

This document is important and requires your immediate attention. If you are in any doubt as to what action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser authorised pursuant to the Financial Services Act 2012. If you have sold or transferred all your ordinary shares in J Sainsbury plc you should pass this document to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Chairman's letter to shareholders and Notice of Annual General Meeting

J Sainsbury plc

Registered Office
33 Holborn
London EC1N 2HT
Registered number 185647

30 May 2014

To ordinary shareholders and, for information only, beneficial owners of shares under the Share Trust of the Sainsbury's Share Purchase Plan.

Dear Shareholder

Annual General Meeting 2014

I am pleased to invite you to this year's Annual General Meeting (AGM). The meeting will be held at 11.00am on Wednesday, 9 July 2014 at The Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE. Full details of the meeting and the resolutions that will be put to shareholders are set out in the enclosed Notice of Meeting.

The AGM gives the Board the opportunity to present the Company's performance and strategy to shareholders and to listen and respond to your questions. If you cannot attend, but would like to raise any points, please send your comments to me at investor.relations2@sainsburys.co.uk and we will take them into account in planning the meeting.

If you are intending to come to the AGM, please sign your attendance card and bring it with you to the meeting. Refreshments will be available from 9.30am and there will be a number of exhibition stands which may be of interest to you. I do recommend that you arrive by 10.30am to enable us to carry out all of the registration formalities to ensure a prompt start at 11.00am.

If you cannot come to the meeting in person, your vote is still important and I would urge you to complete, sign and return the enclosed proxy card to be received by 11.00am on Monday, 7 July 2014. You may also register your proxy vote electronically by accessing our Registrar's website www.eproxyappointment.com.

Board of Directors

In compliance with the UK Corporate Governance Code, shareholders will have the opportunity to vote on your Directors' re-elections to the Board on an annual basis. Accordingly all of your Directors, other than Justin King, are standing for re-election at the meeting. Their biographies are set out on pages 4 and 5 of this Notice.

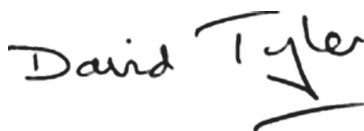
As announced on 29 January 2014, Justin King has decided to step down after ten successful years as Chief Executive and Mike Coupe will succeed him as Chief Executive following the AGM. Justin is a truly exceptional leader, who has reshaped Sainsbury's during his ten years as Chief Executive, as well as playing a leading role in the sector and wider business world. The Board thanks him for his outstanding achievements in 'Making Sainsbury's Great Again'. He leaves a lasting legacy, with the Company stronger than ever.

Mike Coupe, who joined the Board on 1 August 2007 and is standing for re-election as a Director, will, subject to his re-election, be appointed Chief Executive following the AGM. We are delighted to appoint a Chief Executive of Mike's unique talent and experience as Justin's successor to lead the next chapter of Sainsbury's history.

Recommendation

Your Directors are of the opinion that all resolutions which are to be proposed at the AGM are in the best interests of the Company and its shareholders and therefore unanimously recommend that you vote in favour of the resolutions.

Yours faithfully



David Tyler
Chairman

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of J Sainsbury plc will be held at The Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE at 11.00am on Wednesday, 9 July 2014 for the purpose of considering and, if thought fit, passing the Resolutions set out in this Notice.

Ordinary business

Resolutions 1 to 16 will be proposed as Ordinary Resolutions and Resolution 17 will be proposed as a Special Resolution.

Ordinary resolutions

1. To receive and adopt the audited accounts for the 52 weeks to 15 March 2014 together with the Reports of the Directors and Auditors.
2. To approve the Directors' Remuneration Report (other than the part containing the Directors' Remuneration Policy referred to in Resolution 3) set out in the Company's Annual Report and Financial Statements for the 52 weeks to 15 March 2014.
3. To approve the Directors' Remuneration Policy in the Directors' Remuneration Report set out in the Annual Report and Financial Statements 2014.
4. To declare a final dividend of 12.3 pence per ordinary share in respect of the 52 weeks to 15 March 2014.
5. To re-elect Matt Brittin as a Director.
6. To re-elect Mike Coupe as a Director.
7. To re-elect Mary Harris as a Director.
8. To re-elect Gary Hughes as a Director.
9. To re-elect John McAdam as a Director.
10. To re-elect Susan Rice as a Director.
11. To re-elect John Rogers as a Director.
12. To re-elect Jean Tomlin as a Director.
13. To re-elect David Tyler as a Director.
14. To re-appoint PricewaterhouseCoopers 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.
15. To authorise the Audit Committee to agree the Auditors' remuneration.
16. THAT the Directors be generally and unconditionally authorised pursuant to and in accordance with Section 551 of the Companies Act 2006 (the '2006 Act') to exercise all the powers of the Company to allot shares or grant rights to subscribe for or to convert any security into shares up to a nominal amount of £181,809,000, such authority to apply in substitution for all previous authorities pursuant to Section 551 of the 2006 Act and to expire at the end of the Annual General Meeting in 2015 or on 15 September 2015, whichever is the earlier but, in each case, so that the Company may make offers and enter into agreements during the relevant period which would, or might, require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authority ends.

