



Notice of Annual General Meeting

19



Registered Office:
20 Jubilee Avenue,
Warriewood NSW 2102
Telephone +61 2 9910 5000
Facsimile +61 2 9910 5555



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

To be held at 11am on 31 October 2019
at the Blackmores Campus
20 Jubilee Avenue
Warriewood NSW 2102.

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, 31 October 2019 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.

Items of Business

Consideration of Financial Report

To consider the Financial Report and the reports of the Directors and Auditors for the year ended 30 June 2019.

Remuneration Report

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

“That the Remuneration Report, as contained in the Directors’ Report of the Company, for the year ended 30 June 2019, be adopted.”

Voting Exclusion Statement for Resolution 1

The Company will disregard any votes cast on this Resolution by or on behalf of a member of the Key Management Personnel (KMP) named in the Remuneration Report for the year ended 30 June 2019, or that member’s Closely Related Party, regardless of the capacity in which the vote is cast.

However, a member of the KMP or Closely Related Party may cast a vote on this item as proxy for a person that is entitled to vote if:

- the appointment of the proxy specifies in writing the way the proxy is to vote on the resolution; or
- that person is the Chair of the Meeting, and the appointment of the proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chair of the Meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP

Election of Directors

Resolution 2 - Election of Ms Christine Holman as a Director

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

“That Ms Christine Holman who was appointed a Director pursuant to Clause 92 during the year, and who retires in accordance with Clauses 93 and 94 of the Constitution and being eligible, offers herself for election, be elected a Director of the Company.”

Approval of Short Term Incentive Plan (STI Plan)

Resolution 3 - To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

“That for the purpose of Listing Rule 7.2, exception 9 and for all other purposes, the issue of securities under the Executive Share Plan (ESP) for the STI Plan, on the terms set out in the Explanatory Statement and Notes, is approved.”

Voting Exclusion Statement for Resolution 3

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a Director of the Company (except a Director who is ineligible to participate in any employee scheme of the Company) or their associates. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions in the proxy form or if it is cast by the person chairing the meeting 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.

Approval of Long Term Incentive Plan (LTI Plan)

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

“That for the purpose of Listing Rule 7.2, exception 9 and for all other purposes, the issue of securities under the ESP for the LTI Plan on the terms set out in the Explanatory Statement and Notes, is approved.”

Voting Exclusion Statement for Resolution 4

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a Director of the Company (except a Director who is ineligible to participate in any employee scheme of the Company) or their associates. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions in the proxy form or if it is cast by the person chairing the meeting 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.

Notice of Meeting (Cont.)

Approval of grant of Shares to Mr Alastair Symington (CEO and Managing Director of the Company) under the ESP

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

“That for the purpose of Listing Rule 10.14 and for all other purposes, the issue of 13,650 Shares to Mr Alastair Symington (CEO and Managing Director of the Company) under the ESP on the terms and conditions set out in the Explanatory Statement, is approved”.

Voting Exclusion Statement for Resolution 5

A voting exclusion statement applies to this Resolution as set out at the end of this Notice of Meeting.

Approval of grant of STI Award to Mr Alastair Symington (CEO and Managing Director of the Company) under the ESP

Resolution 6 - To consider, and if thought fit, to pass the following resolution as an ordinary resolution

“That for the purpose of Listing Rule 10.14 and for all other purposes, the acquisition of up to 8,707 Shares (STI Award) by Mr Alastair Symington (CEO and Managing Director of the Company) under the ESP on the terms and conditions set out in the Explanatory Statement, is approved”.

Voting Exclusion Statement for Resolution 6

A voting exclusion statement applies to this Resolution as set out at the end of this Notice of Meeting.

Approval of grant of LTI Award to Mr Alastair Symington (CEO and Managing Director of the Company) under the ESP

Resolution 7 - To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

“That for the purpose of Listing Rule 10.14 and for all other purposes, the acquisition of up to 35,622 Shares (LTI Award) by Mr Alastair Symington (CEO and Managing Director of the Company) on the terms and conditions set out in the Explanatory Statement, is approved”.

