

ASX RELEASE

22 August 2017

Spotless announces CEO appointment

The Board of Spotless Group Holdings Limited (Spotless) (ASX: SPO) is pleased to announce the appointment of Ms Dana Nelson to the role of Chief Executive Officer (CEO) and Managing Director effective immediately, following the resignation of Mr Martin Sheppard.

Mr Sheppard has elected to pursue other opportunities following the recent Downer takeover.

Spotless Chairman Mr Garry Hounsell thanked Mr Sheppard and paid tribute to his efforts: "Martin has made an outstanding contribution to Spotless, providing great leadership through what has been a challenging period for the Company and he leaves the Company extremely well positioned for growth going forward."

Mr Sheppard commenced his appointment as CEO and Managing Director of Spotless in November 2015. During this tenure, Mr Sheppard oversaw significant change at Spotless, including the resetting of Spotless' strategy in relation to priority growth sectors.

Ms Nelson has been the Chief Operating Officer (COO) of Spotless since July 2015. In her role as COO she has had full accountability for all Spotless' key sectors, services lines and brands across Australia and New Zealand. Ms Nelson commenced with Spotless in 2010 heading the development of Alliance Catering prior to assuming the role of Group Divisional Manager with responsibility for the Business & Industry, Education and Leisure, Sports & Entertainment sectors. Before joining Spotless, Ms Nelson was the Managing Director of Australia and New Zealand for Delaware North.

Spotless Chairman Mr Hounsell said: "Dana has had substantial experience in managing operations at Spotless over the past seven years. She has strong relationships with Spotless' customer base, management team and people. Spotless will continue to benefit from her depth of expertise and experience. We look forward to Dana's continued leadership as Spotless' Chief Executive Officer."

A summary of the key terms of Ms Nelson's appointment as CEO is attached.

Enquiries

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Summary of key terms of appointment of CEO

The key terms of Ms Dana Nelson's employment arrangements are summarised below.

Term

Ms Nelson's employment as CEO and appointment as Managing Director commences today. The appointment will continue until terminated in accordance with her employment agreement.

Remuneration package

Ms Nelson will be provided with the following components of remuneration (gross, per annum):

- Total fixed annual remuneration (FAR) of A\$1,100,000.
- Variable annual remuneration comprised of a combined short term incentive (STI) and Long Term Incentive (LTI) that provides a target of 83.3% of FAR (A\$916,300) and up to a maximum of 125% of FAR (A\$1,375,000) for the 2018 financial year. It is subject to a deferral arrangement in which 25% of any award is paid at the conclusion of 12 months and a further 25% at the conclusion of 24 months if Ms Nelson is still employed by Spotless. This combined STI and LTI approach is intended to apply for this financial year only and provides an appropriate incentive arrangement in the current ownership circumstances.

Termination conditions

Ms Nelson's employment may be terminated in the following circumstances:

- Spotless may terminate Ms Nelson's employment by giving 6 months' notice of termination.
- Ms Nelson may terminate her employment by giving 6 months' notice of termination.
- Spotless may dismiss Ms Nelson without notice for serious or wilful misconduct including for committing any serious or persistent breach of her employment contract, which, alone or together, has a material adverse effect on the performance by Ms Nelson of her role or the effectiveness of Ms Nelson in her role.

Other provisions

The employment agreement contains appropriate restraint provisions as well as other provisions of the type that would be expected in an agreement of this type, including in relation to confidential information and intellectual property.