Special resolution

17. THAT subject to the passing of Resolution 16 above, the Directors be empowered to allot equity securities (as defined in Section 560(1) of the 2006 Act) wholly for cash pursuant to the authority given by Resolution 16 above or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the 2006 Act, in each case:

- (i) in connection with a pre-emptive offer; and
- (ii) otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount of £27,271,000,

as if Section 561 (1) of the 2006 Act did not apply to any such allotment;

such power to expire at the end of the Annual General Meeting in 2015 or on 15 September 2015, whichever is the earlier, but so that the Company may make offers and enter into agreements during this period which would, or might, require equity securities to be allotted after the power ends.

For the purposes of this Resolution:

- (a) 'pre-emptive offer' means an offer of equity securities open for acceptance for a period fixed by the Directors to holders (other than the Company) on the register on a record date fixed by the Directors of ordinary shares in proportion to their respective holdings but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory;
- (b) references to an allotment of equity securities shall include a sale of treasury shares; and
- (c) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.

Special business

Resolution 18 will be proposed as an Ordinary Resolution and Resolutions 19 and 20 will be proposed as Special Resolutions.

Ordinary resolution

18. (i) THAT in accordance with Part 14 of the 2006 Act the Company and any company which is, or becomes, a subsidiary of the Company during the period to which this Resolution relates are authorised to:

- (a) make political donations to political parties and/or independent election candidates, not exceeding £50,000 in total;
- (b) make political donations to political organisations other than political parties, not exceeding £50,000 in total; and
- (c) incur political expenditure, not exceeding £50,000 in total,

during the period beginning with the date of the passing of this Resolution and ending on the date of the Company's Annual General Meeting in 2015 or on 15 September 2015, whichever is the earlier;

- (ii) All existing authorisations and approvals relating to political donations or expenditure under Part 14 of the 2006 Act are hereby revoked without prejudice to any donation made or expenditure incurred prior to the date hereof pursuant to such authorisation or approval; and
- (iii) Words and expressions defined for the purpose of the 2006 Act shall have the same meaning in this resolution.

Special resolutions

19. THAT the Company be generally and unconditionally authorised for the purposes of Section 701 of the 2006 Act to make market purchases (within the meaning of Section 693(4) of the 2006 Act) of ordinary shares of 28⁴/₇ pence each in the Company ('ordinary shares') in such manner and upon such terms as the Directors may from time to time determine, provided that:

- (a) the maximum number of ordinary shares which may be purchased is 190,900,000;
- (b) the minimum price which may be paid for an ordinary share is 28⁴/₇ pence (being the nominal value of an ordinary share) exclusive of associated expenses;
- (c) the maximum price which may be paid for an ordinary share is an amount equal to the higher of (i) 105 per cent of the average of the middle market quotations for an ordinary share derived from The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that ordinary share is contracted to be purchased and (ii) the higher of the price of the last independent trade and the highest current bid as stipulated by Article 5(1) of Commission Regulation (EC) 22 December 2003 implementing the Market Abuse Directive as regards exemptions for buy-back programmes and stabilisation of financial instruments (No. 2273/2003) (exclusive of associated expenses); and
- (d) the authority to purchase hereby conferred shall expire at the end of the Annual General Meeting held in 2015 or on 15 September 2015, whichever is the earlier, save that the Company may make a contract to purchase ordinary shares under this authority before the expiry of the authority which will or may be completed wholly or partly thereafter and a purchase of shares may be made in pursuance of any such contract.

