



BLACKMORES®

# NOTICE OF ANNUAL GENERAL MEETING

The AGM to be held at 11.00am on  
Thursday, 26 October 2017  
at Blackmores Campus  
20 Jubilee Avenue  
Warriewood NSW 2102

Registered Office:  
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To assist us with catering and seating,  
please register to attend the AGM by  
phoning +61 2 9910 5000 or sending an  
email to [reception@blackmores.com.au](mailto:reception@blackmores.com.au)

# NOTICE OF MEETING

The Annual General Meeting (the **Meeting**) of Blackmores Limited ABN 35 009 713 437 (the **Company** or Blackmores) will be held at the Blackmores Campus, 20 Jubilee Avenue Warriewood NSW 2102 on Thursday, 26 October 2017 at 11.00am.

The business to be considered at the Annual General Meeting is set out below. This Notice of Meeting should be read in conjunction with the accompanying Explanatory Statement.

**Please read this Notice of Meeting and Explanatory Statement and Notes and carefully consider directing your proxy on how to vote on each resolution by marking the appropriate box on the proxy form.**

## ORDINARY BUSINESS

### Consideration of Financial Report

To consider the Financial Report and the reports of the Directors and Auditors for the year ended 30 June 2017.

### Remuneration Report

**Resolution 1 - To consider and put to a non-binding vote the following resolution:**

"That the Remuneration Report required by section 300A of the Corporations Act, as contained in the Directors' Report of the Company for the year ended 30 June 2017, be adopted, details of which are set out in item 1 of the Explanatory Statement and Notes to this Notice of Meeting."

### Voting Exclusion Statement in relation to Resolution 1

The Company will disregard any votes cast (in any capacity) on Resolution 1:

- (a) by or on behalf of a member of the key management personnel (**KMP**), details of whose remuneration are included in the Remuneration Report;
- (b) by or on behalf of a KMP's Closely Related Party; or
- (c) as a proxy by a member of the KMP or a KMP's Closely Related Party, unless the vote is cast by:
  - (i) a person as a proxy for a person who is entitled to vote on this resolution in accordance with a direction on the Proxy Form; or
  - (ii) the Chairman as a proxy for a person who is entitled to vote on this resolution, in accordance with an express authorisation in the Proxy Form.

## ELECTION OF DIRECTORS

### Resolution 2 - Re-election of Ms Helen Nash as a Director

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

"That Ms Helen Nash who retires by rotation in accordance with Clauses 89 and 94 of the Constitution and being eligible, offers herself for re-election, be re-elected a Director of the Company."

### Resolution 3 - Re-election of Mr David Ansell as a Director

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

"That Mr David Ansell who retires by rotation in accordance with Clauses 89 and 94 of the Constitution and being eligible, offers himself for re-election, be re-elected a Director of the Company."

## RESOLUTION FOR THE APPROVAL OF THE EXECUTIVE SHARE PLAN

**Resolution 4 - To consider, and if thought fit, to pass the following resolution as an ordinary resolution:**

"That the Executive Share Plan, a summary of the Trust Deed of which is set out in the Explanatory Statement and Notes to this Notice of Meeting and the issue of Shares and rights in accordance with the Executive Share Plan, be approved for the purposes of Listing Rule 7.2, Exception 9(b), and for all other purposes."

## NOTICE OF MEETING (CONT.)

### RESOLUTION FOR THE APPROVAL OF THE GRANT OF SHARES UNDER THE EXECUTIVE SHARE PLAN TO MR RICHARD HENFREY

**Resolution 5 - To consider, and if thought fit, to pass the following resolution as an ordinary resolution:**

“That for the purposes of Listing Rules 10.14 and 10.15A and for all other purposes, the Shareholders approve the acquisition of up to 12,852 Shares by the Trustee under the Executive Share Plan by 26 October 2020 for the benefit of Mr Richard Henfrey.”