Voting Exclusion Statement for Resolution 7

A voting exclusion statement applies to this Resolution as set out below.

Voting Exclusion Statement for Resolution 5, Resolution 6 and Resolution 7

The Company will disregard any votes cast:

- (a) in favour of the Resolution by or on behalf of Mr Symington and any other Director eligible to participate in the ESP or their associates; or
- (b) on the Resolution as proxy by any member of KMP or a Closely Related Party of a member of KMP, who is not directed how to vote.

However, the Company will not disregard a vote if it is cast by:

- a person as proxy for a person who is entitled to vote in accordance with the directions of the proxy form; or
- the Chair of the meeting as proxy for a person who is entitled to vote, without being directed how to vote and the appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

BY ORDER OF THE BOARD

C M Cooper
Company Secretary

Dated 20 September 2019

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 and Notes has been prepared for the information of Shareholders in connection with the business to be transacted at the Annual General Meeting of Shareholders on 31 October 2019.

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

Overview of Business and Resolutions

Consideration of Financial Report, Directors' Report and Auditor's 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 2019 will be laid before the Annual General Meeting. While Shareholders are 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 2019.

Resolution 1: Adoption of Remuneration Report

Shareholders are asked to adopt the Remuneration Report for the year ended 30 June 2019. The vote on this resolution is non-binding and advisory only. However, Blackmores values shareholder feedback, and the Board will take the outcome of the vote into account when considering future remuneration policies.

The Remuneration Report is set out in the Company's 2019 Annual Report on pages 54-71, and is available on the Company's website (www.blackmores.com.au/about-us/investor-centre/annual-and-half-year-reports)

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 and the KMP; and
- (e) discloses the nature of the termination clauses under contracts for each Director and the KMP where applicable.

If the resolution to approve the company's Remuneration Report receives "no" votes of 25% or more at two successive annual general meetings (known as the "Two Strikes Rule") Shareholders will be required to vote at the second of those annual general meetings on a "board spill resolution" to determine whether another meeting should be held within 90 days at which all of the Company's Directors (other than the CEO/Managing Director) must stand for re-election.

Voting Exclusions

A voting exclusion applies to this Resolution as set out in the Notice of Meeting.

The Board recommends that Shareholders vote in favour of Resolution 1.

The Chairman intends to vote any undirected proxies in favour of Resolution 1.

Resolution 2: Election of Ms Christine Holman as a Director

Ms Christine Holman joined the Board of Directors on 18 March 2019. She has served as director for approximately 6 months.

Ms Holman brings more than 20 years of extensive commercial and board experience across a variety of areas including mergers and acquisitions, finance, sales, technology, digital transformations and marketing. She currently serves on the boards of two ASX companies, WiseTech Global Ltd and CSR Ltd, and on the Board of a Federal Government Business Enterprise, the Moorebank Intermodal Company.

Ms Holman's previous roles include the CFO and Commercial Director at Telstra Broadcast Services. She also worked for more than a decade in private investment management, assisting management and Boards of investee companies on strategy, corporate development and mergers and acquisitions.

Ms Holman holds a Master of Business Administration and a Post Graduate Diploma in Management from Macquarie University and is a Graduate of the Australian Institute of Company Directors' Company Directors Course.

The Board (with Ms Holman abstaining) has determined that Ms Holman is an independent Director.

The Board (excluding Ms Holman) unanimously support the election of Ms Holman.

The Board (excluding Ms Holman) recommend that Shareholders vote in favour of the election of Ms Holman as a Director (Resolution 2). The Chairman intends to vote any undirected proxies in favour of Resolution 2.

