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**McPherson's Limited**  
**ACN 004 068 419**

**Notice of Annual General Meeting**

**The Annual General Meeting of McPherson's Ltd (MCP) will be held on Tuesday, 28 November 2023 at 11.00 a.m. (AEDT) at MA Financial Group, Level 27, 10 Carrington Street, Sydney**

**MCP is Holding a Hybrid Annual General Meeting in 2023**

**Notice is hereby given that the Annual General Meeting ('AGM') of members of McPherson's Limited ('the Company' or 'MCP' or 'McPherson's') will be held as a hybrid meeting on Tuesday, 28 November 2023 at 11.00 a.m. (AEDT).**

You can attend the AGM in person at the premises of MA Financial Group, Level 27, 10 Carrington Street, Sydney. Please be aware that any government requirements regarding physical gatherings that may apply at the time will be observed.

Shareholders not attending in person can participate in the AGM online by entering this link in their browser: <https://web.lumiagm.com/324266654>

Please also see the Lumi Online Meeting Guide, which can be accessed on the MCP website at: <https://www.mcphersons.com.au/annual-general-meetings>

**Notice is hereby given that the Annual General Meeting ('AGM') of members of McPherson's Limited ('the Company' or 'MCP' or 'McPherson's') will be held as a hybrid meeting on Tuesday, 28 November 2023 at 11.00 a.m. (AEDT).**

Shareholders can attend the Annual General Meeting at the offices of MA Financial Group, Level 27, 10 Carrington Street, Sydney. We are also offering shareholders the ability to attend the AGM online at <https://web.lumiagm.com/324266654>.

Shareholders and proxyholders who attend online will be able to follow the proceedings, cast a live vote, ask questions (written and oral) and make comments online in real-time.

Please be aware that social distancing rules and any other government requirements that may apply at the time will be observed.

It may not be possible to admit all shareholders who wish to attend in person, depending on any restrictions that apply at the time. Even if you plan to attend in person or participate online, you are encouraged to submit a directed proxy before the Annual General Meeting so that your vote can still be counted if the physical meeting arrangements change or there is a technical difficulty.

In the period before the meeting, McPherson's will be closely monitoring government requirements regarding physical gatherings. If it becomes necessary or appropriate to make alternative or supplementary meeting arrangements from those set out in this Notice, shareholders will be given as much notice as possible.

Information relating to any alternate arrangements will be communicated to shareholders by way of an announcement to the ASX and published at: <https://www.mcphersons.com.au/annual-general-meetings>

Alternatively, shareholders may attend the AGM virtually using the Lumi online platform at: <https://web.lumiagm.com/324266654>

The Lumi platform enables shareholders to:

- Listen to the AGM live;
- Vote online during the AGM; and
- Ask questions and make comments online during the AGM either in written form or verbally through the Lumi platform.

Voting on all resolutions at the AGM will be conducted by a poll.

Shareholders may also cast their votes by appointing a proxy (preferably the Chair of the Meeting) online at [www.investorvote.com.au](http://www.investorvote.com.au) by 11:00 a.m. (AEDT) on Sunday 26 November 2023.

In the event of a technological failure that prevents shareholders from having a reasonable opportunity to participate in the AGM, MCP will provide an update on its website and via the ASX announcements platform to communicate the details of any postponed or adjourned AGM to shareholders.

For further information relating to the AGM, please see:

- Page 3: Business of the Meeting and Agenda Items
- Page 4-6: Information for shareholders, including how to access the AGM on-line and vote
- Page 7: Explanatory Notes for shareholders

## McPherson's Limited - Annual General Meeting 2023

### Business of the Meeting

#### 1 Financial Statements and Reports

To consider the Financial Statements, the Directors' Report and the Auditor's Report for the Company for the year ended 30 June 2023.

#### 2 Remuneration Report

To adopt the Remuneration Report for the Company for the financial year ended 30 June 2023. In accordance with the Corporations Act 2001 (Cth) (**Corporations Act**), this resolution is advisory only and does not bind the Company or the directors of the Company (**Directors**). The Directors will consider the outcome of the vote and comments made by shareholders on the remuneration report at the meeting when reviewing the Company's remuneration policies.

#### 3 Re-election of a Director – Ms. Jane McKellar

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

“That Ms. Jane McKellar, being a Director who retires pursuant to the Company's Constitution and, being eligible for re-election, offers herself for re-election as a director of MCP, is hereby re-elected as a Director of the Company.”

Relevant information about Ms. McKellar is set out in the attached Explanatory Notes to this Notice of Annual General Meeting.

#### 4 Approval of Issue of Performance Rights to the Managing Director, Mr. Brett Charlton, under the McPherson's Limited Performance Rights Plan

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

“That for the purposes of Part 2E.1 of the Corporations Act and ASX Listing Rule 10.14, and for all other purposes, the grant of performance rights and shares on exercise of such performance rights to Mr. Brett Charlton, the Managing Director of the Company, under the McPherson's Limited Performance Rights Plan and his employment agreement with the Company, is approved on the terms set out in the attached Explanatory Notes to this Notice of Annual General Meeting.”