20. THAT a general meeting other than an Annual General Meeting may be called on not less than 14 clear days' notice.

By order of the Board

Tim Fallowfield

Company Secretary and Corporate Services Director

30 May 2014

Explanatory notes

Ordinary business to be conducted at the AGM

The following notes explain some of the items of ordinary business.

Resolutions 1 to 16 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolution 17 is proposed as a special resolution. This means that for the resolution to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Directors' Remuneration Report and Directors' Remuneration Policy (Resolutions 2 and 3)

These resolutions deal with the remuneration of the Directors and seek approval of the remuneration paid to the Directors during the 52 weeks under review and of the Directors' Remuneration Policy respectively.

Following changes to the Companies Act 2006 (the '2006 Act'), new regulations came into force on 1 October 2013 in relation to the content and approval of the Directors' Report and the introduction of a separate resolution on the Directors' Remuneration Policy ('Policy'). In accordance with the new regulations the Directors' Remuneration Report now contains:

- a statement, as in previous years, by Mary Harris, Chairman of the Remuneration Committee;
- the Directors' Remuneration Policy set out on pages 58 to 63; and
- the Annual Report on Remuneration set out on pages 64 to 73.

Resolution 2 seeks shareholder approval of the Directors' Remuneration Report, excluding the Policy. This vote is advisory only.

Resolution 3 seeks shareholder approval of the Policy. Resolution 3 is a binding vote. The Policy sets out the Company's forward looking policy on Directors' remuneration. If approved, the Policy will become effective following the AGM on 9 July 2014 and will be valid for three years without further shareholder approval or until replaced by a new or amended Policy. Any future changes to the Policy will require shareholder approval. Once approved, all payments to Directors and former Directors will be in accordance with the Policy unless a payment has been separately approved by shareholders.

Re-election of Directors (Resolutions 5 to 13)

In accordance with the UK Corporate Governance Code 2010, the Company is continuing to follow the recommendation that all Directors, other than Justin King, seek re-election at the AGM and you are therefore asked to approve their re-election.

Since David Tyler joined the Board as Chairman in November 2009, we have appointed three new Non-Executive Directors, Matt Brittin, Jean Tomlin and Susan Rice, who have brought new skills and experience to the Board, as well as adding to our broad diversity. All Non-Executive Directors are considered to be independent and the Board considers that each individual's performance continues to be effective and to demonstrate commitment to the role.

In January, we announced that Justin King will stand down in July after ten very successful years as Chief Executive and that Mike Coupe will succeed him. Mike joined Sainsbury's in 2004 and was appointed to the Board in August 2007. Since July 2010, he has been Group Commercial Director. He has a deep understanding of Sainsbury's and over 20 years of experience in retail businesses. Our Chief Executive succession planning process took place over a number of years. It included a comprehensive external search facilitated by Egon Zehnder International and enabled the Board to conclude that Mike was the best possible candidate to take the Company forward. One of the Board's key priorities in the year ahead is to ensure and support a smooth transition from Justin to Mike.

With Mike's succession as Chief Executive taking place after the AGM in July 2014, the Board has concluded that it is important to maintain Board stability as the Company goes through this important period of transition. Although Gary Hughes reaches the ninth anniversary of his appointment at the 2014 AGM, the Board considers that it is in shareholders' best interests for him to remain on the Board for another year, until the 2015 AGM. This will also enable Gary to play a key role in the audit tender planned for later this year.

The Board believes that Gary continues to make an outstanding contribution to the Company, particularly as Audit Committee Chairman, where his deep understanding of the business and robust leadership continue to be a source of great strength. The Board has concluded that Gary continues to be independent in every respect notwithstanding the time that he has spent on the Board. We expect to appoint a Non-Executive Director in the next 12 months who will succeed Gary as Audit Committee Chairman.



Matt Brittin
Non-Executive Director
Member of the Audit and Nomination Committees

Appointed to the Board on 27 January 2011, Matt is Google's President – Northern & Central Europe. Previously, he was Managing Director of Google in the UK & Ireland. Before joining Google at the start of 2007, Matt spent much of his career in media and marketing, with particular interests in strategy, commercial development and sales performance. This included commercial and digital leadership roles in UK media. He is also a Director of two charities, The Climate Group and The Media Trust.



