

17 November 2017

Dear Shareholder

ANNUAL GENERAL MEETING

On behalf of the Board of Directors, it is my pleasure to invite you to attend our Annual General Meeting, to be held at **10.30am on Thursday 21 December 2017 at DuluxGroup's Head Office, 1956 Dandenong Road, Clayton, Victoria.**

Enclosed with this letter is a Notice of Meeting which sets out the business to be dealt with at the meeting and directions to attend the meeting.

If you are unable to attend, but wish to vote on any of the resolutions to be put to the meeting, a personalised proxy form is enclosed. You can lodge your proxy on-line at www.investorvote.com.au. Alternatively, you can complete the enclosed proxy form and return it using the reply envelope or by facsimile on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia).

You can access and download a copy of the DuluxGroup 2017 Annual Report from www.duluxgroup.com.au. If you elected not to receive a printed copy of our Annual Report and would like to now receive one, please call our Share Registry on 1300 090 835.

DIVIDEND REINVESTMENT PLAN

On 15 November 2017, DuluxGroup announced that it will pay a fully franked final dividend of 13.5 cents per share in respect of the financial year ended 30 September 2017 (**Dividend**).

DuluxGroup's Dividend Reinvestment Plan (**DRP**) will operate in relation to the Dividend. The **DRP** is an easy and cost-effective way to increase your shareholding in DuluxGroup. Shares allocated under the **DRP** are free of brokerage and other transaction costs. If you do not currently participate in the **DRP**, you can make your election online at www.investorvote.com.au. Your election must be received by our Share Registry by no later than 5.00pm on 28 November 2017.

We look forward to seeing you at the Annual General Meeting and welcome you to join us afterwards for light refreshments.

Yours sincerely,



Peter Kirby
Chairman



DuluxGroup Limited
ABN 42 133 404 065
Registered Office:
1956 Dandenong Road
Clayton Victoria 3168
Australia

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of DuluxGroup Limited ('the Company') will be held at DuluxGroup's Head Office at 1956 Dandenong Road, Clayton, Victoria 3168 on Thursday, 21 December 2017, at 10:30am.

ITEMS OF BUSINESS

1. Financial Report, Directors' Report and Auditor's Report

To receive and consider the financial report, directors' report and auditor's report for the year ended 30 September 2017.

2. Re-election of Directors

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

2.1. "That Mr Peter Kirby be re-elected as a Director."

2.2. "That Ms Judith Swales be re-elected as a Director."

Details of the persons seeking re-election are set out in the Explanatory Notes to this Notice of Meeting.

3. Adoption of Remuneration Report

To consider, and if thought fit, pass the following resolution as a non-binding ordinary resolution:

"To adopt the Remuneration Report for the year ended 30 September 2017."

The Remuneration Report is set out in the Annual Report.

A voting exclusion statement applies to this resolution.

4. Allocation of shares under the Long Term Equity Incentive Plan 2017 offer

To consider, and if thought fit, pass the following resolutions as ordinary resolutions:

4.1. "That approval be given for the purposes of ASX Listing Rule 10.14 and for all other purposes to the allocation of shares in DuluxGroup Limited to the Managing Director and Chief Executive Officer, Mr Patrick Houlihan under the Company's Long Term Equity Incentive Plan 2017 offer, on the terms summarised in the Explanatory Notes to the Notice of Meeting."

- 4.2. “That approval be given for the purposes of ASX Listing Rule 10.14 and for all other purposes to the allocation of shares in DuluxGroup Limited to the Chief Financial Officer and Executive Director, Mr Stuart Boxer under the Company’s Long Term Equity Incentive Plan 2017 offer, on the terms summarised in the Explanatory Notes to the Notice of Meeting.”

A voting exclusion statement applies to these resolutions.

5. Grant of share rights under the Non-Executive Director and Executive Sacrifice Share Acquisition Plan

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

“That approval is given for the purposes of ASX Listing Rule 7.2 Exception 9, ASX Listing Rule 10.14 and for all other purposes for the grant of rights to acquire shares under the Non-Executive Director and Executive Sacrifice Share Acquisition Plan on the terms summarised in the Explanatory Notes to the Notice of Meeting.”

A voting exclusion statement applies to this resolution.

The Voting Exclusion Statements, Voting Notes and the Explanatory Notes to Shareholders accompanying this Notice form part of this Notice of Meeting.