Other than Mr. Charlton, none of the other Directors has an interest in the outcome of this resolution. However, as the other Directors are “Key Management Personnel” (**KMP**) for the purposes of the Corporations Act, a voting exclusion statement applies as set out on page 16 of this Notice of Annual General Meeting. For those reasons, the Directors will not be making recommendations as to voting on this resolution.

“Key Management Personnel” or “KMP” has the same meaning as in the accounting standards and broadly speaking includes the Directors of the Company and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly. The Company's Remuneration Report for the financial year ended 30 June 2023 identifies the Company's KMP for that financial year. Their “closely related parties” are defined in the Corporations Act, and include certain of their family members, dependents and companies they control.

### By Order of the Board

*Linda Gough*

Linda Gough  
Company Secretary

Dated: 27 October 2023

## Information for shareholders

### 1. Explanatory Notes

The accompanying Explanatory Notes on pages 4 to 6 form part of this Notice of Annual General Meeting and should be read in conjunction with it.

### 2. Voting by a Poll

All resolutions will be voted on by a poll.

### 3. Required Majority

All of the resolutions in Agenda Items 2 to 4 set out in the Business of the Meeting above are ordinary resolutions, and each will be passed if at least 50% of votes cast by shareholders entitled to vote on the resolution are cast in favour of the resolution.

### 4. Voting and Proxies

Shareholders are encouraged to vote on the AGM resolutions by completing and submitting a proxy form in advance of the AGM. See also section 8 'Voting at the Meeting' on page 6.

#### 4.1 Eligibility to Vote

The Company has determined in accordance with the Corporations Act that for the purpose of voting at the AGM or adjourned meeting, fully paid ordinary shares in the Company (**Shares**) will be taken to be held by those persons recorded in the Company's Register of Members as at 11.00 a.m. (AEDT) on Sunday 26 November 2023 (**shareholders**). Transactions registered after that time will be disregarded in determining shareholders' entitlement to vote at the AGM.

#### 4.2 Appointing a Proxy

Shareholders may participate in the AGM either in person or online via the Lumi platform using a smartphone, tablet or computer. Any shareholder entitled to attend and vote can appoint a proxy to attend and vote instead of the member. The lodging of a proxy vote prior to the AGM is encouraged.

Instructions on how to appoint a proxy are on the online voting website [www.investorvote.com.au](http://www.investorvote.com.au).

A proxy need not be a shareholder and may be an individual or a body corporate. The shareholder, or the shareholder's attorney (who has not received any notice of revocation of the authority), must sign the proxy form. If the member is entitled to cast two or more votes at the meeting, they may appoint two proxies. Where two proxies are appointed, each proxy may be appointed to represent a specified proportion or number of the member's voting rights. If the member does not specify the proportion or number of the member's voting rights that each proxy is to represent, each proxy will be entitled to exercise half the member's votes.

#### 4.3 Lodging Your Proxy Form

Proxies should be lodged online at: [www.investorvote.com.au](http://www.investorvote.com.au) by 11.00am (AEDT) on Sunday, 26 November 2023.

To use this facility, you will need your six-digit Control Number and your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) which are located on your proxy form. You will also need your registered postcode or domicile code. You will be deemed to have signed your proxy form if you lodge it in accordance with the instructions on the website.

Alternatively, you can lodge your completed and signed proxy form (together with any power of attorney or other authority under which the appointment was signed, or a certified copy of the authority, letter of representation, or power of attorney) by 11.00 a.m. (AEDT) on Sunday, 26 November 2023 by mail or facsimile, as follows:

- (a) By Mail to:  
Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne, VIC 3001  
Australia
- (b) By Fax to:  
Computershare Investor Services Pty Limited  
1800 783 447 (within Australia)  
+61 3 9473 2555 (outside Australia)

Intermediary Online subscribers only (custodian voting) may visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit their voting intentions.

#### **4.4 Directed Proxies**

You are encouraged to appoint the Chair of the meeting as your proxy, and to actively direct your proxy how to vote on each item of business by marking the appropriate boxes on the proxy form.

If you appoint the Chair of the meeting as your proxy, or the Chair of the meeting becomes your proxy by default, and you direct the Chair how to vote on an item of business, the Chair must vote in accordance with your direction. If you do not mark a voting box, then by completing and returning the proxy form you will be expressly authorising the Chair of the meeting to vote in respect of the relevant item of business as he sees fit, even though the item may be connected directly or indirectly with the remuneration of a member of the KMP of the Company. The Chair of the meeting intends to vote all undirected proxies in favour of each resolution.

#### **4.5 Last Date to Submit Proxy Form**

In order to be valid, the properly completed form of proxy must be lodged using one of the methods shown in 4.3 above not less than 48 hours before the time appointed for holding the AGM, that is by 11.00 a.m. (AEDT) on Sunday, 26 November 2023.

### **5. Corporate Representatives**

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

### **6. Participating at the Meeting On-line**

You will be able to participate in the AGM online using your smartphone, tablet or computer. You will need the latest version of Chrome, Safari, Edge or Firefox. Please ensure your browser is compatible.