Resolution 3 and Resolution 4: Approval of the STI Plan and the LTI Plan

Background

The Company established an Executive Share Plan (ESP) which enables Eligible Executives to acquire securities in the Company. The ESP is intended to align the interests of executives with the long term interests of the Company's Shareholders.

The Board now plans to enhance the ESP, by using it to implement both an STI Plan deferral and LTI Plan (which are explained in further detail below) using the Trust structure within the ESP.

Explanatory Statement and Notes

The Company seeks shareholder approval pursuant to Listing Rule 7.2 exception 9 for the issue of securities to Eligible Executives under the ESP, including under the STI Plan and LTI Plan. Shareholder approval was most recently obtained for the purpose of Listing Rule 7.2, exception 9 at the Company's 2018 AGM.

ASX Listing Rule requirements

ASX Listing Rule 7.1 limits the issue of equity securities to a maximum of 15% of the company's issued capital over a rolling 12 month period. The issue of Shares or other securities under the ESP is subject to ASX Listing Rule 7.1.

There are a number of exceptions to Rule 7.1, including exception 9 of ASX Listing Rule 7.2 which provides that securities granted under an employee incentive scheme are not required to be included in the 15% calculation where shareholders approve the grant of securities as an exception to ASX Listing Rule 7.1, and the approval is refreshed every three years.

If this resolution is approved, Shares and other securities under the ESP may be granted by the Company in accordance with the approval up until the date which is three years after the date of this AGM without the securities counting towards the 15% limit under Listing Rule 7.1.

However, if the exception under ASX Listing Rule 7.2 applies to issues of securities under the ESP, the terms of the ESP (summarised below) still impose limits on the number of securities that can be issued.

If this resolution is approved, details of any securities granted under the ESP will be included in the Company's Annual Report for the year in which they are granted.

How does the ESP Work?

This section gives a brief outline of how the Board implements participation under the Trust Deed which establishes the ESP. A Trust Deed is used so that the legal interest in the Shares is held by the Trustee until such times as all Vesting Conditions are satisfied. Until that time, an ESP participant may only hold the beneficial interest in any 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 ESP participant and also to reallocate forfeited Shares in circumstances where the Vesting Conditions are not met by other ESP participants.

Most words with initial capitals in this section are defined in the Trust Deed.

(a) Participation

Participation is by invitation to key staff. From this year onwards, this relates to the deferral component of the

Short Term Incentive Plan as well as to the Long Term Incentive.

Carefully designed, performance linked, equity plans are widely considered to be very effective in providing longer 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 ESP 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.

The Board may grant:

- share rights under the short term incentive (STI) Plan to selected Eligible Executives. The STI award is determined annually based on performance against annual corporate and individual targets, with a portion of the STI award to be deferred over one-year subject to continuous employment ; or
- long term incentive (LTI) awards to selected Eligible Executives, based on EPS growth over a 3-year period from 1 July 2019 to 30 June 2022, and meeting pre-determined ROIC targets over the same period. The Board considers this structure to be aligned with the Company's long term strategy of generating shareholder value.

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

The number of Shares which will be subscribed for or acquired by the Trustee on behalf of a participant for any grants made in 2019 will be calculated as a percentage of the participant's Total Fixed Remuneration. Each executive has a specific STI and LTI opportunity which is determined at the beginning of the performance period. A portion of that opportunity for STI will be deferred (in the form of restricted equity) and all of the opportunity for LTI is granted as rights which vest into shares on successful achievement of performance measures as discussed below.

(c) Vesting Condition

STI Awards

For any STI award in 2019, the Company must have achieved threshold levels of NPAT performance in addition to the Board determining that appropriate standards have been achieved with regards to brand reputation, safety and quality.

Performance of the Company against pre-determined annual targets and individual performance determines the amount of STI award available to each executive.

Explanatory Statement and Notes

A portion of the STI award is deferred into performance rights. These rights vest into shares based on continuous employment after one year.

For the awards in 2019, 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 **STI Vesting Date**).