Mike Coupe
Group Commercial Director and Chief Executive designate

Appointed Group Commercial Director on 19 July 2010, Mike is responsible for Trading, Marketing, IT and Online. He has been a member of the Operating Board since October 2004 and an Executive Director since 1 August 2007. He joined Sainsbury's from Big Food Group where he was a Board Director of Big Food Group plc and Managing Director of Iceland Food Stores. He previously worked for both ASDA and Tesco, where he served in a variety of senior management roles. Mike was appointed to the board of directors at IFC at its inception and he is also a Non-Executive Director at Greene King plc.



Mary Harris
Non-Executive Director
Chairman of the Remuneration Committee and a member of the Corporate Responsibility & Sustainability and Nomination Committees

Appointed to the Board on 1 August 2007, Mary is a member of the supervisory boards of TNT Express NV, Unibail-Rodamco S.E. and Scotch & Soda NV. She previously spent much of her career with McKinsey & Company, most recently as a partner, where she worked primarily with retail/consumer clients in China, South East Asia and Europe. Her previous work experience includes working for PepsiCo in Greece and the UK, as a sales and marketing executive.



Gary Hughes
Non-Executive Director
Chairman of the Audit Committee and member of the Nomination Committee

Appointed to the Board on 1 January 2005, Gary is a Senior Advisor within the Portfolio Support Group of Apax Partners LLP, the global equity firm, a Non-Executive Director of SMART Technologies Inc, a Director of the Scottish Exhibition Centre Limited and a Director of Matomy Media Group Limited. Formerly he was Chief Financial Officer of Gala Coral (2008-11) and Chief Executive of CMP Information Limited – a division of United Business Media plc (2006-08), Group Finance Director of Emap plc (2000-05), Group Finance Director of SMG plc (1996-2000), and Deputy Finance Director of Forte plc (1994-96). Prior to this Gary held a number of senior management positions with Guinness plc in the UK and in North America.



John Rogers
Chief Financial Officer

Appointed Chief Financial Officer on 19 July 2010, John is also a member of the Board of Sainsbury's Bank plc. John joined Sainsbury's in November 2005 as Director of Corporate Finance and then became Director of Group Finance from March 2007 to July 2008. In July 2008, he was appointed to the Operating Board as Property Director. John is co-chair of the Chief Financial Officer Leadership Network, established by the Accounting for Sustainability (A4S) Project founded by HRH The Prince of Wales. Prior to Sainsbury's, John was Group Finance Director for Hanover Acceptances, a diversified corporation with wholly owned subsidiaries in the food manufacturing, real estate and agri-business sectors.



John McAdam
Non-Executive Director and Senior Independent Director
Member of the Nomination and Remuneration Committees

Appointed to the Board on 1 September 2005, John is the Senior Independent Director. He is Chairman of Rentokil Initial plc and United Utilities plc and also a Non-Executive Director of Rolls-Royce Group plc. John joined Unilever PLC as a management trainee in 1974 and went on to hold a number of senior positions in Birds Eye Walls, Quest and Unichema, before the sale of the Specialty Chemical Businesses to ICI in 1997. He was Chief Executive of ICI plc, until its sale to Akzo Nobel, and was formerly a Non-Executive Director of Sara Lee Corporation (2008-12) and Severn Trent plc (2000-05).



Jean Tomlin
Non-Executive Director
Chairman of the Corporate Responsibility & Sustainability Committee and a member of the Nomination and Remuneration Committees

Appointed to the Board on 1 January 2013, Jean is an Independent Board member of Michael Kors Holdings Limited, Join in Trust and Step up to Serve. Formerly, she was the HR Director for The London Organising Committee of the Olympic and Paralympic Games where she oversaw the creation and execution of the hugely successful Games Maker volunteering programme. She was previously Group HR Director at Marks and Spencer Group plc, HR Director and Founder member of Egg plc and Sales & Operations Director of Prudential Direct.



Susan Rice
Non-Executive Director
Member of the Audit and Nomination Committees

Appointed to the Board on 1 June 2013. Susan has been a Non-Executive Director of SSE plc since July 2003 and became their Senior Independent Director in 2007. Susan is also Managing Director of Lloyds Banking Group Scotland, a Non-Executive Director of the Court of the Bank of England, where she chairs the Audit and Risk Committee, Big Society Capital Ltd and of the National Council of Universities and Business. She chairs the Boards of the Edinburgh International Book Festival, the Edinburgh Festivals Forum and the Governors of the National Galleries of Scotland. Susan was formerly a Non-Executive Director of Scotland's Futures Forum.