You can participate in the AGM by entering this link in your browser:  
<https://web.lumiagm.com/324266654>

Further information about how to log in to the Lumi platform, to register for the meeting, and to participate in the meeting as a shareholder is available in the Lumi Online Meeting Guide, which you can access online from the MCP website at: <https://www.mcphersons.com.au/annual-general-meetings>

## **7. Asking Questions – Before and At the Meeting**

Submitting questions or comments ahead of the AGM is encouraged. You can submit a question or comment prior to the AGM at [www.investorvote.com.au](http://www.investorvote.com.au).

Written questions (including questions to the Auditor) should be submitted no later than five business days before the AGM, namely by 11.00am Tuesday 21 November 2023. Written questions to the Auditor should relate to the content of the Auditor's Report, the conduct of the audit of the Financial Report and the Auditor's independence.

If attending the meeting online, you may also submit your questions and comments either in written form or verbally during the AGM via the Lumi platform.

The Chair of the meeting will endeavour to address as many of the more frequently raised relevant questions and comments as possible during the course of the AGM. However, there may not be sufficient time available at the AGM to address all of the questions and comments raised. Please note that individual responses will not be sent to shareholders.

The Auditor will also be in attendance at the AGM.

## **8. Voting at the Meeting**

Shareholders are encouraged to vote on the AGM resolutions by completing and submitting a proxy form in advance of the AGM using one of the methods set out in section 4 above - Voting and Proxies.

Voting at the AGM can also be done at the meeting if attending in person, or live and online during the AGM using the Lumi platform.

Voting on all resolutions at the AGM will be conducted by a poll. The Chair of the meeting will open the poll at the beginning of the AGM and the poll will remain open until the close of the AGM.

## Explanatory Notes for shareholders

**These Explanatory Notes form part of the Notice of Annual General Meeting and have been prepared to assist shareholders to understand the items of business to be considered at the meeting. The Explanatory Notes are important and should be read carefully by shareholders.**

### Agenda Item 1: Financial Statements and Reports

There is no requirement for shareholders to approve the financial statements and reports. However, the Chair of the meeting will allow a reasonable opportunity for shareholders' questions or comments on the financial statements and audit, and the operations of MCP to be considered. Shareholders are encouraged to submit questions at least 5 business days before the meeting but can also submit questions during the meeting.

The financial statements and reports for the year ended 30 June 2023 are available on the Annual General Meetings page of the McPherson's website.

### Agenda Item 2: Remuneration Report

The Remuneration Report of the Company for the financial year ended 30 June 2023 is set out on pages 34-49 of MCP's FY2023 Annual Report.

The Remuneration Report contains details of the Company's policy for determining the remuneration for Directors and senior executives. It includes information on the methodology adopted and the elements of remuneration which are fixed and those which are related to performance.

In accordance with the Corporations Act, this resolution is advisory only and does not bind the Company or the Directors. However the Directors will consider the outcome of the vote and comments made by shareholders on the remuneration report at the meeting when reviewing the Company's remuneration policies.

#### 2.1 Board Recommendation

Noting that each Director has a personal interest in his or her own remuneration from the Company, the Directors recommend that shareholders vote in favour of this resolution.

#### 2.2 Voting Consequences

As prescribed under the Corporations Act, shareholders will have the opportunity to remove the whole Board except the Managing Director if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings.

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to shareholders at the second annual general meeting a resolution (**Spill Resolution**) on whether another meeting should be held (within 90 days) at which all Directors (other than the Managing Director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

Please note if the Remuneration Report receives a Strike at this AGM and if a second Strike is received at the next annual general meeting, then that may result in the re-election of the Board (other than the Managing Director).

The Company's Remuneration Report was approved at its 2022 annual general meeting and votes cast against that report were less than 25%. Accordingly, a Spill Resolution is not applicable for the purpose of this AGM.

#### 2.3 Voting Exclusion

In accordance with the Corporations Act, the Company will disregard any votes cast in respect of Agenda Item 2:

- (i) by or on behalf of a member of the KMP of the Company whose remuneration is disclosed in the Remuneration Report and a closely related party of such KMP; and
- (ii) by a proxy who is a member or a closely related party of any KMP of the Company. However, the Company need not disregard a vote if:
  - (i) It is cast by a person (including the KMP or their closely related parties) as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
  - (ii) It is cast by a person chairing the meeting as proxy for a person who is entitled to vote, where the proxy form does not specify the way the proxy is to vote on this Agenda Item but expressly authorises the person chairing the meeting to exercise the proxy even if this Agenda Item is connected directly or indirectly with the remuneration of a member of the KMP of the Company. The person chairing the meeting intends to vote all available proxies in favour of this Agenda Item.

### **Agenda Item 3: Re-Election of a Director – Ms. Jane McKellar**

Ms. McKellar has been a non-executive of the Company since February 2015. She has been the Chair of the Board's People and Culture Committee since April 2015 and a member of the Board's Risk and Compliance Committee since February 2022.

Ms. McKellar was last re-elected as a Director at the Company's 2020 annual general meeting and has indicated that this will be her final term.

