

ASX Release



29 March 2021

Inghams Group Limited (ASX: ING, Ingham's) Change of leadership

The Chairman of Ingham's, Peter Bush, today announced that its Chief Executive Officer Jim Leighton would be leaving the role effective today and returning to the United States. Andrew Reeves, currently a non-executive director, will be appointed Chief Executive Officer and Managing Director.

Peter Bush said "Jim leaves as a good leaver and with our very best wishes. He is returning to the United States for personal reasons. Jim joined us in 2018 and, as our recently released 1H results demonstrate, he and his team have significantly improved the operations of our company. The board and I thank Jim and his family for managing the many challenges they have faced since Jim's arrival over two years ago. Jim and his team have built a solid foundation for growth. We wish Jim and his family all the best."

"Ingham's is fortunate to have someone of Andrew Reeves experience and calibre on our board and in a position to become our Chief Executive Officer. His great knowledge of Ingham's will ensure a smooth transition and no loss of momentum in the business.

"Andrew is an experienced consumer goods executive in the food and beverage sector who has served as CEO and Managing Director of the Australian and New Zealand subsidiaries of large listed Australian and multinational companies. Andrew's most recent executive role was as CEO of George Weston Foods in Australia and New Zealand (a subsidiary of Associated British Foods PLC), a role he held between 2011 and 2016. He has also held senior roles as Managing Director, Lion Dairy & Drinks (formerly National Foods Limited), Managing Director Lion Nathan - Australia, and Managing Director - Australia Coca-Cola Amatil. Andrew has also served as Chair and Deputy Chair of the Australian Food & Grocery Council" Peter Bush said.

Andrew Reeves's professional experience is set out in Attachment 1 to this announcement and the terms of his appointment are set out in Attachment 2.

Jim Leighton will remain with the company until the end of the financial year to facilitate an orderly handover. Jim's entitlements on ceasing employment with Ingham's are as previously advised to the market. Jim will remain eligible to receive a short-term incentive (STI) for FY21, in line with Ingham's usual STI arrangements. Jim will also be eligible to receive a partial long-term incentive (LTI) award for FY20.

Recognising shareholder feedback on proposed changes to Ingham's LTI arrangements during 2020, the partial FY20 LTI provided to Jim will be granted on the terms originally approved by Ingham's shareholders at the company's 2019 AGM. However, the LTI award for FY20 will only relate to the total shareholder return (TSR) component of the original proposed award (being 25% of its original face value) and will also be pro-rated on cessation of Jim's employment (based on the portion of the performance period served). The award will be subject to testing at the end of the performance period, in June 2022. Jim will not be eligible to receive an LTI award for FY21.

The Board is conducting a search for an independent director to replace Andrew on the Board.

This announcement has been authorised by the Inghams Group Limited Board.

A handwritten signature in blue ink that reads "David Matthews".

David Matthews, Company Secretary

Investor Enquiries

Brett Ward

Brett@catoandclive.com / +61 437 994 451

Media Enquiries

Sue Cato

cato@catoandclive.com / +61 419 282 319

ASX Release

29 March 2021



Attachment 1: Andrew Reeves Bio

Mr. Reeves is a highly respected leader and strategist in FMCG with extensive exposure to public equity markets and brings invaluable experience to the Ingham's management team.

Mr. Reeves has more than 40 years' experience in leadership and governance roles in prominent Australian and international listed Food & Beverage, and Agri-Business companies. His prior roles have included Chief Executive Officer of George Weston Foods, Managing Director and Executive Director of Lion Nathan Limited (including Managing Director of Lion Dairy & Drinks), Managing Director Australia of Coca-Cola Amatil and Managing Director of The Smith's Snack Food Company among others.

ASX Release

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Attachment 2 – Terms of appointment for Andrew Reeves

Role	Chief Executive Officer and Managing Director
Commencement date and term	29 March 2021 No fixed term. Ongoing unless terminated by either party in accordance with the executive services agreement (see below).
Total Fixed Remuneration (TFR)	\$1,100,000 per annum (inclusive of superannuation).
Participation in New Incentive Arrangements	<p>STI arrangements</p> <p>Andrew will be eligible to participate in the Company's STI arrangements and will have a maximum STI opportunity of 150% of TFR, subject to performance against annual performance targets set by the Board. It is intended that 50% of the STI will be paid in cash and 50% of the STI will be awarded as deferred rights eligible to vest after one year.</p> <p>Andrew will receive a pro-rated STI award for FY21.</p> <p>LTI arrangements</p> <p>From FY22, Andrew will be eligible to receive an LTI award of up to 150% of TFR, subject to performance over a three-year period. The LTI award will be delivered as performance rights to receive Ingham's shares under the terms of Ingham's Long Term Incentive Plan.</p> <p>It is intended that:</p> <ul style="list-style-type: none">• Performance rights vest at the end of the three-year performance period, subject to the satisfaction of performance hurdles set and assessed by the Board; and• 50% of the performance rights are subject to a performance condition based on Ingham's Return on Invested Capital (ROIC); and• 50% of the performance rights are subject to relative total shareholder return (TSR) performance compared to a comparator group over the performance period. <p>Andrew's initial LTI award, being for FY22-24, will be put to the Ingham's AGM in November 2021 and subject to shareholder approval.</p>
Termination of Employment, Notice Period and Termination Payments	<p>Either party may terminate the agreement by providing at least 12 months' written notice to the other party.</p> <p>Andrew may be required to serve out the whole or part of the notice period, or be paid in lieu of all or part of the notice period at the Board's discretion.</p>
Restraints	A 12-month restraint provision applies.