By order of the Board

Simon Black
Company Secretary

17 November 2017

Voting Exclusion Statements

Voting exclusion statement – item 3:

*In accordance with the Corporations Act 2001 (Cth) (**Corporations Act**) the Company will disregard any votes cast on item 3:*

- *by or on behalf of any member of the Company's key management personnel (as disclosed in the Remuneration Report for the year ended 30 September 2017) or their closely related parties (regardless of the capacity in which the vote is cast); or*
- *as a proxy by a member of the Company's key management personnel at the date of the meeting or their closely related parties,*

unless the vote is cast as proxy for a person entitled to vote on item 3:

- *in accordance with the directions on the proxy form; or*
- *by the Chairman of the Meeting, in accordance with an express authorisation in the proxy form to exercise the proxy even though item 3 is connected with the remuneration of the key management personnel.*

Voting exclusion statement – item 4:

In accordance with the ASX Listing Rules and the Corporations Act, the Company will disregard any votes cast on item 4:

- *by or on behalf of Mr Houlihan and Mr Boxer or their associates (regardless of the capacity in which the vote is cast); or*
- *as a proxy by a member of the Company's key management personnel at the date of the meeting or their closely related parties,*

unless the vote is cast as proxy for a person entitled to vote on the item:

- *in accordance with the directions on the proxy form; or*
- *by the Chairman of the Meeting in accordance with an express authorisation in the proxy form to exercise the proxy even though the relevant resolution is connected with the remuneration of the key management personnel.*

Voting exclusion statements – item 5:

In accordance with the ASX Listing Rules and the Corporations Act, the Company will disregard any votes cast on item 5:

- *by or on behalf of each Director or any of their associates; or*
- *as a proxy by a member of the Company's key management personnel at the date of the meeting or their closely related parties,*

unless the vote is cast as proxy for a person entitled to vote on item 5:

- *in accordance with the directions on the proxy form; or*
- *by the Chairman of the meeting and the appointment expressly authorises the Chairman to exercise the proxy even though the resolution is connected with the remuneration of the key management personnel.*

Voting Notes

1. For the purpose of determining a person's entitlement to vote at the meeting, a person will be recognised as a member and the holder of Shares if that person is registered as a holder of Shares at 7:00pm (Melbourne time) on Tuesday, 19 December 2017.
2. A shareholder entitled to attend and vote at this meeting is entitled to appoint not more than two proxies to attend and vote instead of the shareholder. When appointing a second proxy, the shareholder should write both names and the percentage of votes or number of shares that each proxy may exercise in the proxy form. A proxy need not be a shareholder of the Company.
3. Where two proxies are appointed, each proxy may be appointed to represent a specific proportion of the member's voting rights on a poll. If the appointment does not specify the proportion or number of votes, each proxy may exercise half of the votes (any fraction of votes will be disregarded). Neither proxy is entitled to vote on a show of hands if more than one proxy attends.
4. If your proxy chooses to vote, he/she must vote in accordance with your directions. If you have directed your proxy to vote, and they fail to attend the meeting or they choose to not vote, then, on a poll, the Chairman of the Meeting will become your proxy and vote your proxies as directed by you.
5. If you appoint a member of the Company's key management personnel (which includes each of the Directors) as proxy, or one of their closely related parties, they will not be able to cast your votes on items 3, 4 and 5 unless you direct them how to vote or the Chairman is your proxy. If you appoint the Chairman as your proxy, or the Chairman becomes your proxy by default, and you do not direct the Chairman how to vote on items 3, 4 and 5 then by returning and submitting the proxy form you will be expressly authorising the Chairman to exercise the proxy in respect of those resolutions even though they are connected with the remuneration of the Company's key management personnel.
6. The Chairman of the meeting intends to vote all available proxies in favour of the resolutions put at the Annual General Meeting.
7. The proxy form (and the power of attorney or other authority, if any, under which a proxy form is signed) must be completed and returned to the Company no later than 10:30am (Melbourne time) on Tuesday, 19 December 2017 by:
 - (a) lodging electronically via www.investorvote.com.au and then inputting the shareholder's secure access information or for Intermediary Online subscribers only (custodians) www.intermediaryonline.com;
 - (b) lodging it with Computershare Investor Services Pty Limited (452 Johnston Street, Abbotsford, Vic 3067) or the Company at its registered office (1956 Dandenong Road, Clayton, Victoria);
 - (c) posting it in the reply envelope to Computershare Investor Services Pty Limited (GPO Box 242, Melbourne, Vic 3001); or
 - (d) faxing it to Computershare Investor Services Pty Limited facsimile (within Australia) 1800 783 447 or (outside Australia) +613 9473 2555.

