

29 May 2023

The Manager
Market Announcements Office
Australian Securities Exchange

CEO Retention Arrangements

Ridley Corporation Limited (**ASX:RIC**) advises the Company has agreed a revised remuneration package, including extension to the notice period, of the CEO and Managing Director (**CEO**) Quinton Hildebrand.

The Board believes the three-year retention arrangement reflects Mr Hildebrand's ongoing performance and leadership in positioning the Company for future growth.

In accordance with ASX Listing Rule 3.16.4, the Company provides the following information regarding the material changes to Mr Hildebrand's employment agreement:

- an extension to the duration of his notice period with the Company from 6 months to 12 months,
- a one-off retention incentive of:
 - a cash payment of \$1,000,000 payable on 1 July 2023,
 - subject to shareholder approval at the 2023 AGM, the issue of 1.5m performance rights. Upon grant the performance rights will be governed by terms equivalent to the FY24 Long Term Incentive Plan subject to the condition that Mr Hildebrand remains employed by the Company as CEO for a 3-year performance period. Details related to performance and vesting criteria are set out in the **Annexure** to this release.
- eligibility to receive a Short-Term Incentive of up to 150% of fixed remuneration (increased from 100% of fixed remuneration) from 1 July 2023 on an ongoing basis.

Of these retention arrangements, 78% are "at risk", and subject to stringent performance criteria.

Mick McMahon Ridley Chair said, "Mr Hildebrand has done an outstanding job thus far in reshaping the business and his ongoing commitment demonstrates his belief in the future of Ridley and the opportunity to deliver further value for shareholders."

For further information please contact:

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This ASX announcement has been authorized for release by the Ridley Board of Directors.

Annexure to ASX Announcement – 29 May 2023

1. Performance Rights Offer – Retention Incentive

Metric	Details
Number of performance rights under the offer	1,500,000

1.1 The performance period means the period from 1 July 2023 to 30 June 2026 (**Performance Period**).

1.2 Performance rights will vest at the conclusion of a three-year Performance Period commencing on the effective date of the grant of the rights (1 July 2023), provided that the following performance criteria are satisfied:

- (a) Mr Hildebrand is employed by the Company or another company within the Ridley consolidated group on the date of vesting; and
- (b) the Company achieves a target performance level, as measured by reference to the ROFE over the three-year Performance Period for Tranche A and to the Company's TSR over the three-year Performance Period for Tranche B. With an effective date of 1 July 2023, the Performance Period for the rights will be from 1 July 2023 to 30 June 2026.

1.3 The Board has absolute discretion as to the setting of the nature of the performance hurdles and the vesting percentage attributable to each hurdle.

2. Hurdle Rates

2.1 The number of shares that Mr Hildebrand can receive will be determined by reference to a vesting schedule, which is linked to the Company's performance against the ROFE and TSR performance targets.

2.2 50% of Mr Hildebrand's performance rights accepted under this offer will be tested against the ROFE target for the Performance Period (**Tranche A**) and 50% against the TSR target (**Tranche B**) for the Performance Period.

2.3 Ridley shares will be awarded in accordance with the following hurdles:

Tranche A

Metric	Proposed Performance hurdle FY24	Award
ROFE	<20%	Nil
ROFE	20%	50%
ROFE	20% - 27.5%	50% - 100% on a straight-line pro rata basis
ROFE	> 27.5%	100%

Tranche B

Metric	Proposed Performance hurdle FY24	Award
Absolute TSR	<30%	Nil
Absolute TSR	30%	50%
Absolute TSR	30%- 52%	50% - 100% on a straight-line pro rata basis
Absolute TSR	> 52%	100%

2.4 ROFE is calculated as being the Ridley consolidated EBITDA divided by the average Funds Employed over the three-year Performance Period from 1 July 2023 to 30 June 2026.

2.5 TSR is expressed as a percentage and calculated as the sum of the cents per share increase in the share price from the effective date of grant to the last day of the Performance Period plus the aggregate of cents per share dividends paid throughout the Performance Period, divided by the share price at the effective date of grant. All share prices adopted in the calculations comprise the five-day VWAP immediately prior to the relevant start and end dates of the Performance Period.