David Tyler
Chairman
Chairman of the Nomination Committee

Appointed to the Board on 1 October 2009, David became Chairman on 1 November 2009. He is also Non-Executive Chairman of Hammerson plc and a Non-Executive Director of Burberry Group plc. He was previously Finance Director of GUS plc (1997-2006) and has held senior financial and general management roles with Christie's International plc (1989-96), County NatWest Limited (1986-89) and Unilever PLC (1974-86). He was Chairman of Logica plc (2006-12) and of 3i Quoted Private Equity plc (2007-09), and a Non-Executive Director of Experian plc (2006-12) and of Reckitt Benckiser Group plc (2007-09). He has also been Chairman of Hampstead Theatre since 2012.

Re-appoint PricewaterhouseCoopers LLP as Auditors of the Company (Resolution 14)

Following new proposed regulation regarding audit tendering and audit firm rotation, the FRC plans to consult on the tendering provision within the Code in 2016. In late 2013, the UK Competition Commission ('CC') proposed a regime of mandatory audit tendering of FTSE 350 audit appointments at least every ten years. This was followed by the European Union ('EU') who issued draft legislation proposing mandatory audit firm rotation every 20 years (subject to a tender after ten years). In March 2014, the European Parliament voted to approve the proposed EU audit legislation, with the time frame for application likely to be June 2016. Given that the EU legislation has been voted in, it is expected that the CC will follow and align its rules with the EU.

Richard Hughes, the current audit partner, was appointed in July 2010 and is therefore due to rotate following the conclusion of the audit for 2015. In the coming year, the Board has agreed that the Audit Committee should conduct a tender for the external auditor appointment which will take effect from the 2015/16 financial year. In the meantime the Board recommends to shareholders that PricewaterhouseCoopers LLP be re-appointed as auditors for the 2014/15 financial year.

Authority to allot shares (Resolution 16)

The purpose of Resolution 16 is to renew the Directors' power to allot shares.

The authority in Resolution 16 will allow the Directors to allot new shares and grant rights to subscribe for, or convert other securities into shares to a nominal value of £181,809,000, which is equivalent to approximately one third of the total issued ordinary share capital of the Company as at 14 May 2014. As at 14 May 2014, the Company did not hold any shares in treasury.

The Directors have no present intention of exercising the authority to be given by Resolution 16 other than in connection with employee share and incentive plans. The Directors will consider issuing shares if they believe it would be appropriate to do so in respect of business opportunities that arise consistent with the Company's strategic objectives.

If the resolution is passed, the authority will expire on the earlier of the end of the AGM in 2015 or on 15 September 2015.

Disapplication of pre-emption rights (Resolution 17)

If the Directors wish to allot new shares and other equity securities, or sell treasury shares, for cash (other than in connection with an employee share plan), company law requires that these shares are offered first to shareholders in proportion to their existing holdings.

The purpose of Resolution 17 is to authorise Directors to allot new shares pursuant to the authority given by Resolution 16, or sell treasury shares, for cash in (i) connection with a pre-emptive offer, or (ii) otherwise up to a nominal value of £27,271,000, equivalent to 5 per cent of the total issued ordinary share capital of the Company as at 14 May 2014, in each case without the shares first being offered to existing shareholders in proportion to their existing holdings.

The Board considers the authority in Resolution 17 to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a pre-emptive offer or rights issue without the need to comply with the strict requirements of the statutory pre-emption provisions.

The Board intends to adhere to the provisions in the Pre-emption Group's Statement of Principles not to allot shares for cash on a non pre-emptive basis (other than pursuant to a rights issue or pre-emptive offer) in excess of an amount equal to 7.5 per cent of the total issued ordinary share capital of the Company within a rolling three-year period without prior consultation with shareholders.

Special business to be conducted at the AGM

In addition to the ordinary business of the Company, this year there will be the following items of special business at the AGM.

Resolution 18 is proposed as an ordinary resolution. This means that for the resolution to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 19 and 20 are proposed as special resolutions. This means that for each of those resolutions to be passed at least three-quarters of the votes cast must be in favour of the resolution.

Political donations and expenditure (Resolution 18)

Part 14 of the 2006 Act requires companies to obtain shareholders' authority for donations to registered political parties and other political organisations totalling more than £5,000 in any 12 month period, and for any political expenditure, subject to limited exceptions.