LTI Awards

For any awards in 2019, the threshold requirement for any Shares to be acquired pursuant to the ESP by the Trustee is that the compounded annual EPS growth rate and ROIC hurdle over the period from 1 July 2019 to 30 June 2022 must be achieved at a certain level and, this will determine the percentage of Base Remuneration which will be contributed to enable the Trustee to acquire the Shares.

For the awards in 2019, a Participant must generally not cease employment for any reason prior to 30 June 2022 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 2022 (the **LTI Vesting Date**).

Summary of the rules of the ESP

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. The Trustee of the ESP is Blackmores Nominees Pty Ltd.
- (b) **Administration of ESP** - the ESP is administered by the Board in accordance with the provisions of the Trust Deed, including the power to suspend or terminate the ESP. The Board may also amend the Trust Deed provided that any amendment does not adversely affect the existing rights of Participants.
- (c) **Eligible Executive** - under the ESP, the Board may from time to time make an Invitation to participate in the ESP 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 ESP will be sourced, at the cost of the Company, by issuing new Shares to the Trustee or by the acquisition of Shares by the Trustee on the ASX or off-market. The Trustee may also re-use Shares of a selling Participant for other awards (at the Participant's direction).

- (e) **Vesting** - the Board may determine the Vesting Condition(s) that apply. A Participant may withdraw Shares from the ESP once they have vested.
- (f) **Issued Capital not to exceed 5%** - the number of Shares that may be issued under the ESP 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 3 years must not exceed 5% of the issued capital of the Company at any time.
- (g) **Dividends and voting** - a Participant is entitled to receive any cash dividend paid in respect of Shares held by the Trustee on behalf of the Participant, and to direct the Trustee how to vote such allocated Shares.
- (h) **Bonus Shares and rights issues** - a Participant is entitled to receive bonus Shares issued in respect of Shares held on the Participant's behalf, subject to those latter Shares vesting. A Participant may fund participation in (and receive Shares for) a rights issue in respect of Shares held on behalf of the Participant, or request the Trustee to sell the rights in which case the Participant will receive the sale proceeds of those rights.
- (i) **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.
- (j) **Takeovers and Schemes of Arrangement** - the Board may in its discretion allow a Participant to accept a takeover offer for Shares held on the Participant's behalf, or to allow the Participant to participate in respect of a scheme of arrangement. If the relevant Shares have not vested or have not yet been acquired for the Participant, the Board may exercise its discretion and determine the number of Shares to be acquired by the Trustee for the Participant in these circumstances, based on the Board's assessment of the performance of the Company in terms of EPS growth and ROIC over the period that has elapsed.
- (k) **Restrictions on Shares** - a Participant may not dispose of, or grant a security interest over any Shares, while they are held in the ESP.

Explanatory Statement and Notes

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

Number of securities issued under the ESP since the date of the last approval at the 2018 AGM

No Shares have been issued under the ESP since the last approval of the ESP at the 2018 AGM.

Voting exclusions

A voting exclusion applies to this Resolution as set out in the Notice of Meeting.

Recommendation

The Board (excluding any director eligible to participate in the ESP) recommends that Shareholders vote in favour of each of Resolution 3 and Resolution 4.

The Chairman intends to vote any undirected proxies in favour of each of Resolution 3 and 4.

Resolution 5, Resolution 6 and Resolution 7: Approval of the grant of Shares to Mr Alastair Symington under the ESP

Background

The Company seeks approval to grant up to 57,979 Shares to Mr Alastair Symington, under the Company's ESP.

The proposal to issue Shares to Mr Alastair Symington arises from the terms of his employment contract. As announced to the ASX on 2 July 2019, Mr Symington's employment contract includes (in each case subject to necessary Shareholder approval):

- a right to acquire Shares under the ESP to the value of up to \$1 million, based on the VWAP of the Shares for the 10 day trading day period prior to commencement of his employment (subject to Mr Symington being employed with the Company 3 years after his Commencement Date) (**Sign-On Shares**);
- a short term incentive award (subject to certain Company and individual targets being satisfied); and
- a long term incentive award (subject to certain Company and individual targets being satisfied).