The terms of the Shares to be acquired are set out in the Explanatory Statement and Notes to this Notice of Meeting and the number of Shares to be acquired is to be calculated in accordance with the following formula:

$$N = \frac{AV}{SP}$$

**N =** the number of Shares, to be subscribed for or acquired by the Trustee.

**AV =** the amount that is determined in accordance with the following table being the product of the compounded annual EPS growth rate over the period from 1 July 2017 to 30 June 2020 and the percentage of Mr Richard Henfrey's remuneration:

#### COMPOUNDED ANNUAL EPS GROWTH RATE OVER THE PERIOD FROM 1 JULY 2017 TO 30 JUNE 2020

#### PERCENTAGE OF BASE REMUNERATION

Less than 5.0%	0%
5.0 %	25.00%
5.0% to 10.0%	25.00% to 50.00%*
10.0%	50.00%
10.0% to 25.0%	50.00% to 150.00%*
25.0%	150.0%
Greater than 25.0%	150.0%

\*If the compounded annual EPS growth rate is between 5.0% and 10.0% or 10.0% and 25.0% the percentage of Base Remuneration will be pro rata between 25.0% and 50.0% or 50.0% and 150.0%. For example, if the compounded annual EPS growth rate is 5.5%, the percentage of Base Remuneration is 27.5%.

**SP =** \$110.88 (being the Volume Weighted Average Price (VWAP) of the Shares for the 5 day trading period commencing on the day which is 7 days subsequent to the day of the announcement to the ASX of the Company's yearly results for the Financial Year ending on 30 June 2017 less the amount of any dividend per Share declared as payable in respect of the Financial Year ending 30 June 2017).

### VOTING EXCLUSION STATEMENT IN RELATION TO RESOLUTIONS 4 AND 5

The Company will disregard any votes cast on Resolutions 4 and 5 by or on behalf of Mr Richard Henfrey (who is the only Director eligible to participate in the Executive Share Plan) and any associate of Mr Richard Henfrey, unless a vote is cast by:

- a person as a proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form; or
- the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In addition, in accordance with the Corporations Act, the Company will also disregard any votes by the Company's KMP and Closely Related Parties of the Company's KMP voting as a proxy on these Resolutions, if the proxy appointment does not specify the way the person is to vote. This prohibition does not apply to the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman of the Meeting to exercise an undirected proxy.

BY ORDER OF THE BOARD

**C M Cooper**

**Company Secretary**

**Dated 12 September 2017**

Shareholders are referred to the following documents accompanying this Notice of Annual General Meeting:

- Proxy Form; and
- Explanatory Statement and Notes

# EXPLANATORY STATEMENT AND NOTES

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be transacted at the Annual General Meeting of Shareholders on 26 October 2017.

The Directors recommend Shareholders read this Explanatory Statement in full before making any decision in relation to the resolutions.

## OVERVIEW OF BUSINESS AND RESOLUTIONS

### 1A Consideration of Annual Report

As required by section 317 of the Corporations Act, the Financial Report, Directors' Report and Auditor's Report of the Company for the year ended 30 June 2017 will be laid before the Annual General Meeting. While it is not required to vote on the adoption of these reports, in accordance with best practice corporate governance, the Directors will open the meeting for discussion on the financial statements and reports comprised in the Company's Annual Report 2017.

### 1. Adoption of Remuneration Report

Blackmores recognises the importance of good corporate governance and in relation to remuneration, wishes to ensure proper disclosure of its remuneration policies. Pursuant to sections 250R(2) and (3) of the Corporations Act, a resolution that the Remuneration Report be adopted must be put to a non-binding vote at the Annual General Meeting.

The complete Remuneration Report is set out in the Company's 2017 Annual Report on pages 54 to 71.

The Remuneration Report:

- (a) sets out the Board's policy for determining the nature and amount of remuneration;
- (b) discusses the relationship between the remuneration policy and the Company's performance;
- (c) provides details of the performance conditions and an explanation as to why the performance conditions were chosen;
- (d) discloses the actual remuneration of each Director of the Company and the Key Management Personnel; and
- (e) discloses the nature of the termination clauses under contracts for each Director and the Key Management Personnel where applicable.

The Board recommends that Shareholders vote in favour of this resolution (Resolution 1).

The Corporations Act includes a "2 strikes" rule whereby if a company's remuneration report receives a 'no' vote of at least 25% at two consecutive annual general meetings, a spill resolution must then be put to shareholders at the second annual general meeting to determine whether the entire Board must stand for re-election. If the spill resolution is passed (by a normal majority of 50%), the Board must vacate office and stand for re-election at another general meeting which must be convened within 90 days.

Please note that the Chairman of the Meeting intends to vote any undirected proxies in favour of this resolution (Resolution 1).

## ELECTION OF DIRECTOR

### 2. Re-election of Ms Helen Nash as a Director

Ms Nash has served on the Board since 22 October 2013. She is the Chairman of the Company's People and Remuneration Committee and a member of the Nominations Committee.

