing, brand management and consumer knowledge and experience, bringing a broad perspective to the Board. She held several senior roles at Barclays plc, including chief executive of UK Retail and Business Banking and vice chair of Global Retail Banking. Deanna was appointed as chair of Hargreaves Lansdown plc in February 2018. She is the founder of advisory firm, CameoWorks LLC, which provides bespoke support to early stage companies. Deanna was previously a non-executive director of NCR Corporation and Worldpay, Inc.

Contribution.

Deanna's extensive board, investor and commercial experience makes her a strong Senior Independent Director and fundamental to the effective operation of the Board.

External appointments.

- Chair of Hargreaves Lansdown plc;
- Non-executive director of Whitbread PLC;
- Founder of consumer-focused boutique advisory firm, CameoWorks LLC; and
- Senior advisor to Bain & Company.

Simon Patterson Independent Non-executive Director



Appointed April 2016

Tenure 4 years

Skills and experience.

Simon has extensive knowledge of and years of experience in finance, technology and global operations gained in various management and leadership roles. He was a member of the founding management team of the logistics software company Global Freight Exchange and has worked at the Financial Times and McKinsey & Company. He has previously served on the boards of Skype, MultiPlan, Cegid Group, Intelsat, Gerson Lehrman Group and N Brown Group.

Contribution.

Simon brings to the Board more than 20 years' experience in senior positions, predominantly in the management consultancy, technology, digital and finance sectors.

External appointments.

- Managing director of Silver Lake Partners, a leading global technology investment firm;
- Board member of Dell Technologies Inc., Zephyr Holdco Limited and FlixBus;
- Trustee of the Natural History Museum; and
- Trustee of The Royal Foundation of The Duke and Duchess of Cambridge.

Alison Platt CMG Independent Non-executive Director



Appointed April 2016

Tenure 4 years

Skills and experience.

Alison has extensive experience of leadership in customer-driven organisations across the healthcare, insurance and property sectors. As CEO of Countrywide, a position she held until January 2018, she gained significant business-to-business experience adding this to the international experience she gained while leading a number of Bupa's businesses across Asia, Southern and Eastern Europe and the Middle East. Alison's experience as a

CEO enables her to provide challenge and advice to the Board across a range of issues. Alison was previously chair of Opportunity Now and a non-executive director of the Foreign and Commonwealth Office and Cable and Wireless Communications PLC.

Contribution.

Alison has gained significant business-to-business and international commercial experience from working for high-profile consumer-facing companies. Her membership of the steering group for the Hampton-Alexander Review provides strategic insights on diversity and inclusion.

External appointments.

- Member of the steering group of the Hampton-Alexander Review; and
- Non-executive director of Dechra Pharmaceuticals PLC.

Lindsey Pownall OBE Independent Non-executive Director



Appointed April 2016

Tenure 4 years

Skills and experience.

Lindsey has substantial experience in food, grocery and retail brand development, having enjoyed a career of more than 20 years at Samworth Brothers, the leading UK supplier of premium quality chilled and ambient foods. She joined the Samworth board in 2001 and served as chief executive between 2011 and 2015. Lindsey is a passionate advocate of supplier relationships, customers, colleagues and sustainability which directly support Tesco's strategy and her role as Chair of the Corporate Responsibility Committee.

Contribution.

Lindsey's in-depth understanding of the food retail sector and stakeholder focus together with her wealth of experience in supply leadership and strategic development make her a valuable member of the Board. As Chair of the Corporate Responsibility Committee, she is responsible for corporate responsibility objectives and strategy.

External appointments.

- Non-executive director of Story Contracting Limited;
- Senior Adviser of Paine Schwartz Partners, LLC; and
- Non-executive director of P and P Food Safety Holdings (Delaware) Inc.

Ken Murphy Group Chief Executive Designate

Skills and experience.

Ken will join the Board of Tesco PLC on 1 October 2020 to succeed Dave Lewis as Group Chief Executive. Ken has worked for Walgreens Boots Alliance, Inc. for over 20 years in a number of senior management roles across the business. Through his role as Executive Vice President, Chief Commercial Officer and President Global Brands at Walgreens Boots Alliance Ken had overall responsibility for brand strategy and the commercial offer in the retail businesses of Walgreens and Boots. He previously worked for Procter & Gamble and Coopers & Lybrand.

Contribution.

Ken is a growth-orientated business leader with strong commercial, marketing and brand experience within retail and wholesale businesses. He has experience in global product brand management, product development, sales and marketing, sourcing, manufacturing and distribution.

External appointments.

- Non-executive director of Hatch Beauty LLC.

The AGM.

