

ASX RELEASE

Appointment of Managing Director & CEO

9 August 2017

The Board of Incitec Pivot Limited (ASX: **IPL**) has today announced the appointment of Ms Jeanne Johns as Managing Director & Chief Executive Officer with effect from 15 November 2017, to succeed Mr James Fazzino.

In February this year, the Company announced that Mr Fazzino would be stepping down within 12 months and that a global search had commenced for a successor. The Board is delighted to have recruited Ms Johns to fill the role.

Ms Johns is an American born Chemical Engineer with over 25 years experience in international industrial and commodity businesses, including petrochemicals and oil and gas. During her career with BP, Ms Johns held numerous leadership roles in the US, Europe and China managing multinational businesses and international strategic business development. Her diverse range of Senior Executive positions has included:

- President, Asian Olefins and Derivatives, including Chinese and Malaysian Joint Ventures (China);
- President, BP North America Natural Gas Liquids (United States);
- Head of Operating Management System Excellence for BP Group (United Kingdom), with global responsibility for continuous improvement within BP's worldwide operations;
- Head of Safety & Operational Risk, BP Downstream (United Kingdom);
- Technical Vice President, BP Petrochemicals Division (United Kingdom);
- Refinery Manager and Business Unit Leader, BP Toledo Refinery (United States).

Ms Johns is currently a non-executive board member of Tate & Lyle plc and Parsons Corporation. She will retire from both of these boards in coming months.

A fuller description of Ms Johns' background and experience is attached as Appendix A.

IPL Chairman, Paul Brasher, said: "We are delighted to announce Jeanne's appointment. Jeanne brings to the role her broad experience in the chemicals and energy sectors. She is a truly global executive, having worked, and led teams, in many different countries. Jeanne has also had extensive customer facing experience, in particular during her time as President of BP's \$12 billion multi-national Natural Gas Liquids business. Her global experience has provided a deep understanding of the strategic and operational issues facing companies in cyclical and commodity based businesses.

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“When we commenced our search, we specified the most important attributes we were seeking in our next CEO, some generic to the role of a public company CEO and others specific to IPL. One of the non-negotiables was that the appointee have a passion for safety and the global experience to continue our journey for ongoing improvement in our safety culture, processes and procedures. At the same time, we sought an experienced manufacturing executive who would continue to drive our major assets to deliver optimum performance.

“Jeanne is extremely well qualified in both of these areas. She has deep experience in running manufacturing operations and is uniquely qualified to lead both personal and process safety initiatives given her previous leadership role as Head of Safety & Operational Risk for BP Downstream, to which she was appointed in the wake of the Deepwater Horizon disaster.

“Jeanne’s global experience, leadership and customer focus are strongly aligned to our Company strategy and we look forward to her joining IPL.”

Ms Johns said: "I am honoured to be joining IPL, an exemplary Australian company that has grown into a global diversified industrial chemicals business. I am impressed by both the absolute commitment to safety as well as the proven track record of adding value through Business Excellence. My other passions are in developing people and creating great teams to focus on satisfying our customer needs and delivering excellent business results. I look forward to building upon a proud legacy and creating an exciting future with the people of IPL."

In late October, Ms Johns will relocate to Australia and will join IPL in a transitional role before formally commencing as Managing Director & Chief Executive Officer in mid-November. Mr Fazzino will continue as Managing Director & Chief Executive Officer and will lead the Company until the release of IPL’s financial statements for the year ending 30 September 2017.

Mr Brasher took the opportunity to recognise the contribution of Mr Fazzino: "Since announcing in February that he would step down as Managing Director & CEO, James has continued to lead the Company with enthusiasm and unwavering commitment. We thank James for his ongoing dedication to the organisation and we recognise the enduring legacy that he will leave, not only in safety processes and continuous improvement, but also in the transformation of the Company to a global diversified industrial chemicals business”.

Attached as Appendix B to this announcement is a summary of the key terms of Ms Johns’ service agreement.

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Appendix A: Curriculum Vitae of Jeanne Johns

Career:

After joining BP in 1986, Ms Johns worked throughout her career with BP, in various locations and executive roles, including in the US, UK, China, Canada, Malaysia, Europe, Australia, South Africa, Russia, India, Mexico, and Kuwait.

