



GrainCorp

News Release

11 December 2019

Appointment of Managing Director and CEO post demerger of Malt business

The Board of GrainCorp Limited (ASX:GNC) (**GrainCorp** or the **Company**) is pleased to announce that it has appointed Robert Spurway to take up the role of Managing Director and CEO after completion of the planned demerger of the Company's Malt business in early 2020.

Mr Spurway is currently employed at the Fonterra Co-operative Group, where he has held the position of Chief Operating Officer, Global Operations for the last six years. Fonterra is a New Zealand multinational dairy co-operative and New Zealand's largest company, with over NZ\$20 billion in revenue. In this role, he led Fonterra's global operations business and had responsibility for the Group's manufacturing and supply chain operations.

Mr Spurway has more than 25 years' experience in the food and dairy industries, including multiple senior operational roles with both Fonterra and Goodman Fielder Australia, and CEO positions with Salad Fresh and Mrs Crocket's Kitchen.

He will be relocating to Sydney from Christchurch, New Zealand and will commence work following GrainCorp shareholder and Court approval of the demerger of GrainCorp's Malt business. A summary of the material terms of Mr Spurway's executive services agreement is attached to this announcement. GrainCorp Chairman, Graham Bradley AM, said the Board was delighted to announce the appointment of Mr Spurway, following an extensive local and international search process.

"GrainCorp's Board is very pleased that Robert has accepted the role as the next Managing Director and Chief Executive Officer of GrainCorp after completion of the demerger," Mr Bradley said.

"Robert is a proven leader who brings extensive experience in the food and dairy industries, both through operational and executive leadership roles."

"Robert has led complex operational businesses and overseen transformational change programmes which have delivered significant benefits for customers and shareholders. He has a deep understanding of the Australian and New Zealand agricultural industries, which will serve us well as we continue to evolve GrainCorp's strategy and customer offering."

Mr Spurway said: "I'm delighted to be joining GrainCorp as the next Chief Executive Officer at an exciting time for the Company. GrainCorp is an iconic Australian agribusiness with a long and rich history."

“I’m looking forward to playing a key role in GrainCorp’s journey as it continues to strengthen its supply chains and deliver for its extensive network of growers and other customers.”

As previously announced, GrainCorp’s current CEO, Mark Palmquist, will become Managing Director and CEO of the Malt business upon a successful demerger vote by GrainCorp shareholders at the Company’s Extraordinary General Meeting and subsequent Court approval. He will relocate to the North American headquarters of Malt in Vancouver, Washington.

The proposed demerger will be implemented via a scheme of arrangement, full details of which will be set out in a scheme booklet which GrainCorp currently expects will be dispatched to GrainCorp shareholders in February 2020. GrainCorp currently expects that shareholder approval for the demerger will be sought at an Extraordinary General Meeting in March 2020. If GrainCorp shareholders approve the demerger and all other conditions to the demerger are satisfied, implementation of the demerger is expected to occur in late-March or early-April 2020.

ROBERT SPURWAY BIOGRAPHY

Robert Spurway has been Chief Operating Officer, Global Operations for Fonterra Co-operative Group since August 2014. In this role he had executive leadership responsibility for the Global Operations business unit, comprising 10,000+ staff and 50+ operating sites across multiple markets.

Prior to this, Mr Spurway held operational roles with Fonterra including GM South Island Operations (2011-13) and Acting Director Operations & Logistics (2013-14), with key projects including the acquisition and integration of ex NZ Dairies Ltd and the construction of a NZ\$500 million greenfield dairy site at Darfield.

Mr Spurway held CEO positions in Australia between 2008 and 2011: initially as MD & CEO of Mrs Crocket’s Kitchen, a salad and vegetable supplier, to prepare the business for sale; and then as CEO of Salad Fresh, a supplier of prepared salads.

Over the previous 13 years, Mr Spurway held senior operational roles with Mrs Crocket’s Kitchen and Goodman Fielder in Queensland, South Australia and the Northern Territory, and Northland Dairy Company (now Fonterra) in New Zealand.

Mr Spurway has recently held the roles of Chairman of Kotahi Ltd, a global shipping, transport and technology business, Deputy Chairman of Sociedad Procesadora de Leche del Sur S.A., (Prolesur) Chile, a listed dairy products business, and Director of DFE Pharma GmbH & Co, a German multi-national pharmaceutical excipients business and will resign from these roles on his departure from Fonterra.

Mr Spurway holds a Bachelor of Engineering (Chemical and Materials) from the University of Auckland; is a Graduate of the INSEAD AVIRA Executive programme; and is a Graduate Member of the Institute of Directors in New Zealand.

SUMMARY OF MATERIAL TERMS OF CONTRACT

The key terms of the services agreement with Robert Spurway (**Mr Spurway** or the **Executive**) are as follows:

- **Condition precedent**

Mr Spurway's employment as Chief Executive Officer and Managing Director of GrainCorp is subject to, and conditional on, the demerger becoming "Effective" under the Corporations Act 2001 (Cth) (which will only occur if all of the conditions precedent to the demerger, including GrainCorp shareholder and Court approval, are satisfied). If the demerger becomes Effective, Mr Spurway's employment as Chief Executive Officer and Managing Director will commence, and he will be appointed as a GrainCorp Director, on the date on which the Demerger becomes Effective (**Effective Date**). If the Demerger has not become Effective by 30 June 2020, unless GrainCorp and Mr Spurway otherwise agree after negotiating in good faith, either GrainCorp or Mr Spurway may terminate Mr Spurway's conditional executive services agreement.

- **Term of Appointment**

Mr Spurway's employment as Chief Executive Officer and Managing Director of GrainCorp will commence on the Effective Date and will continue until terminated by either party in accordance with the relevant termination provisions.

- **Remuneration**

- Total Fixed Remuneration (TFR) is \$950,000 including superannuation benefits, reviewed annually.
- Subject to the Company's Short Term Incentive (STI) Plan Rules, Mr Spurway shall be eligible to earn an STI of between 0% and 150% of the TFR with the target bonus of 100% of the TFR with respect to each completed Financial Year (subject to the achievement of applicable performance measures).

- **Long-Term Incentive (LTI)**

Subject to shareholder approval, Mr Spurway will be granted a number of share performance rights under the Company's LTI Plan for each financial year of employment. The allocation of share performance rights to Mr Spurway under the LTI Plan is 100% of TFR. No share performance rights will vest unless performance outcomes against the 3-year performance hurdles determined by the GrainCorp Board have been met.

- **Termination**

- Either party may terminate the agreement, other than for cause, by providing the other with six months' notice of termination.

The Company may pay TFR in lieu of notice.

- The Company may terminate employment for cause without any period of notice or payment in lieu of notice.

- **Other Terms:**

- Statutory entitlements for annual leave (20 days) and long service leave.
- The Company shall meet reasonable relocation costs of the Executive and his immediate family in accordance with the Company's policy. This will include temporary accommodation in Sydney prior to family relocation.
- The Executive is subject to a post-employment restraint for a period of 12 months following cessation of his employment.
- The Executive is subject to standard obligations in relation to confidential information and intellectual property generated in the course of his employment.

MEDIA CONTACTS

Jess Simons
Manager, Corporate Affairs
+61 2 9325 9132
+61 413 946 708
atrigg@graincorp.com.au

INVESTOR CONTACT

Luke Thrum
Senior Manager, Corporate Affairs & Investor Relations
+61 2 9266 9217
+61 447 894 834
luke.thrum@graincorp.com.au