Any proxy form received after that time will not be valid for the scheduled meeting.

8. The proxy form must be signed by the member or his/her attorney duly authorised in writing or, if the member is a corporation, in a manner permitted by the Corporations Act. A proxy given by a foreign corporation must be executed in accordance with the laws of that corporation's place of incorporation.

9. A body corporate that is a shareholder, or that has been appointed as a proxy, may appoint an individual to act as its representative at the meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment, including any authority under which it has been signed, unless it has previously been given to the Company.

Explanatory Notes to Shareholders

Item 1 – Financial Report

The Corporations Act requires the financial report (which includes financial statements, notes to the financial statements and directors' declaration), the directors' report and the auditor's report to be laid before the Annual General Meeting.

There is no requirement for a formal resolution on this matter. Accordingly, there will be no formal resolution put to the meeting.

Shareholders will be given a reasonable opportunity at the meeting to raise questions on these reports and to make comments on the business, operations and management of the Company.

Item 2 – Re-election of Directors

In accordance with the Company's constitution, no Director (other than the Managing Director) may hold office without re-election beyond the third Annual General Meeting following the meeting at which the Director was last elected.

Mr Peter Kirby and Ms Judith Swales were both last elected at the 2014 Annual General Meeting. They therefore retire and, being eligible, offer themselves for re-election.

The Board has considered the performance of Mr Kirby and Ms Swales as well as the skills, knowledge and experience they bring to the Board and their contribution to Board discussions.

The Board (with Mr Kirby and Ms Swales abstaining in respect of their own re-election) recommends that shareholders vote in favour of items 2.1 and 2.2.

Profiles of the candidates are set out below:

Peter Kirby

BEC (Hons), MA (Econ), MBA

Chairman and Non-executive Director since July 2010. Chair of the Remuneration and Human Resources Committee and member of the Nominations Committee and the Audit and Risk Committee.

Mr Kirby brings a wealth of experience from the paints and building products industries established over a number of years through his former roles including as Managing Director and Chief Executive Officer of CSR Limited, Chairman / Chief Executive Officer of ICI Paints and member of the Executive Board of ICI Plc.

Mr Kirby's other previous roles include Chairman of Medibank Private, Director of Macquarie Group Limited and Macquarie Bank, Director of Orica Limited and member of the Board of the Business Council of Australia.

The Board considers Mr Kirby to be an independent Director.

Judith Swales

BSc

Non-executive Director since April 2011. Member of the Audit and Risk Committee, the Safety and Sustainability Committee and the Nominations Committee.

Ms Swales is a retail, sales and marketing professional who is experienced in leading major business transformation.

Ms Swales has more than 20 years' experience in strategic leadership roles in high profile, global, consumer facing companies. Ms Swales is currently the Chief Operating Officer Transformation and Innovation for Fonterra Co-operative Limited and was formerly the Managing Director of Australia for Fonterra.

Ms Swales' other previous roles include Director of Foster's Group Limited, Chief Executive Officer of Heinz Australia, Chief Executive Officer and Managing Director of Goodyear Dunlop (Australia and New Zealand) and Managing Director of Angus and Robertson Australia.

The Board considers Ms Swales to be an independent Director.

Item 3 – Remuneration Report (non-binding advisory vote)

Shareholders are asked to adopt, by way of a non-binding resolution, the Company's Remuneration Report for the year ended 30 September 2017. The Remuneration Report is set out in the Directors' Report of the 2017 Annual Report.

In particular, the Remuneration Report discusses the:

- remuneration policy adopted by the Board;
- key remuneration outcomes for 2017;
- links between the Board's policy and the Company's performance;
- the performance conditions that must be met prior to Executives deriving any value from the 'at risk' components of their remuneration; and
- remuneration details of each Director and certain members of the DuluxGroup Executive team.

The Remuneration Report has received strong support from shareholders in the past and the content of the 2017 Remuneration Report remains largely consistent with prior years.

Shareholders will be given a reasonable opportunity at the meeting to comment on, and ask questions about, the Remuneration Report.