Jane is a non-executive director with skills which complement the existing experience base of the Board. She is an experienced international senior executive with extensive customer-focused, brand, marketing and digital experience across a number of high-profile, global brands. She commenced her career at Unilever in London and her subsequent roles have included global CEO of Stila Corporation, Managing Director of Elizabeth Arden Australia, Founding CEO of Excite.com Asia Pacific, Director of Sales and Marketing for Microsoft (MSN), and Founding Director of Ninemsn.

Ms. McKellar holds a Master of Arts (Hons) from the University of Aberdeen and is a Graduate of the Australian Institute of Company Directors. Jane's other non-executive directorships include The NRMA, GWA Group Limited and Noumi Limited.

The Board considers that Jane qualifies as an Independent Director. No instances of an interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect, Jane's capacity to bring an independent judgement to bear on issues before the Board, and to act in the best interests of the Company as a whole, rather than in the interests of an individual security holder or other party, have been declared or noted.

The Directors (with Jane McKellar abstaining) support the re-election of Jane McKellar as a Director, as those Directors consider that Ms. McKellar is already making a significant and positive contribution to the Company as a Director, through her roles as Chair of the People & Culture Committee and member of the Risk and Compliance Committee. As the Company develops its strategy under the newly appointed CEO, Brett Charlton, Ms. McKellar's skills and experience in the Health & Beauty sector, and her knowledge of, and history with, the McPherson's business, will be invaluable.

### **Board Recommendation**

The Directors (with Jane McKellar abstaining) recommend that shareholders vote in favour of the resolution for Jane McKellar's re-election as a Director.



## Agenda Item 4: Approval of Issue of Performance Rights to the Managing Director, Mr. Brett Charlton, under the McPherson's Limited Performance Rights Plan

### 4.1 Background Information

Following a comprehensive search and selection process, Mr. Charlton was appointed Managing Director and Chief Executive Officer of McPherson's Limited with effect from 1 August 2023.

The Company entered into an agreement with Mr. Charlton in relation to his permanent appointment, employment and remuneration, and as required under the Corporations Act and the Listing Rules of the Australian Securities Exchange (**ASX Listing Rules**), shareholder approval is sought under Agenda Item 4 for certain benefits to be provided to him in connection with his position.

The approval being sought in Agenda Item 4 relates to the grant of performance rights to Mr. Charlton in the current financial year.

Further and comprehensive details with respect to this Agenda Item are set out below.

### 4.2 Summary of McPherson's Performance Rights Plan ('PR Plan')

The PR Plan was approved by the Board on 20 September 2013.

The issuing of performance rights is a recognised practice in Australia as part of the remuneration of senior executives.

A summary of the operation and terms of the PR Plan is set out below:

- The PR Plan is open to certain senior management and executive Directors of the Company or of any subsidiary of the Company, as determined by the Board.
- The Board may invite eligible persons to participate in the PR Plan. Participation is voluntary. The Board may determine the number of performance rights to be issued under the PR Plan (**Rights**) and other terms of issue of Rights under the PR Plan.
- All Rights are granted at a nil issue price and nil exercise price unless otherwise determined by the Board.
- Each vested Right enables the holder to be issued one ordinary share in the Company (**Share**) upon exercise, plus additional Shares equal in value to the dividends paid by the Company on the underlying Shares over the period from the relevant vesting date to the exercise date on a reinvested basis, subject to the rules governing the PR Plan (**Plan Rules**).
- Subject to the Corporations Act and ASX Listing Rules, the Company may financially assist a person to pay for the grant of a Right or pay any exercise price in respect of a Right. However, as it is intended that all Rights be granted at a nil issue price and exercise price, it is not intended that the Company will make any loans in relation to the acquisition of Rights.
- Rights holders are not permitted to participate in new issues of securities by the Company. However, adjustments may be made to the number of Shares over which the Rights are granted or their exercise price to take into account changes in the capital structure of the Company that occur, including by way of pro rata and bonus issues, in accordance with the Plan Rules and the ASX Listing Rules.
- The PR Plan limits the number of Rights that the Company may issue, such that the sum of all Rights and options on issue and offered under all employee incentive schemes of the Company does not, if they are all exercised, equate to more than 5% of the ordinary shares on issue by the Company.

### ***Change of Control***

In the event of a change in control of the Company (for example arising from a merger, takeover or scheme of arrangement), the Board will have absolute discretion to determine whether some, none or all of the unvested Rights will vest, having regard to all the prevailing facts and circumstances.

### ***Clawback Policy***

As a prudent measure, with a view to safeguarding the interests of shareholders and minimising the risk of proposed (performance based) Rights remaining available to senior executives in circumstances where the Board has concluded that would be inappropriate, the Board may, in its discretion:

- Cancel or require forfeiture of some or all of a relevant executive's Rights;
- Adjust the executive's future performance based remuneration;
- Take legal action against the executive; and/or
- Take such other action as the Board considers appropriate in any relevant circumstances.

The clawback policy applies to the awards of Rights proposed to be made to Mr. Charlton under this Agenda Item 4.

### ***Termination of Employment***

Unvested Rights held by a PR Plan participant on termination of employment will prima facie lapse. However the Board will have absolute discretion to determine whether some, none or all unvested Rights may be retained on termination, having regard to all the prevailing facts and circumstances.