Tesco PLC, Heart building, Shire Park, Welwyn Garden City, Herts, AL7 1TW

Attendance at the AGM.

Given prevailing Government guidance in relation to COVID-19, avoiding unnecessary travel and stopping all gatherings of more than two people in public, it is proposed that the AGM be convened with the minimum quorum of shareholders present (which will be facilitated by Tesco) in order to conduct the business of the meeting. The well-being of our shareholders is vitally important to us and as we expect shareholders will not be able to attend the AGM due to the latest Government guidance, we ask shareholders to adhere to the current instructions to stay at home and instead to vote by proxy on the resolutions set out in this notice as early as possible. In the interests of protecting the health and safety of our shareholders, colleagues and AGM support staff, as well as the public, shareholders will not be admitted to the AGM.

We will continue to closely monitor the rapidly developing impact of COVID-19, including the latest Government guidance, and how this may affect the arrangements for the AGM. Consequently, the AGM is subject to change, possibly at short notice. If it becomes necessary or appropriate to revise the current arrangements for the AGM, further information will be made available on our website at www.tescopl.com/AGM2020.

Voting ahead of the AGM.

Your participation in this annual event is important to us, and we encourage you to submit your voting instructions as early as possible.

You can submit your voting instructions electronically at www.sharevote.co.uk, where you will need your Voting ID, Task ID and Shareholder Reference Number.

Alternatively, you can submit your voting instructions using a Proxy Form. In order to retain flexibility given the current situation, we recommend appointing the "Chair of the Meeting" as your proxy. Please note the deadline for submitting proxies will be 10.30am on 24 June 2020.

Voting on all resolutions will be by way of a poll. For details on how you can submit your proxy instructions, please refer to the Notes on page 12.

Asking a question.

The Board is keen to maintain engagement with shareholders. In order to facilitate this, if you are a shareholder and would like to ask the Board a question on the formal business of the AGM, please email your question to shareholderquestions@tesco.com by 10.30am on Wednesday, 24 June 2020. Answers will be provided during an audiocast which will be available at www.tescopl.com/AGM2020 from 2.00pm on Friday, 26 June 2020. The audiocast will be available on the website until Friday, 24 July 2020.

For more information on how to ask a question on the formal business of the AGM, please refer to the Notes on page 12.

Notes.

1. Eligibility to vote.

Only persons entered in the Register of Members of the Company at 6.30pm on Wednesday, 24 June 2020 or, in the event that the meeting is adjourned, 6.30pm on the date which is two working days prior to the reconvened meeting, shall be entitled to vote at the meeting. Changes to entries on the register after this time shall be disregarded in determining the rights of any person to vote at the meeting or adjourned meeting. Voting on the resolutions will be by way of a poll. Although those on the register at 6.30pm on the relevant date would ordinarily be invited to attend the meeting, given prevailing Government guidance in relation to COVID-19, we expect shareholders will not be able to attend the AGM and we ask shareholders to adhere to the current instructions to stay at home and instead to vote by proxy on the resolutions set out in this notice as early as possible. In the interests of safety, shareholders will not be admitted to the AGM. Please see Note 15 if you would like to submit a question on the formal business of the meeting.

2. Appointment of proxies.

As we are asking shareholders to adhere to the current instructions to stay at home and instead to vote by proxy, in order to retain flexibility given the current situation, we recommend appointing the “Chair of the Meeting” to vote on your behalf. This person is called your proxy. Your proxy does not need to be a shareholder of the Company. Details of how to appoint the Chair of the Meeting or another person as your proxy are set out on the Proxy Form.

Where no specific instruction is given, your proxy may vote at his/her own discretion or refrain from voting, as he/she sees fit. You can appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by you. If you are appointing more than one proxy, you should indicate the number of shares for which each proxy is authorised to act on your holding. Failure to specify the number of shares to which each Proxy Form relates or specifying a number which, when taken together with the number of shares set out in the other proxy appointments, is in excess of the number of shares held by the member may result in the proxy appointment being invalid.

3. Appointment of proxies using hard copy Proxy Forms.

To appoint a proxy using the hard copy Proxy Form, you should complete and return your Proxy Form to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, to arrive no later than 10.30am on 24 June 2020, being the specified time which is not less than 48 hours before the appointed time of the meeting (excluding any part of a day that is not a working day). Please note that voting online is quicker and more secure than paper voting. We encourage all shareholders to vote by proxy as soon as possible.