The Board had regard to international market benchmarking comparing the CEO role to broadly comparable companies. The incentive plan is market competitive and aligned with Blackmores' remuneration philosophy with sufficient amount "at risk" to align shareholder interests with the CEO performance. The sign-on amount is subject to three years' employment.

Overview of the incentive arrangements

Sign-On

As part of Mr Symington's sign on package with the Company, he will receive a cash payment of up to \$300,000 and a number of Shares equivalent to \$1 million in value (based on

the VWAP of the Shares for the 10 day trading day period prior to commencement of his employment).

Mr Symington commenced employment with the Company on 16 September 2019 (**Commencement Date**). The Shares will vest 3 years from the Commencement Date, subject to Mr Symington remaining an employee of the Company.

The Sign-On Shares are a part of Mr Symington's sign on package with the Company. These Shares are being provided to Mr Symington in recognition of, and as compensation for, other incentive awards foregone upon his resignation with his previous employer. The actual value of Sign-On Shares will be at the agreed \$1 million capped amount, because the value of the other incentive awards forgone was calculated to have exceeded \$1 million.

STI Award

Mr Symington is eligible to participate in the STI Plan. The number of Shares which Mr Symington may be granted under the STI Plan will depend on whether Mr Symington achieves both Company and individual performance targets, as set by the Board.

For the FY2020 year, Mr Symington is eligible to receive:

- up to 4,353 Shares (equivalent of up to 60% of his Total Fixed Remuneration) if target performance is achieved; and
- up to 8,707 Shares (equivalent of up to 120% of his Total Fixed Remuneration) if maximum (stretch) performance is achieved.

LTI Award

Mr Symington is eligible to participate in the LTI Plan. The number of Shares which Mr Symington may be granted under the LTI Plan will be based on the minimum share growth (EPS) of the Company and Return on Invested Capital (ROIC) as determined by the Board.

For the FY2020 year, Mr Symington is eligible to receive:

- up to 17,811 Shares (equivalent of up to 100% of his Total Fixed Remuneration) if target performance is achieved; and
- up to 35,622 Shares (equivalent of up to 200% of his Total Fixed Remuneration) if maximum (stretch) performance is achieved.

The Board considers that the "reasonable remuneration" exception in relation to Chapter 2E of the Corporations Act (regarding financial benefits to related parties) applies to the proposed issue of Shares to Mr Alastair Symington.

ASX Listing Rules requirements

ASX Listing Rule 10.14 requires the Company to obtain the approval of its Shareholders for the issue of securities to any Director of the Company under an employee incentive scheme. Accordingly, shareholder approval is sought for the grant of Shares to Mr Alastair Symington under the ESP.

Explanatory Statement and Notes

Approval pursuant to ASX Listing Rule 7.1 is not required to issue the Shares to Mr Symington as approval is being sought pursuant to ASX Listing Rule 10.14. Accordingly, the issue of Shares to Mr Symington will not be included in the calculation of the Company's 15% placement capacity under ASX Listing Rule 7.1.

Specific information on the Resolution

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

- (a) Maximum number of Shares: The maximum number of Shares that may be acquired by Mr Alastair Symington under the ESP is 57,979. This comprises:
 - 13,650 Sign-On Shares in accordance with Mr Symington's employment contract;
 - up to 8,707 Shares as an STI Award; and
 - up to 35,622 Shares as an LTI Award.
- (b) Price for each Share: No consideration is payable 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 persons referred in Listing Rule 10.14 who have acquired securities under the ESP since the last shareholder approval of the ESP at the 2018 AGM. There have been no issues of securities under the ESP since that date.
- (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 ESP. Alastair Symington and Marcus Blackmore are the only directors eligible to participate in the ESP.
- (e) The Company will not be providing any loan to Mr Alastair Symington in connection with the issue or acquisition of Shares.
- (f) Details of any Shares issued or acquired under the ESP 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 Directors (and their associates) who become entitled to participate in the ESP after this resolution is approved and who are not named in this Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14.
- (h) The Shares will be provided to Mr Symington no later than three years after the date of the Meeting, being 31 October 2022 (or such later date as permitted by any ASX waiver or modification of the Listing Rules).