Ms Nash has more than 20 years of experience in brands and marketing, including seven years in fast moving consumer goods at Procter & Gamble, followed by three years in publishing at IPC Media. She held a variety of roles at McDonald's Australia over a nine-year period and most recently held the position of Chief Operating Officer, overseeing restaurant operations, marketing, menu, insights and research and information technology. Ms Nash is currently a Non-Executive Director of Metcash Limited, Southern Cross Media Group, and Inghams Group Limited. She was formerly a Non-Executive Director of Pacific Brands Limited (2013-2016).

Ms Nash holds a Bachelor of Arts (Hons), Combined Honours Social Sciences, First Class.

The Board (with Ms Nash abstaining) has determined that Ms Nash remains an independent director.

The Board (excluding Ms Nash) unanimously support the election of Ms Nash and recommend that Shareholders vote in favour of the election of Ms Nash as a Director (Resolution 2).

Please note that the Chairman of the Meeting intends to vote any undirected proxies in favour of this resolution (Resolution 2).

### 3. Re-election of Mr David Ansell as a Director

Mr Ansell has served on the Board since 22 October 2013. He is a member of the Company's Audit and Risk Committee and the Nominations Committee.

Mr Ansell has had a highly successful career in consumer-facing organisations in Australia, Asia and the United States. He played a pivotal role in the start-up years of Foxtel and was CEO of renowned advertising agency Saatchi & Saatchi. He has led business units of Mars in Australia and in the United States. Mr Ansell has a strong operating and supply chain skill set and a deep understanding of consumer and customer strategy. He is currently Managing Director and Chairman of Jacobs Douwe Egberts ANZ, Australasia's largest pure play coffee company, and a Board Member of Cycling Australia.

Mr Ansell holds a Bachelor of Arts in Communication.

The Board (with Mr Ansell abstaining) has determined that Mr Ansell remains an independent director.

The Board (excluding Mr Ansell) unanimously support the election of Mr Ansell and recommend that Shareholders vote in favour of the election of Mr Ansell as a Director (Resolution 3).

Please note that the Chairman of the Meeting intends to vote any undirected proxies in favour of this resolution (Resolution 3).

# EXPLANATORY STATEMENT AND NOTES

## 4. Resolution for the approval of the Executive Share Plan

### 4.1 Background

Shareholder approval of the Executive Share Plan (the **Plan**) was obtained at the Company's last annual general meeting on 27 October 2016 (2016 **AGM**) for the purpose of Exception 9(b) of Listing Rule 7.2 which is an exception to Listing Rule 7.1. That exception provides that an issue of securities under an employee incentive scheme does not count towards a company's rolling annual 15% limit on new issues of securities prescribed by Listing Rule 7.1 if within three years of the issue date, the issue of securities under scheme has been approved by shareholders.

The last shareholder approval at the 2016 AGM covered the issue of Shares under the Plan until 27 October 2019, being three years after the date of the approval.

Like last year, any offers made under the Plan in 2017 will be based on EPS growth over a three year period (from 1 July 2017 to 30 June 2020). This means that Shares relating to 2017 offers may not be issued until after the release of the full year results for the year ended 30 June 2020, which is later than three years after the last approval at the 2016 AGM. Accordingly, the Company is again seeking shareholder approval for the issue of securities under the Plan. If Shareholders approve Resolution 4 at the Annual General Meeting, the issue of securities under the Plan will not be counted towards the Company's limit under Listing Rule 7.1 for a three year period ending on 26 October 2020.

The Board recently resolved to make some small amendments to the Plan (the amendments are discussed in Section 4.4), meaning that the Plan has been amended since the last shareholder approval at the 2016 AGM. The Listing Rules state that Exception 9(b) of Listing Rule 7.2 is only available if there is no change to any material term of the employee scheme. Although the Board does not regard the amendments to the Plan to be a material change, the Company is also seeking a fresh shareholder approval on the basis of the amended Plan.

### 4.2 Summary of the terms of the Plan

This section gives a brief outline of how the Board implements participation under the Trust Deed which established the Plan. A Trust Deed is used because the legal interest in the Shares is held by the Trustee until such times as all Vesting Conditions are satisfied and until that time a Plan participant holds only the beneficial interest in the Shares. Further, the Trustee will either subscribe for new Shares or acquire existing Shares with funds contributed to the Trustee by the Company.