4. Appointment of proxies electronically.

You may, if you wish, register the appointment of a proxy or proxies, or voting instructions for the meeting electronically by logging on to www.sharevote.co.uk. You will need to use your Voting ID, Task ID and Shareholder Reference Number which are printed on your Proxy Form. Full details of the procedure are given on the website. The proxy appointment and/or voting instructions must be received by Equiniti Limited at least 48 hours before the appointed time of the meeting, that is to say, no later than 10.30am on Wednesday, 24 June 2020. Please note that any electronic communication sent to the Company or the Registrar that is found to contain a computer virus will not be accepted. The use of the internet service in connection with the AGM is governed by Equiniti Limited's conditions of use set out on the website, www.sharevote.co.uk, and may be read by logging on to that site.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

5. Attending in person after voting by proxy.

Submitting a Proxy Form in advance does not legally prevent you from attending and voting at the meeting in person. However, given prevailing Government guidance in relation to COVID-19, we expect shareholders will not be able to attend the AGM and we ask shareholders to adhere to the current instructions to stay at home and instead to vote by proxy on the resolutions set out above as early as possible. In the interests of safety, shareholders will not be admitted to the AGM.

6. CREST – appointing a proxy.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy instruction service may do so for the AGM to be held on Friday, 26 June 2020 and any adjournment(s) thereof by using the procedures described in the CREST Manual. These procedures are available via www.euroclear.com. CREST personal members or other CREST sponsored members, and those CREST members who have appointed voting service providers, should refer to their CREST sponsors or voting service providers, who will be able to take the appropriate action on their behalf.

7. Authentication of CREST proxy instruction.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK and Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by 10.30am on Wednesday, 24 June 2020. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

8. CREST system timings.

CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear UK and Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his or her CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by the CREST system by any particular time. CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

9. Circumstances of invalidity.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001, as amended.

10. Appointment of proxy by joint shareholders.

In the case of joint holders, where more than one of the joint holders completes a proxy appointment, only the appointment submitted by the most senior holder will be accepted. Seniority is

determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first-named being the most senior).

11. Corporate representatives.

Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member, provided that they do not do so in relation to the same shares.

If two or more corporate representatives purport to vote in respect of the same shares:

- (a) if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way; and
- (b) in other cases, the power is treated as not exercised.

12. Nominated persons.

Any persons whose Ordinary 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) may have a right under an agreement with the registered shareholder who holds Ordinary 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 registered holder of the Ordinary shares as to the exercise of voting rights. The statement of members' rights to appoint proxies set out opposite does not apply to Nominated Persons. The rights described to appoint proxies can only be exercised by registered holders of Ordinary shares.

13. Shareholders' resolutions and matters under sections 338 and 338A of the Companies Act 2006.

Under sections 338 and 338A of the Companies Act 2006, shareholders meeting the threshold requirements in those sections have the right to require the Company:

- (a) to give to shareholders of the Company entitled to receive notice of the meeting, notice of a resolution which may properly be moved and is intended to be moved at the AGM; and/or
- (b) to include in the business to be dealt with at the AGM any matter (other than a proposed resolution) which may be properly included in the business.

A resolution may properly be moved or a matter may properly be included in the business unless:

- (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of, inconsistency with any enactment or the Company's constitution or otherwise);
- (b) it is defamatory of any person; or
- (c) it is frivolous or vexatious.

Such a request may be in hard copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authenticated by the person or persons making it, must be received by the Company not later than Wednesday, 13 May 2020, being the date six clear weeks before the AGM, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

14. Audit concerns.

Shareholders meeting the threshold requirements set out in section 527 of the Companies Act 2006 have the right to require the Company to publish a statement on its website in relation to the audit of the Company's accounts that are to be laid before the meeting, or any circumstances connected with an auditor of the Company ceasing to hold office since the previous AGM. The Company may not charge the requesting shareholders for website publication of such a statement. The Company must also forward the statement to the auditors not later than the time when it publishes the statement on the website. The business which may be dealt with at the AGM includes any website statement relating to audit concerns.

15. Asking a question.

Despite these exceptional circumstances, the Board is keen to maintain engagement with shareholders. In order to facilitate this, if you are a shareholder and would like to ask the Board a question on the formal business of the meeting, please email your question to shareholderquestions@tesco.com by 10.30am on Wednesday, 24 June 2020. Answers will be provided during an audiocast which will be available at www.tescopl.com/AGM2020 from 2.00pm on Friday, 26 June 2020. The audiocast will be available on the website until Friday, 24 July 2020.

Any questions submitted that are not relevant to the business of the AGM will be forwarded for the attention of the relevant executive or the Registrar. Please note that the Company must answer any such question relating to the business being dealt with at the AGM but no such answer need be given if:

- (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
- (b) the answer has already been given on a website in the form of an answer to a question; or
- (c) it is undesirable in the interests of the Company or good order of the meeting that the question be answered.