## **4.3 Issue of Performance Rights to the Managing Director, Mr. Brett Charlton**

Consistent with a drive for future growth, the Board has carefully constructed a benchmarked remuneration package designed to align Mr. Charlton's remuneration, and in particular the long-term incentive component, with the expected improvement in Company performance and the interests of shareholders.

As indicated above, the Company has entered into an agreement with Mr. Charlton in relation to his appointment as Managing Director of the Company, and has agreed to provide certain benefits to him, subject to shareholder approval, as summarised in the Company's ASX announcement of 5 July 2023.

One of those benefits is the granting of Rights to Mr. Charlton under the PR Plan, subject to shareholder approval. Agenda Item 4 seeks shareholder approval for the grant of Rights to Mr. Charlton under the PR Plan for the purposes of the ASX Listing Rules and the Corporations Act.

The Directors note that the grant of the Rights under the PR Plan and, correspondingly, the Company agreeing to a provision in Mr. Charlton's employment agreement pursuant to which the Company commits to grant such Rights to him, constitutes the giving of a financial benefit to a related party of the Company under Part 2E.1 of the Corporations Act, which requires the approval of shareholders at a general meeting.

The Directors also note that the grant of the Rights under the PR Plan to Mr. Charlton constitutes an issue of securities under an employee incentive scheme. ASX Listing Rule 10.14 restricts a listed entity from issuing securities under an employee incentive scheme to any of its directors, their associates or other persons whom, in ASX's opinion, should be covered by this rule unless it obtains the approval of its shareholders to such issue. As such, ASX Listing Rule 10.14 requires the Company to obtain the approval of shareholders to the issue of Rights to Mr. Charlton, being a Director, under the PR Plan.

The following additional information is accordingly provided to shareholders to enable shareholders to consider Agenda Item 4.

#### 4.3.1 Mr. Charlton's Remuneration

Mr. Charlton's annual total remuneration package currently comprises the following elements:

- (i) **Base Remuneration:** Mr. Charlton's base remuneration is \$630,000 per annum (**Base Remuneration**) including superannuation, which is subject to annual review.
- (ii) **Short Term Incentive (STI):** Mr. Charlton is entitled to an annual cash bonus up to a maximum of 75% of Base Remuneration if pre-defined STI targets are met, 50% of which will be paid in line with the Company's standard timing for STI payments, which is after the approval of the Company's annual year-end accounts (anticipated in August) and 50% of which will be deferred for one year.
- (iii) **Long Term Incentive (LTI):** Mr. Charlton is to be awarded Rights under the PR Plan annually with a face value of up to a maximum of 100% of Base Remuneration if pre-defined LTI targets are met over a three-year performance period; and an additional 50% of Base Remuneration if pre-defined exceptional performance LTI targets are met over a three-year performance period. Exceptional performance Rights will be held in escrow by the Company for a 12-month period after vesting.

The Board considers it is important to align the Managing Director's remuneration with shareholder value creation and as such, a considerable part of Mr. Charlton's total remuneration package has been allocated to variable reward, with a particular focus on equity awards under the LTI.

If shareholders pass the resolution in Agenda Item 4, the Company will be able to grant the Rights to Mr. Charlton.

However, if shareholders do not pass the resolution in Agenda Item 4 to approve the grant of Rights to Mr. Charlton, the Directors are entitled to consider granting Mr. Charlton comparable cash-based payments in lieu of the proposed Rights. The Board considers the grant of Rights is preferable to additional cash remuneration as vesting of these Rights, subject to the targets set being met, will more closely align the value of Mr. Charlton's remuneration with shareholder value creation.

#### 4.3.2 Rights to be Granted as a Long Term Incentive

It is proposed that Mr. Charlton will be entitled to participate in the Long Term Incentive (**LTI**) plan. If this resolution is passed, then Rights will be granted to Mr. Charlton with vesting conditional upon the achievement of certain performance conditions, as outlined below (**LTI Rights**).

The LTI Rights, if this resolution is passed, will be divided into two components which will each be subject to a separate performance hurdle, as follows:

- A. **High Level Performance Rights (HLP Rights):**  
These Rights will be subject to a target "underlying earnings per Share compound annual growth rate" (**EPS CAGR**) hurdle, measured over a three-year performance period; and
- B. **Exceptional Level Performance Rights (ELP Rights):**  
These Rights will be subject to a target absolute "total shareholder return" compound annual growth rate (**TSR CAGR**) hurdle, measured over a three-year performance period.

The following paragraphs identify the basis for determining the award of both categories of LTI Rights to Mr. Charlton as referred to above, and then the conditions applicable to each, as required under the Corporations Act and the ASX Listing Rules.

##### (i) High Level of Performance Rights (HLP Rights)

The Company will grant Mr. Charlton HLP Rights with a face value of 100% of Base Remuneration.

Further information relating to the manner in which the number of HLP Rights granted is calculated and their conditions are set out below:

*(A) Number of HLP Rights to be granted*

The number of HLP Rights to be granted to Mr. Charlton as HLP Rights is 1,336,000. This number has been determined by dividing \$630,000 by the VWAP of the Company's shares on the ASX over the 20 trading days ending at close of trade on 20 September 2023 (i.e. \$04714. per share), rounded to the nearest thousand.