The use of a trust structure enables the Trustee to hold the Shares on behalf of the Plan participant but also to reallocate forfeited Shares in circumstances where the Vesting Conditions are not met by other Plan participants.

The Trust Deed is summarised in Section 4.3 below. Most words with initial capitals are defined in the Trust Deed.

### (a) Participation

Carefully designed, performance linked, equity plans are widely considered to be very effective in providing long-term incentives to key staff. As well, they are used to attract and retain staff by providing them with the opportunity to participate in the creation of a valuable personal asset - a financial stake in the Company.

As part of the Company's strategy, the Board wishes to offer participation in the Plan to selected Eligible Executives who, in the opinion of the Board, are able by virtue of their skill and their application in performing their allocated tasks within the Company, to influence the generation of Shareholder wealth.

This year the Plan will reward selected employees based on EPS growth over a 3 year period from 1 July 2017 to 30 June 2020. The Plan awards in 2014, 2015 and 2016 were similarly based on EPS growth over a 3 year period - 1 July 2014 to 30 June 2017, 1 July 2015 to 30 June 2018 and 1 July 2016 to 30 June 2019, respectively. The Board considers this structure to be aligned with the Company's long term strategy.

### (b) The number of Shares issued to or acquired by the Trustee on behalf of each participant

The number of Shares which shall be subscribed for or acquired by the Trustee on behalf of a participant for any grants made in 2017 shall be calculated in accordance with the following formula:

$$N = \frac{AV}{SP}$$

Where:

**N** = the number of Shares, to be subscribed for or acquired by the Trustee.

**AV** = the amount that is the product of the compounded annual EPS growth rate over the period from 1 July 2017 to 30 June 2020 and the percentage of the participant's Base Remuneration.

**SP** = \$110.88 (being the Volume Weighted Average Price (VWAP) of the Shares for the 5 day trading period commencing on the day which is 7 days subsequent to the day of the announcement to the ASX of the Company's yearly results for the financial year ending on 30 June 2017 less the amount of any dividend per Share declared as payable in respect of the financial year ending 30 June 2017).

### (c) Vesting Condition

For any awards in 2017, the threshold requirement for any Shares to be acquired pursuant to the Plan by the Trustee is that the compounded annual EPS growth rate over the period from 1 July 2017 to 30 June 2020 must be achieved at a certain level and as noted in the description

# EXPLANATORY STATEMENT AND NOTES

of the formula in Section 4.2(b), this will determine the percentage of Base Remuneration which will be contributed by the Company to the Trustee to enable it to acquire the Shares.

The Shares acquired pursuant to the Plan by the Trustee will be restricted and will not be able to be dealt with until any Vesting Condition relating to service has been satisfied. For the awards in 2017, a Participant must generally not cease employment for any reason prior to 30 June 2020 or cease employment as a result of resignation or termination by the Company prior to the date being 24 hours after the release of the full year results for the year ended 30 June 2020 (the **Vesting Date**).

## 4.3 Summary of the rules of the Plan

A summary of the Trust Deed is set out below. A full copy of the Trust Deed is available on the Company's website.