The vote on this item is advisory only and will not bind the Directors or the Company. However, the Board will take into account the discussion on this resolution and the outcome of the vote when considering the future remuneration arrangements of the Company.

The Board recommends that shareholders vote in favour of item 3.

Item 4 – Allocation of shares to Patrick Houlihan and Stuart Boxer under the 2017 LTEIP offer

The Company operates a Long Term Equity Incentive Plan (**LTEIP**) as part of its executive remuneration strategy. Under the LTEIP, eligible executives are provided with a non-recourse loan for the sole purpose of acquiring shares in the Company.

The LTEIP facilitates immediate share ownership by the participants and links a significant proportion of their 'at-risk' remuneration to DuluxGroup Limited's ongoing share price and returns to shareholders over the performance period. It is designed to encourage participants to focus on the key performance drivers that underpin sustainable growth in shareholder value.

For the purposes of ASX Listing Rule 10.14, shareholders are asked to approve the allocation of shares under the 2017 LTEIP offer up to a maximum value of \$1,059,300 to Mr Houlihan and \$405,000 to Mr Boxer as part of their long term incentive arrangements on the terms set out in these Explanatory Notes.

Consistent with past practice, the Company intends to source shares for the 2017 LTEIP offer through on-market purchases which means that shareholder approval is not technically required for the purposes of ASX Listing Rule 10.14. However, the Board is seeking this shareholder approval in the interests of transparency and good corporate governance and to preserve flexibility in case, for any reason, it is ultimately considered in the Company's best interests to issue shares rather than source them on-market.

The Board believes that an equity-based long term incentive is important to ensure an appropriate part of the executive's reward is linked to generating long term returns for shareholders. If shareholders do not approve the allocation of shares as part of Mr Houlihan or Mr Boxer's long term incentive arrangements, the proposed allocation of shares to Mr Houlihan and Mr Boxer will not proceed and alternative remuneration arrangements for Mr Houlihan and Mr Boxer will need to be considered (such as a cash-based incentive subject to the same performance conditions and performance period).

A brief overview of the 2017 LTEIP offer is set out below. Further details of Mr Houlihan's and Mr Boxer's remuneration packages, and the LTEIP, are set out in sections 3.4, 5 and 6 of the Remuneration Report in the 2017 Annual Report.

Entitlement under 2017 LTEIP offer	If shareholder approval is obtained, Mr Houlihan and Mr Boxer will be provided a loan of a maximum value of \$1,059,300 and \$405,000 respectively, under the 2017 LTEIP offer for the sole purpose of acquiring shares in the Company. The amount of the LTEIP loan is calculated based on the relevant long term incentive component of their remuneration multiplied by an externally determined value, calculated using an adjusted Black-Scholes option pricing valuation model.
Key terms of the loan	The LTEIP loan is a non-recourse loan from the Company for the sole purpose of acquiring shares in the Company. Any dividends paid on the shares while the shares are restricted are applied (on a notional after-tax basis) towards repaying the loan. The balance of the dividend is paid directly to the executives to fund their tax liability on the dividends received.

	<p>Following the end of the three-year performance period, if the 'gateway' is met (refer below for details), the LTEIP shares will vest. The executives will be able to repay the LTEIP loan at any time from the date of vesting until January 2023, through application of dividend payments, their own funds and/or by applying the proceeds from the sale of some or all of their shares.</p> <p>In order to reward superior performance, part of the loan (up to a maximum of 30%) may be forgiven at the end of the performance period if the performance condition (refer below for details) is achieved.</p> <p>There is no annual interest charge to the executive on the loan, however an interest component is taken into account in determining the level of performance based debt forgiveness benefit that may be awarded.</p> <p>As this is a non-recourse loan, if the value of the shares is less than the outstanding loan balance at the end of the loan repayment period, the shares will be surrendered and forfeited in full settlement of the loan balance and no benefit would accrue to the executive.</p>
<p>Number and price of LTEIP shares</p>	<p>The number of DuluxGroup Limited shares to be allocated to Mr Houlihan and Mr Boxer will be determined by dividing the maximum value of their respective LTEIP loans by the volume weighted average price of DuluxGroup Limited shares sold on the ASX over a 5-day trading period (which is expected to be the 5 trading days before the date of the AGM) prior to allocation.</p> <p>If shareholder approval is obtained, it is expected that DuluxGroup Limited shares will be allocated or issued to Mr Houlihan and Mr Boxer on 22 December 2017, but in any event no later than 12 months after the meeting.</p>
<p>Performance period</p>	<p>The performance period is three years. The performance condition is only tested once at the end of the performance period.</p> <p>The 2017 LTEIP award will be tested for vesting and loan forgiveness after the end of the 2020 performance year and the non-recourse loan will be due for repayment in January 2023, if it is not repaid earlier.</p>
<p>'Gateway' condition (for vesting)</p>	<p>The Company must achieve a minimum level of acceptable performance before any awards will vest under the LTEIP – for the 2017 grant, compound annual growth in the Company's earnings per share (EPS) over the three-year period, comprising the 2018, 2019 and 2020 financial years, must equal or exceed 4% per annum.</p> <p>EPS is calculated by dividing the Company's net profit after tax before non-recurring items by the weighted average number of ordinary shares on issue during the relevant period. The Board has retained discretion to adjust EPS for individually material non-recurring items on a case-by-case basis when determining whether the EPS performance gateway condition has been met.</p>