*(B) Price of HLP Rights*

The HLP Rights will be granted at nil issue price. Vested HLP Rights may be exercised at nil exercise price. No funds are expected to be raised by the issue or exercise of HLP Rights.

*(C) Issue Date – HLP Rights*

If this resolution is passed, the 2023 HLP Rights will be issued on 29 November 2023.

*(D) Performance Period – HLP Rights*

The HLP Rights performance hurdle will be measured over a three-year Performance Period. The Performance Period for the HLP Rights is 1 July 2023 to 30 June 2026. At the end of this three-year period the performance conditions, as outlined below, will be tested.

*(E) Performance Conditions – HLP Rights*

The performance conditions applicable to the HLP Rights are as follows:

The proportion of HLP Rights that vest will be measured based on the EPS CAGR over a three-year performance period. EPS CAGR was selected by the Board as an appropriate performance hurdle to ensure continued focus on growth and underlying earnings generation.

The proportion of EPS CAGR HLP Rights that will vest will be determined as follows, using the actual underlying EPS for FY2023 (**EPS**) of 3.0 cents as a basis.

EPS CAGR	HLP Rights that Vest
Less than 40%	0%
40.0%	30%
40.0 % to 600%	30% to 100% on a straight line basis
60.0% or more	100%

In determining EPS CAGR performance results for the performance period, the Board may make adjustments where it considers necessary or appropriate to reflect one off or extraordinary events. It is anticipated that the Board will only exercise such discretion to ensure the LTI is not acting as a barrier to participants in pursuing opportunities that are in the long- term interests of shareholders. The Board shall only exercise discretion in a manner that rewards performance consistent with shareholder expectations and the intent and purpose of the LTI and the EPS CAGR targets.

*(F) Performance Assessment – HLP Rights*

Assessment of performance outcomes for the HLP Rights will be evaluated on or around 26 August 2026. The relevant proportions of HLP Rights that achieve the performance hurdles will vest on 22 September 2026, and will be exercisable between 23 September 2026 and 5.00pm (Sydney time) on 23 September 2031. Any HLP Rights not vested on 22 September 2026 or which have vested but have not been exercised by 5.00pm (Sydney time) on 23 September 2031 will lapse.

**(ii) Exceptional Level of Performance Rights (ELP Rights)**

The Company will grant Mr. Charlton ELP Rights with a face value of 50% of Base Remuneration.

The purpose of the ELP Rights is to reward the achievement of exceptional performance outcomes only and the Board has set appropriate stretch targets which must be achieved before any ELP Rights vest.

Further information relating to the manner in which the number of ELP Rights granted will be calculated and their conditions are set out below:

*(A) Number of ELP Rights to be granted*

The face value of the maximum LTI opportunity to be granted in the form of ELP Rights is 50% of Base Remuneration. For the 2023 grant, the number of ELP Rights to be granted to Mr. Charlton is 668,000. This number has been determined as 50% of \$630,000 (i.e. \$315,000), divided by the VWAP of the Company's shares on the ASX over the 20 trading days ending at close of trade on 20 September 2023 (i.e. \$0.4717 per share), rounded to the nearest thousand.

*(B) Price of ELP Rights*

The ELP Rights will be granted at nil issue price. Vested ELP Rights may be exercised at nil exercise price. No funds are expected to be raised by the issue or exercise of ELP Rights.

*(C) Issue Date – ELP Rights*

If this resolution is passed, the 2023 ELP Rights will be issued on 29 November 2023.

*(D) Performance Period – ELP Rights*

The ELP Rights performance hurdle will be measured over a three-year Performance Period. The Performance Period for the 2023 ELP Rights is 1 July 2023 to 30 June 2026. At the end of this three-year period the performance conditions, as outlined below, will be tested.

*(E) Performance Conditions – ELP Rights*

The proportion of ELP Rights that vest will depend on the Company achieving exceptional performance as determined by the Board. In order for any ELP Rights to vest, the Company will be required to achieve a TSR CAGR over the performance period that exceeds a threshold set by the Board. Total shareholder return will be calculated based on movements in the Company's share price and total dividends paid by the Company during the three-year performance period.

For the 2023 grant, the proportion of ELP Rights that will vest will be determined using a base share price of \$0.4753, being the VWAP of the Company's shares on the ASX over the 20 trading days ending at close of trade on 30 June 2023.

In order for any 2023 ELP Rights to vest, the Company must achieve a TSR CAGR over the Performance Period of at least 50% annual return on a compound basis. Where this 50% threshold is achieved, 30% of ELP Rights will vest. Vesting will be calculated on a straight line basis with 100% of ELP Rights vesting where the TSR achieved over the Performance Period is equal to or exceeds 70% annual return on a compounded basis. This may be summarised as follows:

TSR CAGR	HLP Rights that Vest
Less than 50%	0%
50.0%	30%
50.0 % to 70.0%	30% to 100% on a straight line basis
70.0% or more	100%

*(F) Performance Assessment – ELP Rights*

For the 2023 ELP Rights, performance criteria will be assessed on or around 26 August 2026. The relevant proportion of the ELP Rights granted that achieve their performance targets will vest on 22 September 2026, and will be exercisable between 23 September 2026 and 5.00pm (Sydney time) on 23 September 2031. Any ELP Rights not vested on 22 September 2026 or which have vested but have not exercised by 5.00pm (Sydney time) on 23 September 2031 will lapse.