- (a) **Trust Deed** - the Executive Share Plan Trust Deed establishes the plan.
  - (b) **Administration of Plan** - the Plan is administered by the Board in accordance with the provisions of the Trust Deed and the Trustee of the Plan will be Blackmores Nominees Pty Ltd ACN 080 742 589.
  - (c) **Eligible Executive** - under the Plan, the Board may from time to time make an Invitation to participate in the Plan to employees (including employees who are Directors) but excluding:
    - (i) Non-Executive Directors; and
    - (ii) employees who have a legal or beneficial interest in, or who are in a position to vote or control the voting rights attached to, more than 5% of the Shares in the Company.
  - (d) **Source of Shares** - Shares required for the purposes of the Plan will be sourced by issuing new Shares to the Trustee or by the acquisition of Shares by the Trustee on the ASX or off-market.
  - (e) **Payment for Shares** - any costs associated with Shares issued or where acquired, including the cost of acquisition for the purposes of the Plan, will be paid by the Company.
  - (f) **Vesting Condition** - the Board may determine that Vesting Condition(s) apply. For the 2017 awards, the relevant Vesting Condition is as referred to in Section 4.2(c) of this Explanatory Statement and Notes.
  - (g) **Issued Capital not to exceed 5%** - the number of Shares that may be issued under the Plan and any other share or option schemes implemented by the Company (but disregarding any issues of securities which do not require a prospectus or other disclosure document under the Corporations Act) during the previous 5 years must not exceed 5% of the issued capital of the Company at any time.
  - (h) **Dividends** - a Participant is entitled to receive any cash dividend paid in respect of Shares held by the Trustee on behalf of the Participant. However, a Participant is not entitled to participate in the dividend reinvestment plan in respect of those dividends.
  - (i) **Bonus shares** - a Participant is entitled to receive bonus Shares (being additional Shares for having an existing holding of Shares in the Company) but these Shares will be held by the Trustee until the Shares to which the bonus Shares relate are unrestricted. The Participant will be notified by the Trustee of any rights issues and the Participant may provide the Trustee with instructions to either sell the rights or acquire the shares applicable to those rights. The Participant will be required either to pay the relevant amount to exercise those rights to or receive the sale proceeds of those rights from the Trustee.
  - (j) **Release of Shares** - the Board may release Shares from the Plan upon receipt of a notice of withdrawal of Shares from a Plan Participant in respect of those Shares at any time and in any circumstances, provided that the Vesting Condition has been met.
  - (k) **Forfeiture of Shares** - any right or interest in any Shares is forfeited if:
    - (i) the Employment of the Participant ceases as a result of Resignation, Termination or Termination for Cause prior to the Vesting Date; or
    - (ii) the Participant transfers mortgages, charges or assigns or otherwise attempts to deal with any rights or interests the Participant may have in the Shares other than in accordance with the Trust Deed.
- In the event of cessation of employment as a result of Special Circumstances (being death, incapacity or redundancy) then the Shares and/or rights will also be forfeited unless the Board determines otherwise in its discretion.
- The circumstances when Resignation, Termination, Termination for Cause, or death or incapacity are applicable are described in the Executive Service Agreement of each Participant and a definition of Redundancy is in the Trust Deed.
- (l) **Takeovers and Schemes of Arrangement** - If a takeover offer is made in relation to the Company, then the Board may in its discretion declare that each Participant is permitted, if the Participant wishes, to direct the Trustee to accept the offer on the Participant's behalf in respect of any of the Shares standing to the credit of the Participant.
- If there is a proposed scheme of arrangement, the Board may make any determination in relation to the Participant's participation in the proposed scheme of arrangement as it sees fit.

# EXPLANATORY STATEMENT AND NOTES

If at the time of the takeover offer or proposed scheme of arrangement, the Trustee has not yet acquired any Shares on behalf of an Eligible Executive in relation to an award, the Board may exercise its discretion and determine whether any entitlement or right of an Eligible Executive to Shares has vested and determine the number of Plan Shares to be acquired by the Plan Trustee, which must not exceed the maximum entitlement in the Eligible Executive's invitation - following which the Trustee must acquire the relevant Shares for the account of the Eligible Executive and the above paragraphs will apply (as applicable). In making its determination, the Board will assess the performance of the Company in terms of EPS growth over the period that has elapsed.

- (m) **Voting** - Participants are entitled to exercise any voting rights attaching to the Shares registered in the Participant's name.
- (n) **Restrictions on Shares** - a Participant may not dispose of, or grant a security interest over any Shares while they are held in the Plan.
- (o) **Amendments to Trust Deed** - subject to the provisions of the Plan and the Listing Rules, the Board may amend the Trust Deed, with the prior consent of the Trustee, provided that any amendment does not adversely affect the existing rights of Participants.
- (p) **Termination of the Plan** - the Board may terminate the Plan in its discretion or suspend the operation of the Plan in which case the Board will determine in its discretion how the Shares and rights subject to any Conditions are to be dealt with in such circumstances. Shares which are not subject to any Conditions and are Unrestricted Shares may be withdrawn by the Participant in accordance with the Trust Deed.

A copy of the Trust Deed (and its amendments) is available at no cost on request to the Company Secretary.

To the extent applicable to certain employees, a clawback policy will apply to the Plan.

#### 4.4 Recent amendments to Plan

The Board recently resolved to amend the Plan to permit the Trustee to acquire Shares off-market (in addition to purchases on ASX) in order to satisfy awards. The amendments also allow for a Trustee to re-use Shares of a selling Participant for other awards (at the Participant's direction).