<p>Performance condition (for loan forgiveness)</p>	<p>Relative total shareholder return (TSR) is used to determine the level of loan forgiveness under the plan.</p> <p>The Company's relative TSR is compared against a comparator group of peer companies in the ASX200, excluding those companies which operate in very different markets (ie mining, financial services, overseas domiciled companies and listed property trusts).</p> <p>The level of loan forgiveness, based on the Company's relative TSR is shown in the table below.</p> <table border="1" data-bbox="469 562 1310 819"> <thead> <tr> <th>Relative TSR ranking</th> <th>Loan forgiveness – proportion of initial loan forgiven</th> </tr> </thead> <tbody> <tr> <td>Less than 51st percentile</td> <td>0%</td> </tr> <tr> <td>51st percentile</td> <td>10%</td> </tr> <tr> <td>Between 51st percentile and 75th percentile</td> <td>Percentage of loan forgiveness increases on a straight line basis between 10% and 30%</td> </tr> <tr> <td>75th percentile or above</td> <td>30%</td> </tr> </tbody> </table>	Relative TSR ranking	Loan forgiveness – proportion of initial loan forgiven	Less than 51 st percentile	0%	51 st percentile	10%	Between 51 st percentile and 75 th percentile	Percentage of loan forgiveness increases on a straight line basis between 10% and 30%	75 th percentile or above	30%
Relative TSR ranking	Loan forgiveness – proportion of initial loan forgiven										
Less than 51 st percentile	0%										
51 st percentile	10%										
Between 51 st percentile and 75 th percentile	Percentage of loan forgiveness increases on a straight line basis between 10% and 30%										
75 th percentile or above	30%										
<p>Trading restrictions</p>	<p>The shares are restricted until the end of the performance period and while the loan remains outstanding.</p>										
<p>Clawback</p>	<p>In accordance with the Company's Clawback Policy, the Board has broad discretion to ensure that, among other things, no unfair benefit is derived by any LTEIP participant in the case of a material misstatement of financial results, material reputational damage or serious misconduct by a participant.</p>										
<p>Cessation of employment</p>	<p>In general, all shares are forfeited and surrendered if a participant ceases employment prior to the end of the performance period. However, the Board has discretion to determine that some or all of a participant's LTEIP shares may vest and a level of loan forgiveness may be provided in appropriate circumstances.</p> <p>The LTEIP shares will not be forfeited if a LTEIP participant ceases employment after the shares have vested but before the loan has been repaid. However, in this circumstance, the outstanding loan would need to be repaid (unless the value of the shares is less than the outstanding loan balance in which case the shares would be surrendered and forfeited in full settlement of the loan balance).</p>										
<p>Other required information – ASX Listing Rules</p>	<p>Mr Houlihan and Mr Boxer are the only Directors (or associates of Directors) entitled to participate in the LTEIP.</p> <p>In accordance with the approval received from shareholders at the 2016 Annual General Meeting, during the 2017 financial year, the Company allocated 456,498 and 174,508 shares to Mr Houlihan and Mr Boxer, respectively, at a price of \$5.90 per share.</p> <p>If approval is given under ASX Listing Rule 10.14, approval will not be required under ASX Listing Rule 7.1. This means that shares issued to Mr Houlihan and Mr Boxer pursuant to this approval will not use up part of the 15% cap on issuing securities within a 12 month period which is imposed on the Company under ASX Listing Rule 7.1.</p>										

The Board (with Mr Houlihan and Mr Boxer abstaining) recommends that shareholders vote in favour of items 4.1 and 4.2.