**(iii) Conditions Applicable to the Vesting of Both HLP Rights and ELP Rights**

The Company's agreed arrangement with Mr. Charlton to issue him HLP Rights and ELP Rights in 2023 is subject to approval by the Company's shareholders (i.e. the passing of the resolution set out in Agenda Item 4).

Further:

- (A) The Company's agreed arrangement with Mr. Charlton to issue Rights to him in each year following 2023 is subject to the following conditions being satisfied:
  - (I) approval by the Board to the number of such Rights and the issue of such Rights to Mr. Charlton in each year after 2023;
  - (II) Mr. Charlton continuing to be the Managing Director of the Company; and
  - (III) approval by the Company's shareholders of the grant of Rights to Mr. Charlton.
- (B) Each Right which vests will entitle Mr. Charlton to subscribe for one ordinary Share, plus additional Shares equal in value to the dividends paid by the Company on the underlying Shares over the period from the relevant vesting date to the exercise date on a reinvested basis, and subject to the Plan Rules.
- (C) No re-testing of vesting performance outcomes will be permitted. Rights which have not vested on the relevant vesting date as a consequence of the performance targets not having been achieved will lapse.

**4.3.3 Restrictions on the Disposal of Shares**

Consistent with the terms of Mr. Charlton's employment agreement, any vested ELP Rights will be held in escrow for a 12-month period after the vesting date.

#### 4.4 Company's Share Trading History

The trading history of the Company's shares on the ASX in the 12 months to 22 September 2023 is as follows:

	PRICE	DATE
Highest closing price	\$0.78	29 September 2022
Lowest closing price	\$0.38	7 July 2023
	\$0.38	10 July 2023
Last closing price	\$0.435	22 September 2023

#### 4.5 Mr. Charlton's Current Interest in the Company's Securities

Mr. Charlton currently holds no Shares in the capital of the Company. Mr. Charlton has no interest in Rights issued by the Company. No securities have previously been issued to Mr. Charlton under the PR Plan.

#### 4.6 Impact of Issue of Rights to Mr. Charlton

If all of Mr. Charlton's 2023 Rights vest and are exercised, it is expected that such exercise will have a small dilutionary effect on existing shareholders' interests, as follows:

If all of the Rights granted to Mr. Charlton should fully vest and were exercised, based on the current number of issued shares in the Company, he would hold an interest in approximately 1.37% of the issued shares in the Company on a fully diluted basis, as illustrated in the following table:

MCP Ordinary Shareholder	Before conversion of 2023 Rights to be issued to Mr. Charlton <sup>2</sup>		After conversion of 2023 Rights to be issued to Mr. Charlton <sup>2</sup>	
	Number of MCP ordinary shares	Percentage of total MCP ordinary shares <sup>1</sup>	Number of MCP ordinary shares	Percentage of total MCP ordinary shares <sup>1</sup>
Mr. Charlton and his associates	0	0.0%	2,004,000	1.37%
All MCP ordinary securityholders other than Mr. Charlton and his associates	143,949,141	100.0%	143,949,141	98.63%
TOTAL	143,949,141	100.0%	145,953.141	100.0%

Notes:

1. Approximate figures.

2. Assuming the Company does not issue any other equity securities, and assuming neither Mr. Charlton nor his associates acquire any other equity securities in the Company.

#### 4.7 Additional Information

No loans are being provided by the Company to Mr. Charlton in relation to the issue of the Rights.

Details of any securities issued under the PR Plan will be published in each annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue of securities was obtained under ASX Listing Rule 10.14.

As at the date of this Notice of Annual General Meeting, none of the Directors (other than the Managing Director) is entitled to participate in the PR Plan.



No Rights have previously been issued to Mr. Charlton under the PR Plan.

If any Director other than the Managing Director (or an associate of such Director or other person covered by ASX Listing Rule 10.14) becomes entitled to participate in the PR Plan after this resolution 4 is approved and that person is not named in this Notice of Annual General Meeting, then that person will not participate in the PR Plan until the Company's shareholders approve such participation for the purposes of ASX Listing Rule 10.14.

#### **4.8 Board Recommendation**

Other than Mr. Charlton, none of the other Directors has an interest in the outcome of this resolution. However, as the Directors are KMP, a voting exclusion statement applies as set out below. For those reasons, and to avoid any conflict of interest for the Directors in making recommendations for resolutions about Mr. Charlton's remuneration, the Directors will not be making recommendations as to voting on this resolution.