#### 4.5 Number of securities issued under the Plan since the date of the last approval at the 2016 AGM

No Shares have been newly issued under the Plan since approval under Exception 9(b) of Listing Rule 7.2 was obtained at the 2016 AGM. However, the Trustee acquired and allocated 113,241 Shares to certain senior executives following the

release of the 2017 full year financial results to satisfy the invitations made in 2014 (based on EPS growth over the period from 1 July 2014 to 30 June 2017).

Please note that the Chairman of the Meeting intends to vote any undirected proxies in favour of this resolution (Resolution 4).

#### 5. Resolution for the approval of the grant of Shares under the Executive Share Plan to Mr Richard Henfrey

Mr Richard Henfrey commenced as Chief Executive Officer of the Company on 17 August 2017 and will join the Board as Managing Director on 30 September 2017.

Shareholder approval is sought for the acquisition of up to 12,852 Shares by the Trustee for the benefit of Mr Henfrey for a 2017 invitation under the Plan (**2017 Invitation**) based on EPS growth over a three-year period (from 1 July 2017 to 30 June 2020). Shareholder approval is sought for the purposes of Listing Rule 10.14, which requires Shareholder approval by ordinary resolution prior to a Director acquiring securities under an employee incentive scheme.

The Non-Executive Directors are of the view that the overall remuneration for Mr Henfrey, including the proposed grant of Shares under Resolution 5, is reasonable having regard to the circumstances of the Company, the duties and responsibilities of Mr Henfrey and market levels of remuneration for people in his position in similar sized companies. Mr Henfrey's remuneration is summarised in the ASX announcement dated 17 August 2017.

For the purposes of Listing Rule 10.15A, the following information is provided to Shareholders:

- (a) The maximum number of Shares that may be acquired on behalf of or by Mr Henfrey in connection with the 2017 Invitation is 12,852;
- (b) The formula for calculating the price for each Share to be acquired under the Plan for the 2017 Invitation is set out in Resolution 5 above. No consideration is payable by Mr Henfrey for the grant or subsequent issue of any of the Shares;
- (c) The Listing Rules require that this Notice of Meeting set out the details of all Directors, Directors' associates and certain others who have acquired securities under the Plan since the last time shareholder approval was given under Listing Rule 10.14. The last shareholder approval was given at the 2016 AGM and since that time the invitations made under the Plan in 2014 (**2014 Invitations**) have vested (based on EPS growth over the period from 1 July 2014 to 30 June 2017). Mr Henfrey and Ms Christine Holgate (a Director at the time the 2014 Invitations vested) were both allocated Shares in satisfaction of their 2014 Invitations.

# EXPLANATORY STATEMENT AND NOTES

Mr Henfrey and Ms Christine Holgate were allocated the following Shares in connection with their 2014 Invitations following the release of the full year financial results ended 30 June 2017:

	Number of Shares
Mr Richard Henfrey	8,012
Ms Christine Holgate	34,436

No consideration was paid by either Mr Henfrey or Ms Holgate for the Shares allocated to them. As disclosed in the notice of meeting for the 2014 AGM, the price of \$30.06 was used to determine the number of Shares to be subscribed for or acquired by the Trustee on behalf of a Participant in connection with the 2014 Invitations.

No other person referred to in Listing Rule 10.14 has received any Shares under the Plan since the 2016 AGM. However, please note that Mr Henfrey has received invitations under the Plan in the years prior to being appointed Managing Director. He received an invitation under the Plan in 2015 under which the Trustee may acquire up to 2,452 Shares by 29 October 2018 (based on EPS growth over the period from 1 July 2015 to 30 June 2018) and in 2016 under which the Trustee may acquire up to 3,045 Shares by 27 October 2019 (based on EPS growth over the period from 1 July 2016 to 30 June 2019);

- (d) Pursuant to the terms of the Trust Deed, any employee (which includes an Executive Director, but excludes Non-Executive Directors of the Company) determined by the Board is eligible to participate in the Plan;
- (e) The Company will not be providing any loan to the Trustee or Mr Henfrey in connection with the issue or acquisition of Shares;
- (f) Details of any Shares issued or acquired under the Plan will be published in each annual report of the Company relating to a period in which those Shares have been issued, and that approval for the issue or acquisition of Shares was obtained under Listing Rule 10.14;
- (g) Any additional persons who become entitled to participate in the Plan after this Resolution is approved and who is not named in this Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14; and
- (h) The Shares will be acquired no later than three years after the date of the Meeting, being 26 October 2020 (or such later date as date as permitted by any ASX waiver or modification of the Listing Rules).