Voting exclusions

A voting exclusion applies to Resolution 5, Resolution 6 and Resolution 7 as set out in the Notice of Meeting.

Recommendation

The Board (excluding Alastair Symington) recommends that Shareholders vote in favour of each of Resolution 5, Resolution 6 and Resolution 7.

The Chairman intends to vote any undirected proxies in favour of each of Resolution 5, Resolution 6 and Resolution 7.

Glossary



2018 AGM means the annual general meeting of Shareholders held on 25 October 2018;

Annual General Meeting or **Meeting** means the annual general meeting of Shareholders to be held on 31 October 2019;

ASX means ASX Limited ACN 008 624 691;

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 2019);

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

CEO means Chief Executive Officer;

Closely Related Party has the definition given to it by section 9 of the Corporations Act, and in relation to a member of KMP means:

- (a) a spouse or child of the member; or
- (b) a child of the member's spouse; or
- (c) a dependant of the member or of the member's spouse; or
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or
- (e) a company the member controls; or
- (f) a person prescribed by the regulations for the purposes of this definition;

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 given to that term in the ESP;

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

ESP means the Executive Share Plan;

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

Listing Rules means the Listing Rules of the ASX;

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

NPAT means net profit after tax;

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

ROIC means return on invested capital. ROIC is effectively a measure of capital efficiency and the benchmark against which ROIC is measured is a company's weighted average cost of capital (WACC). ROIC focuses on managing both the financial returns and the invested capital base used to generate those returns. ROIC is defined as Net Operating Profit After Tax divided by Average Invested Capital.

Shareholder means a holder of Shares in the Company;

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

Total Fixed Remuneration has the meaning given to it in the Company's ASX Announcement of 2 July 2019;

Trustee means Blackmores Nominees Pty Ltd ACN 080 742 589; and

VWAP means the volume weighted average price.

Conduct of the Annual General Meeting



The Annual General Meeting is intended to provide Shareholders with the opportunity to hear from the Chairman and the Chief Executive Officer about the performance and operations of the Company.

Voting on each Resolution at the Annual General Meeting is expected to be conducted by poll. The Chairman intends to vote all available proxies in favour of each Resolution. In exceptional circumstances, the Chairman may change his voting intention on any Resolution, in which case an ASX announcement will be made.

Questions from Shareholders

Shareholders who are entitled to vote at the Annual General Meeting may submit written questions to the Company's auditor concerning the content of the Auditor's Report or the conduct of the audit of the financial report for the financial year ended 30 June 2019 prior to the Annual General Meeting. Questions must be received by 5.00pm AEDST on Thursday, 24 October 2019 and should be forwarded to the Company Secretary.

Voting

For the purposes of the Annual General Meeting, persons on the register of Shareholders as at close of business on Tuesday, 29 October 2019 will be treated as Shareholders. This means that if you are not the registered holder of a Share at that time you will not be entitled to vote.

Proxies

A Shareholder who is entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on their behalf. A proxy need not be a Shareholder of the Company.

If the Shareholder is entitled to cast two or more votes at the meeting, the Shareholder may appoint two proxies to attend and vote on the Shareholder's behalf. 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.

Completed Proxy Forms (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 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
- In person:** Computershare Investor Services Pty Limited
- Street address:** Level 3, 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 may be required to produce the original executed Proxy Form, if called upon at the Meeting to do so.