The Company has a policy that it does not make donations to, or incur expenditure on behalf of, political parties, other political organisations or independent election candidates. However, the 2006 Act contains restrictions on companies making political donations or incurring political expenditure and it defines these terms very widely, such that activities that form part of the normal relationship between the Company and bodies concerned with policy review, law reform and other business matters affecting the Company may be included. Such activities, which are in shareholders' interests for the Company to conduct, are not designed to support or imply support for a particular political party, other political organisation or independent election candidate. The Company believes that the authority proposed under this Resolution is necessary to ensure that it does not commit any technical breach that could arise from the uncertainty generated by the wide definitions contained within the 2006 Act when carrying out activities in the furtherance of its legitimate business interests.

The Company made no political donations in 2013/14.

Share purchase (Resolution 19)

The 2006 Act permits a company to purchase its own shares provided that the purchase has been authorised by the company in general meeting. Whilst the Directors have no present intention of making such purchases, it is common practice for listed companies to seek such authority and the Directors consider that it is prudent for them to do so.

Resolution 19, if passed, would give the Company the authority to purchase its own issued ordinary shares of 28⁴/₇ pence each at a price (exclusive of expenses) of not less than 28⁴/₇ pence per share (being the nominal value of the ordinary shares) and not more than the higher of 105 per cent above the average of the middle market quotations of the Company's shares as shown in the London Stock Exchange Daily Official List for the five business days before the date the purchase is made, the highest current independent bid for the Company's ordinary shares on the London Stock Exchange at the time of the purchase and the price of the last independent trade in the shares on the London Stock Exchange at the time of purchase. The authority is for the purchase of a maximum number of 190,900,000 shares, being approximately 10 per cent of the Company's present issued ordinary share capital and will expire at the end of the AGM in 2015 or on 15 September 2015, whichever is the earlier. The Directors presently intend that a resolution to renew this authority will be proposed at each succeeding AGM.

The Directors would not propose to exercise their authority to make purchases other than for the purposes of the Company's employee share plans or unless the expected effect of the purchase would be to increase the earnings per share of the remaining shares in the capital of the Company and the purchase is generally in the best interest of the shareholders.

Any shares purchased under this authority may be either treated as cancelled and the number of shares in issue reduced accordingly, or held as treasury shares in accordance with the 2006 Act. The 2006 Act allows listed companies, with authorisation from shareholders, to buy and hold their shares instead of cancelling them immediately. Shares purchased under this authority and held in treasury can in the future be cancelled, re-sold or used to provide shares for employee share plans. No treasury shares are held by the Company as at the date of this notice and it is not intended that any shares purchased pursuant to this authority will be held in treasury although the decision whether to cancel any shares purchased by the Company or hold such shares as treasury shares, could be made by the Directors at the time of the purchase, on the basis of shareholders' best interests.

The total number of options to subscribe for shares outstanding as at 14 May 2014 was 68,912,711 being the latest practicable date prior to the publication of this notice. This represents 3.61 per cent of the issued ordinary share capital at that date. If the Company were to buy back the maximum number of shares permitted pursuant to this Resolution, then the total number of options to subscribe for shares as at 14 May 2014 would represent 4.01 per cent of the reduced issued ordinary share capital.

Notice of general meetings (Resolution 20)

Under the 2006 Act, all general meetings must be held on 21 days' notice unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days (AGMs will always be held on at least 21 clear days' notice). In order to maintain flexibility for the Company, Resolution 20 seeks such approval. The approval will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed.

You should note that in order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting. The shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be in the interests of shareholders as a whole.

Meeting formalities and voting

Attending the Annual General Meeting

To be entitled to attend and vote at the meeting (and for the purposes of determining the number of votes shareholders may cast), shareholders must be entered on the Company's register of members at 11.00am on Monday, 7 July 2014 or, if the meeting is adjourned, shareholders must be entered on the Company's register of members at 6.00pm on the day two days before the time fixed for the adjourned meeting.

The total number of issued ordinary shares in the Company on 14 May 2014, which is the latest practicable date before the publication of this document is 1,909,003,336. Therefore, the total number of votes exercisable as at 14 May 2014 is 1,909,003,336. On a vote by show of hands every member who is present has one vote and every proxy present who has been duly appointed by a member entitled to vote has one vote. On a poll vote every member who is present in person or by proxy has one vote for every ordinary share of which they are the holder.