16. Availability of this Notice.

A copy of this Notice, and other information required by section 331A of the Companies Act 2006, can be found at www.tescopl.com/AGM2020.

17. Documents for inspection.

The following documents are, under normal circumstances, available for inspection during normal business hours at the Company's registered office, Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, AL7 1GA, on any business day from the date of this Notice and will be available for inspection at the place of the AGM from 10.15am on the day of the AGM until the conclusion of the AGM:

- (a) copies of the Executive Directors' service contracts with the Company;
- (b) copies of Non-executive Directors' letters of appointment; and
- (c) a copy of the rules of The Tesco PLC Share Incentive Plan.

Should a shareholder wish to inspect any of these documents, please submit a request to shareholderquestions@tesco.com.

Additionally, the rules of The Tesco PLC Share Incentive Plan are available on our website at www.tescopl.com/AGM2020.

18. Issued share capital and total voting rights.

As at 29 April 2020 (being the latest practicable date prior to the publication of this document), the Company's issued share capital consisted of 9,793,496,561 Ordinary shares, carrying one vote each. The Company does not hold any Ordinary shares in the capital of the Company in treasury. Therefore the total voting rights in the Company as at 29 April 2020 were 9,793,496,561.

Appendix.

Summary of the main features of the Tesco PLC Share Incentive Plan (the Plan).

The main features of the Plan are as follows:

The Company must offer all employees who are UK tax resident the opportunity to participate in the Plan whether they work full or part-time, in accordance with the legislation governing tax-favoured share incentive plans. The Company can require employees to have completed a minimum qualifying period of employment before they can participate, but that period must not exceed 18 months.

Under the Plan, the Company can provide “free shares” and “matching shares” or allow employees to acquire “partnership shares” in the Company in a tax-efficient manner. In addition, the Company can allow employees to re-invest dividends paid on their “free shares”, “partnership shares” and/or “matching shares” as “dividend shares”.

The Company can give up to £3,600 worth of “free shares” per annum per employee.

The Company can use “free shares” to reward employees for reaching personal, team or divisional performance targets.

If given the opportunity, each employee can buy “partnership shares” from their gross monthly salary or weekly wages up to a maximum of £1,800 per annum not exceeding 10% of their gross annual salary.

The Company can give employees up to two free “matching shares” for each partnership share acquired by the employees.

The Plan can provide for “free shares” and “matching shares” to be forfeited if employees leave employment with a Group company within three years of the award unless the employee leaves for certain specified reasons such as redundancy or retirement.

Employees can withdraw their “partnership shares” from the Plan at any time. However, “matching shares” may also be subject to forfeiture if the corresponding “partnership shares” are withdrawn within three years of purchase.

Shares have to be transferred to employees and employees have to take their shares out of the Plan when they leave employment with a Group company.

The Company may offer different combinations of features to their employees to best suit the Group’s business requirements.

The Plan is operated through a UK resident trust by an independent trustee. The trustee will buy or subscribe for shares that are subsequently awarded to employees.

Benefits under the Plan are not pensionable.

Funding the Plan.

Each participating Group company will fund the trustee of the trust to subscribe for or buy shares (“free shares” and/or “matching shares”) in the market. In the case of a subscription for shares, the subscription price may be the nominal value of an Ordinary share.

Limits on the Issue of Shares and Amendments.

The Plan is subject to the limits set out below on the number of shares that may be acquired by subscription.

In any ten calendar years not more than 10% of the issued Ordinary share capital of the Company may be issued or issuable pursuant to the rights acquired under the Plan or any other employees’ share scheme adopted by the Company.

No alternation may be made to the basic principles (including the basis of and limits on participation) of the Plan to the advantage of participants without the prior approval of Shareholders.

The Company may extend the Plan overseas provided the basic principles of the Plan are maintained and the limits on participation including the overall plan limit are preserved.

Rights attaching to Shares.

Ordinary shares allotted under the Plan will rank equally with all other shares of the Company for the time being in issue and the Company will apply for admission of any new share issued under the Plan to the London Stock Exchange or any other relevant exchange on which the shares are listed. If a general offer is made to shareholders of the Company or there is a scheme of arrangement on a rights or capitalisation issue or other variation of the Company’s share capital, participants will be able to instruct the trustee how to act or vote on their behalf.

This summary does not form part of the rules of the Plan and should not be taken as affecting the interpretation of its detailed terms and conditions. The Directors reserve the right up to the time of the AGM to make such amendments and additions to the rules of the Plan as they consider appropriate provided that such amendments do not conflict in any material respect with this summary.