Item 5 - Grant of share rights under the Non-Executive Director and Executive Sacrifice Share Acquisition Plan

The Company is seeking shareholder approval in accordance with ASX Listing Rule 10.14 for the grant of rights to acquire shares to Directors of the Company pursuant to the Non-Executive Director and Executive Sacrifice Share Acquisition Plan (**SSAP**).

Approval is also being sought so that the grant of rights to acquire shares to Non-Executive Directors and Executives (including the Executive Directors) under the SSAP is not counted towards the 15% cap on issuing securities within a 12-month period imposed on the Company under ASX Listing Rule 7.1.

Consistent with past practice in relation to employee share plans, the Company intends to source shares for the SSAP through on-market purchases which means that shareholder approval is not technically required for the purposes of ASX Listing Rule 7.1 or 10.14. However, the Board is seeking this shareholder approval in the interests of transparency and good corporate governance and to preserve flexibility in case for any reason it is ultimately considered in the Company's best interests to issue shares rather than source them on-market.

What is the SSAP?

The SSAP has been established to provide an opportunity for Directors and employees to accumulate DuluxGroup ordinary shares (**Shares**) by sacrificing a portion of:

- for Non-Executive Directors, their pre-tax fees (less compulsory superannuation contributions); and
- for Executives and other employees, their pre-tax fixed annual remuneration (less compulsory superannuation contributions) (**FAR**) and/or 'earned' cash-based short term incentives (**STI**),

into rights to acquire Shares (**Rights**).

DuluxGroup is proposing to grant Rights to Non-Executive Directors and Executives (including the Executive Directors) under the SSAP to encourage them to continue to build their shareholdings in the Company and to assist them to meet and exceed the Company's minimum shareholding requirements.

The SSAP is not intended to be used for the purposes of providing any additional remuneration.

Terms of the proposed grant of Rights under the SSAP

Below is a summary of the key terms of the proposed grant of Rights under the SSAP:

	Non-Executive Directors	Executive Directors and other Executives
Eligibility	All current and future Non-Executive Directors of the Company.	The current Executive Directors (Patrick Houlihan and Stuart Boxer).

	Presently, this includes Peter Kirby, Garry Hounsell, Andrew Larke, Judith Swales and Graeme Liebelt.	Any current or future members of the Company's Executive who are not Executive Directors. Presently, there are seven members of the Company's Executive aside from the Executive Directors.
Maximum amount sacrificed	Up to 100% of fees (including any allowances) on a pre-tax basis. The amount elected will be deducted in equal instalments from each fee payment.	FAR: Up to 100% of FAR on a pre-tax basis. The amount elected will be deducted in equal instalments from regular FAR payments. STI: Up to 85% of the relevant Executive's STI outcome (ie up to the total cash-based component of STI).
Number of Rights to be granted	The maximum number of Rights that may be acquired by current and future participants (and the number of Shares that they will be allocated on vesting and exercise of those Rights) cannot be calculated as it depends on: <ul style="list-style-type: none"> • the amount chosen to be sacrificed by participants; • the amount of the participants' remuneration from time to time; • the share price at the time when Rights are granted; and • the number of participants who participate in the SSAP. 	
Timing for grants	Participants will receive two grants of Rights each year, following the Company's half yearly results and annual results announcements.	FAR: Participants will receive two grants of Rights each year, following the Company's half yearly results and annual results announcements. STI: Participants will receive one grant of Rights each year following the Company's AGM.
	Any Rights issued pursuant to this approval must be issued no later than 3 years after the 2017 AGM.	
Calculation of the number of Rights	The number of Rights to be granted will be calculated by reference to the volume - weighted average price for a Share over the 5 trading days following the release of the Company's half yearly results or full year results (as applicable).	FAR: The number of Rights to be granted will be calculated by reference to the volume-weighted average price for a Share over the 5 trading days following release of the Company's half yearly or full year results (as applicable). STI: The number of Rights to be granted will be calculated by reference to the volume-weighted average price for a Share over the 5 trading days prior to the Company's AGM each year.