A summary of her professional experience is set out below:

- | | |
|-------------|---|
| 2013 – 2015 | Head of OMS (Operating Management System) Excellence, BP Group (London) |
| 2011 – 2015 | Head of Safety & Operational Risk, Downstream, Headquarters, London, United Kingdom |
| 2008 – 2010 | President, Asian Olefins and Derivatives, Shanghai, China
Chair of Shanghai Ethylene Chemical Company - 50-50JV with Sinopec, Caojing, China
Board Director, Ethylene Malaysia Sdn Bhd and Polyethylene Malaysia Sdn Bhd, Malaysian JVs with Petronas |
| 2004 – 2007 | President, BP North America Natural Gas Liquids (NGL), Houston, Texas, US |
| 2002 – 2003 | Technical Vice President, BP Petrochemicals Division, London, United Kingdom |
| 1999 – 2001 | Refinery Manager & Business Unit Leader, BP Toledo Refinery, Toledo, Ohio |
| 1986 – 1999 | Various roles in Commercial, Refining, Upstream and Engineering in Philadelphia, Pennsylvania, Cleveland, Ohio, Alaska and New Orleans, Louisiana, United States and also in the United Kingdom |

Current roles:

Ms Johns is currently a non-executive director of Parsons Corporation. She is also a non-executive director of Tate & Lyle plc, where she serves as Chairman of the Corporate Responsibility Committee.

Education and Professional Development:

B.S., Chemical Engineering, *magna cum laude* (1986) University Of Cincinnati, Cincinnati, Ohio
BP Executive Education Programs (MIT, Harvard, Stanford, Cambridge) 2000-2008
International Executive Programme (MBA subjects), INSEAD, Fontainebleau, France, 1996

Appendix B: Summary of Material Terms of Executive Service Agreement

Item	Details
Commencement Date as CEO	15 November 2017, following commencement as CEO Designate in late October 2017.
Term	No fixed term. The Agreement continues until terminated by either party in accordance with its terms (see below).
Fixed Annual Remuneration (FAR)	\$1,600,000 per annum, reviewed annually. This includes superannuation guarantee contributions required to comply with superannuation guarantee legislation, if payable (noting that the CEO's salary will be exempt from the Superannuation Guarantee Scheme pursuant to current legislative provisions).
Short term incentive (STI)	<p>Participation in IPL's annual STI Plan, as may be varied, replaced or removed from time to time.</p> <p>For the financial year ending 30 September 2018, the maximum opportunity will be 150% of FAR for stretch performance and 100% of FAR for target performance. 50% of the STI earned will be deferred in the form of performance rights or other securities, or through participation in a plan in which shares in the Company will be provided, subject to meeting a service condition.</p>
Long term Incentive (LTI)	<p>Participation in IPL's LTI scheme, as may be amended or replaced by the Board from time to time.</p> <p>For the financial year ending 30 September 2018, the maximum opportunity will comprise performance rights to the value of 150% of FAR, subject to shareholder approval (where required in accordance with the applicable law). The amount which vests is dependent on meeting vesting conditions.</p>
Notice, Termination and Termination Payments	<p>12 months written notice must be provided by either party to terminate the Agreement. The CEO may be required to serve out the whole or part of this period on an active or passive basis or be paid in lieu of notice at the Board's discretion.</p> <p>IPL may terminate this Agreement immediately for cause.</p> <p>The CEO may terminate this Agreement by giving notice within 30 days of an event giving rise to a fundamental change. A fundamental change occurs where either:</p> <ul style="list-style-type: none">) the CEO ceases to be the most senior executive of the Group; or) there is a substantial diminution in the responsibilities or authority of CEO, <p>but excludes any change or diminution arising through termination or notice of termination given under another provision, or arising with the CEO's consent.</p> <p>Treatment of any STI or LTI plan benefits on termination will be determined by the rules of those plans.</p> <p>No payment will be made in respect of termination of employment in excess of the amount lawfully payable under Part 2D.2 of the Corporations Act 2001 without shareholder approval.</p>
Non-solicitation/restrictions on future activities	For 12 months following termination of employment, the CEO is not to commence employment or engagement with a business which competes with the operations of the Group and which operates in any jurisdiction in

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	<p>which a Group company has material operations as at the termination date.</p> <p>For 12 months following termination of employment, the CEO is also prohibited from inducing certain employees or officers of the Group to terminate their employment or soliciting suppliers and customers of the Group to cease doing business with the Group, or to reduce the amount of business they would normally do with the Company or Group.</p>
Conditions	<p>The employment is subject to obtaining the necessary work visa.</p>
Relocation Benefits	<p>IPL will bear certain costs associated with the CEO's relocation to Melbourne. Also, certain relocation expenses will be paid on termination of employment, except that IPL will not pay expenses relating to repatriation if the CEO resigns (other than due to Fundamental Change) or is dismissed for misconduct.</p>