

31 March 2021

APPOINTMENT OF CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

- Interim CEO Mr Grant Peck appointed on a permanent basis
- Board undertook a comprehensive search and selection process
- Appointment comes as Mr Peck plays a pivotal role in the company's operational review which will identify and prioritise McPherson's growth drivers
- Mr Peck brings to McPherson's 30 years of branded consumer goods experience both domestically and internationally

The Board is pleased to announce the appointment of interim CEO Mr Grant Peck as Chief Executive Officer and Managing Director on a permanent basis, effective immediately.

Mr Peck's appointment followed a thorough search and selection process undertaken by the Board which identified some excellent candidates. After consideration of these qualified candidates, the Board was unanimous in endorsing Mr Peck as a result of his past experience and achievements, which was validated by his strong performance in guiding the Group over the last four months as interim CEO.

McPherson's Chairman Graham Cubbin said: "Grant's extensive experience in branded consumer goods and strong track record delivering improved performance outcomes makes him the ideal person to lead a revitalised McPherson's. He displays strong leadership qualities, has the confidence of the management team in his leadership and has a deep understanding of the business.

"Grant has extensive experience across varied functions, business sectors and geographies and his senior management experience includes ASX-listed, NYSE-listed and LSE-listed companies. Over the last four years I have worked with him in a Board context where he has displayed a deep understanding of McPherson's business, which holds him in good stead to manage our team and portfolio of brands.

"Most relevantly, the Board has worked with Grant over the past four months in his role as interim CEO, and is confident in his ability to lead the company through the current challenges and the next phase of its growth," Mr Cubbin said.

McPherson's has a stable and highly credentialed management team with expertise across brand management, channel optimisation, supply chain management, marketing and product innovation and development. Mr Grant Peck's appointment as permanent CEO and Managing Director further strengthens the capability of the existing management team.

CEO and Managing Director Grant Peck said: "McPherson's has a solid core business in a growing and dynamic sector. I look forward to accelerating work with the Board and management team as we focus on driving investment returns for our shareholders. With a leading brand portfolio, and McPherson's focus on product innovation and ongoing expansion of international distribution channels, the Group is well positioned for growth."



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The immediate focus for Mr Peck will be completing the operational review, and shareholders will be updated on the progress of this.

Mr Peck was appointed interim CEO on 10 December 2020, having been a Non-Executive Director of the McPherson's Board since December 2017. During his period as a Director on the Board Grant served on the People and Culture Committee and was Chair of the Audit, Risk Management and Compliance Committee from February 2018 until January 2021.

Further biographical details for Mr Peck are set out in Appendix 1 attached. The material terms of the contract between Mr. Peck and McPherson's are set out in Appendix 2 attached.

As part of the Board's efforts to continue to refresh talent and add relevant knowledge in support of the Group's strategy, the Board announced the appointment of Mr Ari Mervis as a non-executive Director on 16 February 2021. Mr Mervis has already proven his wealth of experience in formulating and executing strategies that help drive sustainable top line growth, and his considerable experience in Asia, including China, is expected to prove invaluable.

Authorisation

This ASX announcement has been authorised by the McPherson's Limited Board of Directors.

For further information please contact:

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About McPherson's Limited

McPherson's, established in 1860, is a leading supplier of Health, Wellness and Beauty products in Australasia and increasingly China, with operations in Australia, New Zealand and Asia. McPherson's markets and distributes beauty care, hair care, skin care and personal care items such as facial wipes, cotton pads and foot comfort products, as well as a range of kitchen essentials such as baking paper, cling wrap and aluminium foil.

McPherson's manages some significant brands for agency partners and via joint venture arrangements; however, the majority of revenue is derived from the company's diversified portfolio of owned market-leading brands, including Manicare, Lady Jayne, Dr. LeWinn's, A'kin, Swisspers, Multix, Moosehead and Maseur.

For further information on McPherson's business and its strategy and to view our most recent corporation video please refer to the company's website <http://www.mcphersons.com.au>

Appendix 1

Biography – Mr Grant Peck

Mr Peck has more than 30 years of branded consumer goods experience both domestically and internationally, including leading the finance and supply chain functions in both large and mid-sized FMCG (fast moving consumer goods) organisations.

Previously, Mr Peck has been the CEO of Sunny Ridge Farms, the Chief Financial Officer of Carlton & United Breweries and the Group Managing Director of Supply for CUB with the Fosters Group. He has also held senior general management roles in the food industry with McCormick & Co, where he was responsible for the industrial products business in Australia, and also Chief Financial Officer for the Asia Pacific region with responsibility for operations in China, Singapore and joint ventures throughout Asia.

Mr Peck holds a Bachelor of Business and is a Chartered Accountant.

Appendix 2

Summary of key employment terms – Mr Grant Peck

1. Position and Commencement

McPherson's Limited will employ Mr. Peck in the position of CEO and Managing Director under the terms of a contract which will commence on 31 March 2021.

On commencement and subject to shareholder approval, Mr Peck will be granted 200,000 performance rights which will be convertible to ordinary MCP shares three years from their grant date providing Mr Peck is employed as CEO and Managing Director at that time.

2. Term

There is no fixed term. The agreement is ongoing unless it is terminated by either party in accordance with the provisions of the agreement (see section 4 below).

3. Remuneration

Mr. Peck's remuneration will comprise a fixed component, a short-term incentive component and a long-term incentive component.

Fixed Remuneration

Mr. Peck is entitled to fixed remuneration of \$675,000 per annum inclusive of superannuation. Of this amount, \$100,000 annually will be provided in the form of performance rights over ordinary shares in MCP (subject to shareholder approval). The fixed remuneration is subject to annual review.

Short Term Incentive

Mr. Peck is entitled to short term incentive awards. Payment of any short-term incentive award will be subject to the performance of the company and / or the achievement of certain criteria as determined by the Board. Mr. Peck's short-term incentive will be 50% of his fixed remuneration for the achievement of pre-determined targets, with a maximum potential annual short-term incentive award of 75% of his fixed remuneration for the achievement of exceptional performance outcomes.

Long Term Incentive (LTI)

Mr. Peck's entitlement to any LTI will be subject to the performance of the company and / or fulfillment of certain conditions as determined by the Board and will comprise the annual grant of performance rights. The grant of performance rights will be subject to the terms of the McPherson's Limited Performance Rights Plan and to shareholder approval. The vesting of the performance rights will be subject to the satisfaction of specific conditions as determined by the Board. Shares from vested and exercised LTI performance rights are required to be held by Mr. Peck for minimum specified periods. Shares held from each element of the performance rights grants outlined above are subject to an aggregated sale restriction.

Subject to any necessary approvals (including shareholder approval), Mr. Peck will be granted performance rights annually. Mr. Peck's long-term incentive will be 100% of his fixed remuneration for the achievement of pre-determined targets, to a maximum total potential LTI award of 150% of fixed remuneration for the achievement of exceptional performance outcomes.

4. Termination

Either party may terminate the agreement by giving 6 months' notice. MCP may elect to pay Mr. Peck in lieu of him working out the notice period. Mr. Peck's employment may be terminated immediately at any time in certain circumstances such as serious misconduct.

5. Post-employment Restraint

For up to 6 months after termination of the agreement, Mr. Peck will be restrained from being employed by or providing service to a business in competition with MCP in Australia or New Zealand, and from enticing away MCP's employees and customers.