Vesting and exercise of Rights	<p>Rights that are issued have no vesting conditions and may be exercised at any time prior to the ex-date for the Company's next dividend (at which time they will be automatically exercised on behalf of the participant).</p> <p>On exercise, each Right entitles the participant to receive one Share in the Company. Where the Company decides to issue Shares to satisfy exercised Rights (rather than acquire Shares on-market), it expects to issue those Shares shortly before the ex-date for the Company's next dividend (that is, on or around the time that the Rights are exercised).</p>
Trading restrictions on Shares	<p>Shares allocated on exercise of Rights will be subject to trading restrictions on dealing.</p> <p>The restriction period will be until the earlier of:</p> <ul style="list-style-type: none"> • the restriction period nominated by the Non-Executive Director or Executive (which may be from 2 years up to 15 years); or • the date the participant ceases to hold office as a Non-Executive Director or ceases to be employed by the Group (as applicable).
Exceptions to trading restrictions	<p>The Board may exercise its discretion to release all or part of the restricted shares on a case by case basis in exceptional circumstances (for example, demonstrated financial or personal hardship or other extenuating circumstances).</p>
Retirement and cessation of employment	<p>If the participant ceases to hold office as a Non-Executive Director or ceases to be employed by the Group (as applicable), unvested Rights will lapse and all Shares held under the SSAP will be released from restriction.</p>
Dividends, capital returns and voting rights	<p>Participants will be immediately entitled to any dividends and capital returns paid on the Shares and to exercise voting rights attached to any Shares allocated.</p>
Cap on issued shares	<p>As stated above, the SSAP is not intended to be used for the purposes of providing any additional remuneration to Directors or Executives.</p> <p>For the purposes of ASX Listing Rule 10.14, a cap has been placed on the number of shares able to be issued under the SSAP to Directors (including both Non-Executive Directors and Executive Directors) pursuant to this approval being sought. This cap is 600,000 Rights per annum and has been calculated by reference to the Non-Executive Directors and Executive Directors current remuneration levels as disclosed in the Company's 2017 Remuneration Report. This represents approximately 0.15% of DuluxGroup's issued share capital.</p> <p>The purpose of the cap is to provide shareholders with visibility regarding the level of dilution that would occur if all Directors decided to sacrifice their maximum permitted remuneration into the SSAP.</p>