It should be noted that Mr Henfrey is currently the only Director who is able to participate in the Plan. All other current Directors of the Company are ineligible to participate in the Plan and the Company has no other incentive plans that these Directors can participate in.

Please note that the Chairman of the Meeting intends to vote any undirected proxies in favour of this resolution (Resolution 5).



# GLOSSARY

**2014 AGM** means the annual general meeting of Shareholders held on 23 October 2014;

**2016 AGM** means the annual general meeting of Shareholders held on 27 October 2016;

**Annual General Meeting** or **Meeting** means the annual general meeting of Shareholders to be held on 26 October 2017;

**ASX** means ASX Limited ACN 008 624 691;

**ASX Principles** means the ASX Corporate Governance Principles and Recommendations (3rd edition);

**Base Remuneration** means the Eligible Executive's base remuneration (being the annual base remuneration package excluding any entitlements to any bonus, profit share or incentive payments but including any packaged benefits such as superannuation and motor vehicle expense benefits, as at 1 July 2017);

**Board** means the board of Directors of the Company from time to time;

**Closely Related Party** includes a spouse, dependant and certain other close family members of a KMP, as well as any companies controlled by a KMP;

**Company** means Blackmores Limited ACN 009 713 437;

**Constitution** means the constitution of the Company adopted on 23 October 2003.

**Corporations Act** means the Corporations Act 2001 (Cth);

**Director** means a director of the Company;

**Eligible Executive** has the meaning in Section 4.3 above;

**EPS** means basic earnings per share as defined in accounting standards, and as adjusted by the Board in its discretion;

**Explanatory Statement and Notes** means this document which accompanies the Notice of Meeting;

**KMP** means key management personnel;

**Listing Rules** means the Listing Rules of the ASX;

**Non-Executive Director** means a non-executive director of the Company;

**Plan** means the Executive Share Plan;

**Resolution** means each resolution set out in the Notice of Meeting;

**Shareholder** means a holder of Shares in the Company;

**Shares** means fully paid ordinary shares in the capital of the Company; and

**Trustee** means Blackmores Nominees Pty Ltd ACN 080 742 589.

# GENERAL NOTES

1. A Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on the Shareholder's behalf. If the Shareholder is entitled to cast two or more votes at the meeting, the Shareholder may appoint not more than two proxies to attend and vote on the Shareholder's behalf.
2. If a Shareholder appoints two proxies, each proxy should be appointed to represent a specified proportion or number of the Shareholder's votes. In the absence of such a specification, each proxy will be entitled to exercise half the votes.
3. A proxy need not be a Shareholder of the Company.
4. To appoint a proxy (or two proxies), a proxy form must be signed by the Shareholder or the Shareholder's attorney duly authorised in writing. If the Shareholder is a corporation, the proxy form must be signed either under the corporation's common seal (if any) or under the hand of its attorney or officer duly authorised.
5. To be effective, a proxy form (and, if it is signed by an attorney, the authority under which it is signed or a certified copy of the authority) must be received by the Company not later than 48 hours prior to the Annual General Meeting. Proxy forms and authorities may be sent to the Company's share registry, Computershare, by post, personal delivery, fax or via online at the following:  
**Online:** [www.investorvote.com.au](http://www.investorvote.com.au)  
**In person:** Computershare Investor Services Pty Limited  
**Street address:** Level 4, 60 Carrington Street Sydney NSW 2000  
**Via post:** Mailing address: GPO Box 242 Melbourne, VIC 3001 Australia  
**Via Fax:** 1800 783 447 or +61 03 9473 2555  
provided that Shareholders who forward their proxy forms by fax are required to make available the original executed form of the proxy for production, if called upon at the meeting to do so.
6. Sections 250BB and 250BC of the Corporations Act apply to voting by proxy. Broadly, these sections mean that:
  - if proxy holders vote, they must cast all directed proxies as directed; and
  - any directed proxies which are not voted will automatically default to the chairperson of the meeting, who must vote the proxies as directed.More detail on these requirements is provided below.  
**Proxy vote if appointment specifies way to vote**  
Section 250BB(1) provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:
  - the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
  - if the proxy has 2 or more appointments that specify different ways to vote on the resolution - the proxy must not vote on a show of hands; and
  - if the proxy is the chair of the meeting at which the resolution is voted on - the proxy must vote on a poll, and must vote that way; and
  - if the proxy is not the chair - the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way.