We will take all resolutions on a poll vote which is in line with best practice. On a poll, each shareholder has one vote for every share he or she holds. The results of the voting on the resolutions will be posted on the Company's website after the meeting and notified to the UK Listing Authority.

Voting and proxies

Whether or not you propose to attend the AGM in person, you are requested to complete and return the form of proxy to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY to arrive as soon as possible but in any event not later than 11.00am on Monday, 7 July 2014. The completion and return of the form of proxy will not prevent you from attending and voting at the meeting if you so wish.

A shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend, speak and vote instead of him, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. Further details are given on the accompanying proxy card.

The 'vote withheld' option is provided on the proxy card to enable you to abstain on any particular resolution. However, it should be noted that a 'vote withheld' is not a vote in law and will not be counted in the calculation of the proportion of votes 'for' and 'against' a resolution.

Although this Notice of Annual General Meeting is sent to beneficial owners of shares under the Sainsbury's Share Purchase Plan, only holders of ordinary shares or their proxy are entitled to attend and vote at the meeting.

If you are not a shareholder but enjoy 'information rights' you should contact the person who nominated you to receive these rights to see if the agreement you have with them gives you the right to be appointed as a proxy. If you don't have this right, or do not wish to exercise it, you may still have the right to tell the person who nominated you how you would like them to vote.

The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the 2006 Act ('Nominated Persons'). Nominated Persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if Nominated Persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.

Corporate representatives

A corporate shareholder may authorise a person to act as its representative(s) at the AGM. In accordance with the provisions of the 2006 Act, each such representative may exercise (on behalf of the corporate) the same powers as the corporation could exercise if it were an individual shareholder of the Company, provided that they do not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative.

Website statement

Shareholders should note that, under Section 527 of the 2006 Act, shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting for the financial year beginning on 17 March 2013 or (ii) any circumstance connected with an auditor of the Company appointed for the financial year beginning on 17 March 2013 ceasing to hold office since the previous meeting at which annual accounts and reports were laid. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 (requirements as to website availability) of the 2006 Act. Where the Company is required to place a statement on a website under Section 527 of the 2006 Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting for the relevant financial year includes any statement that the Company has been required under Section 527 of the 2006 Act to publish on a website.

Right to ask questions

Any shareholder attending the meeting has the right to ask questions. The Company must answer any such question relating to the business being dealt with at the meeting 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 the good order of the meeting that the question be answered.

Electronic voting

If you would like to submit your proxy vote via the internet, you can do so by accessing our Registrar's website at www.eproxyappointment.com so as to be received no later than 11.00am on Monday, 7 July 2014. You will require the meeting Control Number, your unique PIN (which will expire at the end of the voting period) and your Shareholder Reference Number ('SRN'), printed on the proxy card, in order to log in and submit your proxy vote electronically.

You can access this site from any internet enabled PC.

CREST voting facility

Those shareholders who hold shares through CREST may choose to appoint a proxy or proxies using CREST. The CREST Proxy Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instruction as described in the CREST Manual available via www.euroclear.com. Personal or sponsored members and those with a voting service provider should request the sponsor or provider to take the appropriate action.

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 our Registrars are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to a proxy appointed through CREST should be communicated to him by other means. The Directors may treat a CREST Proxy Instruction which purports to be or is expressed to be sent on behalf of a shareholder as sufficient evidence of the authority of the person sending that instruction to send it on behalf of the holder.

CREST Proxy Instructions must be received by our Registrar (ID 3RA50) by 11.00am on Monday, 7 July 2014.

CREST members (and, where applicable, their CREST sponsors or voting service providers) should note that Euroclear 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 CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, 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.

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.

Disabled shareholders

Stewards have been allocated to assist disabled shareholders and will be stationed at the registration desk.

Documents on display

A copy of the Register of Directors' Interests kept by the Company under Section 809 of the 2006 Act, and copies of the Executive Directors' service contracts and Non-Executive Directors' letters of appointment will be available for inspection at the registered office of the Company during normal business hours on any weekday (Saturdays excepted) up to and including the date of the meeting and at the place of the meeting for 15 minutes prior to and during the meeting.

A copy of this notice and other information required by Section 311A of the 2006 Act can be found at www.j-sainsbury.co.uk.