#### **4.9 Voting Exclusions**

In accordance with the Corporations Act, the Company will disregard any votes cast in respect of Agenda Item 4 (Approval of Issue of Performance Rights to the Managing Director, Mr. Brett Charlton, under the McPherson's Limited Performance Rights Plan) by:

- (i) Mr. Brett Charlton and any of his associates; and
- (ii) a proxy who is a member or a closely related party of any KMP of the Company.

However, the Company need not disregard a vote if:

- (i) It is cast by a person (including the KMP or their closely related parties) as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) It is cast by a person chairing the meeting as proxy for a person who is entitled to vote, where the proxy form does not specify the way the proxy is to vote on the relevant Agenda Item but expressly authorises the person chairing the meeting to exercise the proxy even if the relevant Agenda Item is connected directly or indirectly with the remuneration of a member of the KMP of the Company. The person chairing the meeting intends to vote all available proxies in favour of this Agenda Item 4.


In accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour of Agenda Item 4 by or on behalf of Mr. Brett Charlton and any other person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the PR Plan and any of their respective associates.


However, this does not apply to a vote cast in favour of Agenda Item 4 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on Agenda Item 4, in accordance with directions given to the proxy or attorney to vote on Agenda Item 4 in that way; or
- (ii) the chair of the meeting as proxy or attorney for a person who is entitled to vote on Agenda Item 4, in accordance with a direction given to the chair to vote on Agenda Item 4 as the chair decides. The person chairing the meeting intends to vote all available proxies in favour of Agenda Item 4; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (A) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Agenda Item 4; and
  - (B) the holder votes on Agenda Item 4 in accordance with directions given by the beneficiary to the holder to vote in that way.



## Need assistance?

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

 **Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)

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



## McPherson's Limited Annual General Meeting

The McPherson's Limited Annual General Meeting will be held on Tuesday, 28 November 2023 at 11.00am (AEDT). You are encouraged to participate in the meeting using the following options:



### MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit [www.investorvote.com.au](http://www.investorvote.com.au) and use the below information:



**Control Number: 999999**  
**SRN/HIN: I9999999999**  
**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

For your proxy appointment to be effective it must be received by 11.00am (AEDT) Sunday, 26 November 2023.



### ATTENDING THE MEETING VIRTUALLY

To watch the webcast, ask questions and vote on the day of the meeting, please visit:  
<https://web.lumiagm.com/324266654>



### ATTENDING THE MEETING IN PERSON


The meeting will be held at:  
MA Financial Group, Level 27, 10 Carrington Street, Sydney NSW 2000


You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MCP

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

## Need assistance?

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

 **Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (AEDT) on Sunday, 26 November 2023.**

# Proxy Form

## How to Vote on Items of Business

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

### APPOINTMENT OF PROXY

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

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

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

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

## PARTICIPATING IN THE MEETING

### Corporate Representative

If a representative of a corporate shareholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com/au](http://www.investorcentre.com/au) and select "Printable Forms".

## Lodge your Proxy Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**

**SRN/HIN: I999999999**

**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

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

### By Fax:

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



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

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

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

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



I 9999999999

I ND

## Proxy Form

Please mark  to indicate your directions

### Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of McPherson's Limited hereby appoint

the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of McPherson's Limited to be held at MA Financial Group, Level 27, 10 Carrington Street, Sydney NSW 2000 and online on Tuesday, 28 November 2023 at 11:00am (AEDT) and at any adjournment or postponement of that meeting.

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

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

### Step 2 Items of Business

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

		For	Against	Abstain
Resolution 2	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of a Director - Ms. Jane McKellar	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of Issue of Performance Rights to the MD, Mr. Brett Charlton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

### Step 3 Signature of Shareholder(s)

*This section must be completed.*

Individual or Shareholder 1

Sole Director & Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

/ /

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

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

MCP

3 0 1 8 4 1 A



Computershare





McPHERSON'S  
EST. 1860

Health | Wellness | Beauty

McPherson's Limited  
ABN 98 004 068 419

MCPRM

MR RETURN SAMPLE  
123 SAMPLE STREET  
SAMPLE SUBURB  
SAMPLETOWN VIC 3030

Dear Shareholder,

We have been trying to contact you in connection with your securityholding in McPherson's Limited. Unfortunately, our correspondence has been returned to us marked "Unknown at the current address". For security reasons we have flagged this against your securityholding which will exclude you from future mailings, other than notices of meeting.

Please note if you have previously elected to receive a hard copy Annual Report (including the financial report, directors' report and auditor's report) the dispatch of that report to you has been suspended but will be resumed on receipt of instructions from you to do so.

We value you as a shareholder and request that you supply your current address so that we can keep you informed about our Company. Where the correspondence has been returned to us in error we request that you advise us of this so that we may correct our records.

You are requested to include the following;

- > Securityholder Reference Number (SRN);
- > ASX trading code;
- > Name of company in which security is held;
- > Old address; and
- > New address.

Please ensure that the notification is signed by all holders and forwarded to our Share Registry at:

Computershare Investor Services Pty Limited  
GPO Box 2975  
Melbourne Victoria 3001  
Australia

Note: If your holding is sponsored within the CHESS environment you need to advise your sponsoring participant (in most cases this would be your broker) of your change of address so that your records with CHESS are also updated.

Yours sincerely

**McPherson's Limited**