Directed proxies

Under the Corporations Act, if the appointment of a proxy specifies the way the proxy is to vote on a particular resolution:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (subject to any applicable voting restrictions); 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 (subject to any applicable voting restrictions); 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.

Chairman's deemed proxy appointment in certain circumstances

There are certain circumstances where the Chairman will be taken to have been appointed a shareholder's proxy for the purposes of voting on a particular resolution even if the shareholder has not expressly appointed the Chairman as their proxy. This will be the case where:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution; and
- the appointed proxy is not the Chairman; and
- at the meeting, a poll is called on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution.

Proxy voting by KMP or Closely Related Parties

Under the Corporations Act, 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 a Closely Related Party of, a member of the KMP. This prohibition does not apply to the Chairman where the proxy appointment expressly authorises the Chairman to exercise an undirected proxy.

Corporate Representative

A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at the Annual General Meeting. This includes body corporates that have been appointed as a proxy for a shareholder.

The representative should bring to the meeting evidence of his or her appointment unless it has previously been provided to Computershare.

Annual Report

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).

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 LIMITED

Annual General Meeting

2019

BLACKMORES
| GROUP

Brent Wallace, Blackmores' Chairman and Chief Executive Officer, Alastair Symington invite you to the 2019 Blackmores Annual General Meeting (AGM).

The AGM will be held at 11.00am on 31 October 2019 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 by 28 October 2019.

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.

Users of the public transport B-Line bus service are able to book a Keoride pick up from and to the Campus to connect them to the Mona Vale or Warriewood transport hubs.

Book via the Keoride app (available on the App Store or Google Play) or call 1800 536 743.

Please call the transport infoline on 131500 or visit the public transport website www.transportnsw.info.

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, or place this form in an envelope addressed to Reply Paid 1725, Warriewood 2102.

Shareholder's name: _____

Question(s): _____

Contact phone number: _____

Email address: _____

Address: _____

Shareholder Reference Number (SRN)

OR Holder Identification Number (HIN): _____

Chairman CEO Auditor

BLACKMORES CAMPUS
20 JUBILEE AVENUE
WARRIEWOOD NSW 2102

REGISTERED OFFICE:
20 JUBILEE AVENUE, WARRIEWOOD NSW 2102
TELEPHONE +61 2 9910 5000 | FACSIMILE +61 2 9910 5555

BLACKMORES LIMITED ABN 35 009 713 437



BKL

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



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by 11.00am (AEDT) Tuesday 29 October 2019.

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.

ATTENDING THE MEETING

If you are attending in person, please bring this form with you to assist registration.

Corporate Representative

If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Use your computer or smartphone to appoint your proxy and vote at www.investorvote.com.au or scan your personalised QR code below using your smartphone.

Your secure access information is



Control Number: 999999
SRN/HIN: I999999999
PIN: 99999

For Intermediary Online subscribers (custodians) go to 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.

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 Blackmores 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 Blackmores Limited to be held at the Blackmores Campus, 20 Jubilee Avenue Warriewood NSW 2102 on Thursday, 31 October 2019 at 11.00am 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 Items 1, 3, 4, 5, 6 & 7 (except where I/we have indicated a different voting intention in step 2) even though Items 1, 3, 4, 5, 6 & 7 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 Items 1, 3, 4, 5, 6 & 7 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
1 Adoption of the Remuneration Report for year ended 30 June 2019	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Ms Christine Holman as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of Short Term Incentive Plan (STI Plan)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of Long Term Incentive Plan (LTI Plan)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of grant of Shares to Mr Alastair Symington (CEO and Managing Director of the Company) under the Executive Share Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval of grant of STI Award to Mr Alastair Symington (CEO and Managing Director of the Company) under the Executive Share Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Approval of grant of LTI Award to Mr Alastair Symington (CEO and Managing Director of the Company) under the Executive Share Plan	<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 Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 Securityholder 2 Securityholder 3 / /
 Sole Director & Sole Company Secretary Director 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