## Transfer of non-chair proxy to chair in certain circumstances

Section 250BC provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the question that the resolution be passed; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting;
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

## Proxy voting by KMP or Closely Related Parties

Section 250BD provides that a person who is appointed as a proxy must not exercise any undirected proxies on a resolution connected with the remuneration of KMP if they themselves are, or are Closely Related Party of, a member of the KMP. This prohibition does not apply to the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman of the Meeting to exercise an undirected proxy.

7. A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of a company's Shareholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.
8. For the purposes of the Annual General Meeting, persons on the register of Shareholders as at close of business on Tuesday 24 October 2017 will be treated as Shareholders. This means that if you are not the registered holder of a relevant Share at that time you will not be entitled to vote in respect of that Share.
9. As stated under the explanatory notes to each Resolution, the Chairman of the Meeting intends to vote any undirected proxies in favour of each Resolution. 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.
10. We have written to Shareholders previously to advise the default option for receiving annual reports to be via the Company's website ([www.blackmores.com.au/about-us/investor-centre](http://www.blackmores.com.au/about-us/investor-centre)).

However, if you would still like to receive a hard copy of the Annual Report, please call an investor services representative on 1300 850 505 or outside Australia on +61 3 9415 4000, to request a copy.





BLACKMORES®

# ANNUAL GENERAL MEETING 2017

BLACKMORES®

Marcus Blackmore AM invites you to join him, together with Blackmores' Chairman, Stephen Chapman, Chief Executive Officer, Richard Henfrey and Chief Financial Officer, Aaron Canning, to the Blackmores Annual General Meeting (AGM).

The AGM will be held at 11.00am on 26 October 2017 at the Blackmores Campus, 20 Jubilee Avenue, Warriewood NSW 2102.

In addition to the Blackmores AGM lunch, Campus tours will also be available to shareholders (numbers limited). Prior to the meeting the Blackmores shop will be open for shareholder purchases.

## Attendance and Tour Registration

To assist with catering and seating, please register to attend the Annual General Meeting.

Tours of the Blackmores Campus will be available to shareholders at 10.00am and 10.15am.

To register, please contact Blackmores Reception +61 2 9910 5000 or email [reception@blackmores.com.au](mailto:reception@blackmores.com.au) by 23 October 2017.

## Disabled Access

Disabled parking spaces are available on site and there is easy access to all areas of the Campus.

## Travel Options

### 1. ACCESS BY CAR

Limited parking is available on site - the main entrance is at 20 Jubilee Avenue, Warriewood.

### 2. TRAVEL BY PUBLIC TRANSPORT

The Blackmores Campus is approximately a 10 minute walk from Mona Vale shopping centre.

## PUBLIC TRANSPORT

For travel between the City and Mona Vale there are frequent bus services operating from Wynyard station. Travel between Palm Beach and Mona Vale is also available for those commuting from the Central Coast by ferry. Please call the transport infoline on 131500 or visit the public transport website [www.transportnsw.info](http://www.transportnsw.info).

Fantasea Cruising has services that run from Palm Beach to Ettalong. Timetables and fares of these services are available on the Fantasea Cruising website or by phoning 1800 326 822, or [www.fantasea.com.au/palmbeachferries](http://www.fantasea.com.au/palmbeachferries)

For travel between Palm Beach and Mona Vale, please refer above for bus information.

## Shareholder Questions

Your questions are important to us and the AGM is the opportunity for the Chairman, CEO, and Auditors to respond to the frequently asked questions of our valued shareholders.

Please use this form to submit any questions related to Blackmores that you would like addressed at the AGM. Questions can also be emailed to the Company Secretary, Cecile Cooper: [cecile.cooper@blackmores.com.au](mailto:cecile.cooper@blackmores.com.au), or place this form in an envelope addressed to Reply Paid 1725, Warriewood 2102.

Shareholder's name: \_\_\_\_\_  
Contact phone number: \_\_\_\_\_  
Email address: \_\_\_\_\_  
Address: \_\_\_\_\_

Question(s): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Shareholder Reference Number (SRN)  
OR Holder Identification Number (HIN): \_\_\_\_\_

Chairman  CEO  Auditor