Shareholder information.

Managing your shares and shareholder communication.

The Company's share register is maintained by our Registrar, Equiniti.

Shareholders can manage their holdings online or elect to receive shareholder documentation in electronic form by setting up a Shareview portfolio at www.shareview.co.uk. Some benefits of having a Shareview portfolio include:

- receiving the latest shareholder communications electronically;
- voting online for the resolutions at the AGM, and any other shareholder meetings;
- view and manage all your shareholdings in one place;
- buy and sell shares instantly online with the share dealing service; and
- easily updating your contact details.

For more information and to register for this service, please visit www.shareview.co.uk. Registration can be completed in just four easy steps and you will need your Shareholder Reference Number.

E-comms.

We encourage our shareholders to accept all shareholder communications and documents electronically, in place of receiving traditional paper copies by post. This helps us to reduce the environmental impact of our business and to reduce costs. If you would like to sign up to receive all future shareholder communications electronically, please register with Shareview by visiting www.shareview.co.uk. Once you have signed up, you will receive an email to let you know when shareholder documents become available on our website, including our annual financial results, notices of shareholder meetings and other shareholder documents.

Tesco Share Account.

The Tesco Share Account (TSA) is a free service available to Tesco shareholders which allows you to hold your Tesco shares electronically. Your shares are held in the name of Equiniti Corporate Nominees Limited and held on your behalf on a private register. Holding your shares electronically removes the need to hold paper share certificates, making dealing quicker and more secure. You will also receive preferential dealing rates through the TSA.

The TSA is a sponsored nominee service operated for Tesco by Equiniti Financial Services Limited (Equiniti Financial), authorised and regulated by the Financial Conduct Authority (FCA). When you join the TSA, you remain the beneficial owner of your shares and continue to have the right to receive shareholder communications, vote at general meetings and to receive any dividends paid on your shares.

For further information or to join the TSA, please contact Equiniti.

Annual General Meeting (AGM).

A copy of this Notice of Meeting can be found on our website at www.tescopl.com/AGM2020.

Dividend.

An interim dividend of 2.65 pence per Ordinary share was paid on 22 November 2019. Shareholders will be asked to approve a final dividend of 6.5 pence per Ordinary share for the year ended 29 February 2020 at this year's AGM. If approved, this will be paid on 3 July 2020 to all shareholders on the Register of Members at the close of business on 22 May 2020.

You can save time and receive your dividends faster and securely by electing to have them paid directly into your bank or building society account. You may also choose to have your dividends reinvested in further Tesco shares through our dividend reinvestment plan (DRIP) (terms and conditions apply).

For more information or to change your dividend payment instructions contact Equiniti or register online at www.shareview.co.uk.

Share dealing service.

Equiniti offers telephone, postal and internet services for dealing in Tesco PLC shares. Dealing fees vary between brokers and you are recommended to check that you are being charged the most competitive rate. You will need your Shareholder Reference Number as shown on your share certificate.

For further information please visit www.shareview.co.uk/dealing or by calling 0345 603 7037, lines open between 8.00am and 4.30pm, Monday to Friday (excluding UK public holidays).

Shareholder security.

In recent years, Tesco PLC has become aware that its shareholders (and holders of other Tesco securities) have received unsolicited phone calls or correspondence concerning investment matters. These callers can be very persistent and extremely persuasive and often have professional websites and telephone numbers to support their activities. These callers will sometimes imply connection to Tesco and provide incorrect or misleading information. Shareholders are advised to be very wary of any unsolicited advice, offers to buy shares at a discount or offers of free company reports.

Always check that any firm contacting you about potential investment opportunities is authorised by the FCA. You can find out more about protecting yourself from investment scams by visiting the FCA's website at www.fca.org.uk/consumers, or by calling the FCA's consumer helpline on 0800 111 6768.

Useful contacts.

Tesco PLC registered office:

Tesco House
Shire Park
Kestrel Way
Welwyn Garden City
AL7 1GA

Investor Relations.

Investor Relations Department
Tesco House
Shire Park
Kestrel Way
Welwyn Garden City
AL7 1GA
Telephone +44 (0) 1707 912 922

Registrars.

Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA
Telephone (UK) 0371 384 2977
(Outside UK) +44 (0) 121 415 7053
Calls are charged at national rates.
Calls from a mobile device may incur network extras.
Website www.equiniti.co.uk

Group Company Secretary.

Robert Welch

Corporate brokers.

Barclays Bank PLC
Citigroup Global Markets Limited

Independent auditors.

Deloitte LLP

General queries.

Switchboard +44 (0) 1992 632 222
Website www.tescopl.com



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