	This is not considered by DuluxGroup to be likely in practice as it assumes every Director sacrifices all of their relevant fees, FAR and STI into Rights under the SSAP and that Executive Directors earn their maximum stretch STI each year.
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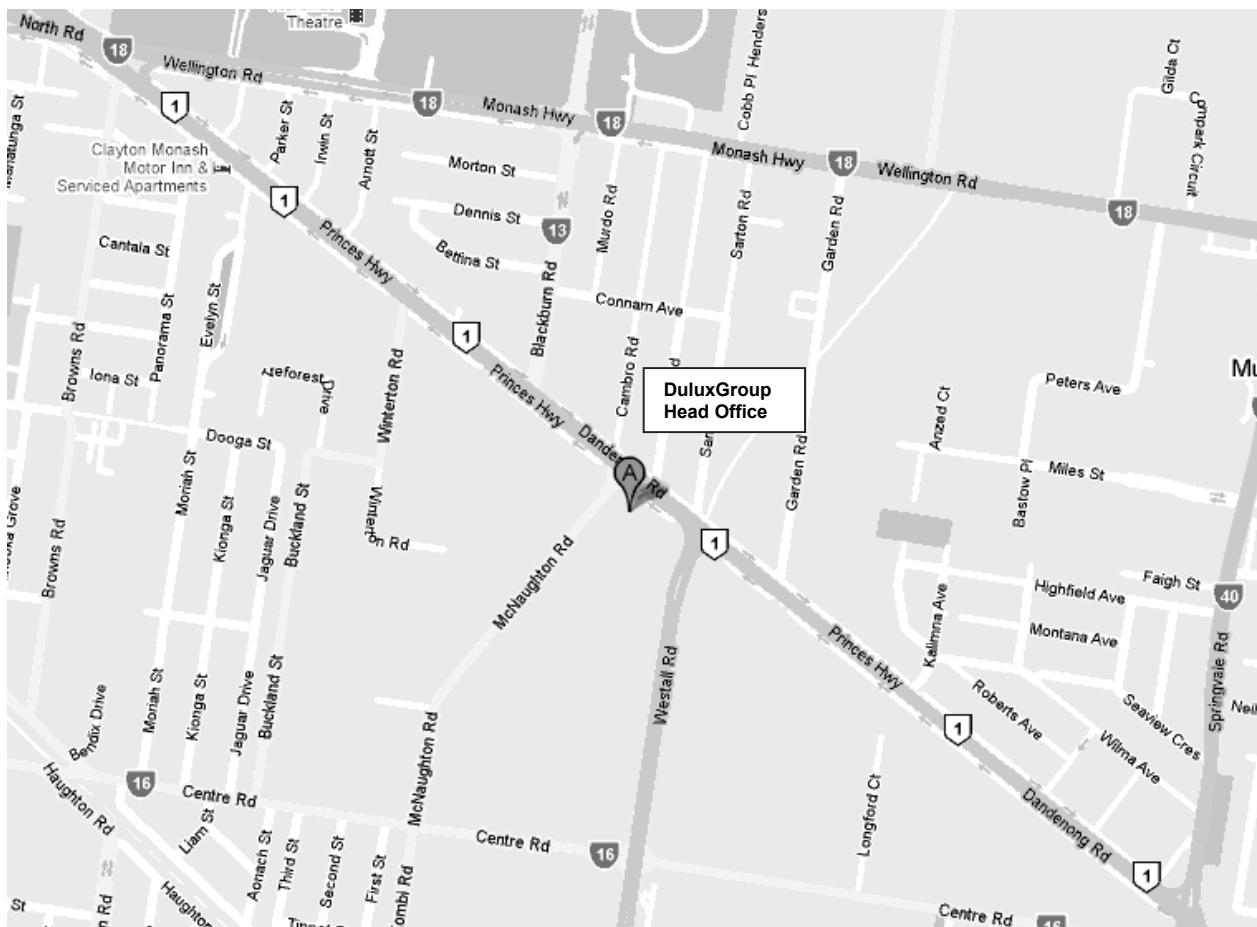
No loans will be made available in relation to the acquisition of Rights or Shares under the SSAP.

Details of securities acquired under the SSAP will be published in each Annual Report of the Company relating to a period in which securities have been issued (or acquired) and that approval for the issue of securities was obtained under ASX Listing Rule 10.14. Following approval at the 2016 AGM:

- Graeme Liebelt received 15,521 Rights at \$6.95 per Right under the SSAP; and
- Peter Kirby received 31,055 Rights at \$6.95 per Right under the SSAP.

The Board recommends that shareholders vote in favour of item 5.

Location of Annual General Meeting



Transport Options

Trains

Westall Station on the Pakenham Line or Syndal Station on the Glen Waverley Line. Bus transfers will depart both Westall Station and Syndal Station to the meeting venue at 9:30am. Return bus transfers to both Westall Station and Syndal Station will also be available departing approximately 30 minutes after the meeting concludes.

If you intend to travel by train and require a bus transfer to and from the meeting venue, please register by calling DuluxGroup Reception on (03) 9263 5678 by no later than 5:00pm on Friday, 8 December 2017.


Buses

Bus route 631 (operating between Southland Shopping Centre and Waverley Gardens Shopping Centre) or bus route 800 (operating between Dandenong Station and Chadstone Shopping Centre).

Car Parking

Car parking is available on site. Entry to the site is via McNaughton Road if travelling from Centre Road, Blackburn Road or Dandenong Road (from the city). Entry to the site is via Dandenong Road if travelling from Westall Road or Dandenong Road (from Dandenong).

Lodge your proxy:

  **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 090 835
(outside Australia) +61 (3) 9415 4183

DLX

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Proxy Form

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Lodge proxy and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to lodge your proxy.


Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



 **For your proxy to be effective it must be received by 10.30am (Melbourne time) on Tuesday, 19 December 2017**

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.

Proxy voting by key management personnel: Voting exclusions apply to Items 3, 4.1, 4.2 and 5 (see the Notice of Meeting for full details). If you intend to appoint a member of the key management personnel (other than the Chairman of the Meeting) or one of their closely related parties or associates, please ensure that you direct them how to vote on Items 3, 4.1, 4.2 and 5 by marking the For, Against or Abstain boxes (except in the case of the Chairman of the Meeting, where you may expressly authorise him to vote your undirected proxy - see 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

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

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO LODGE YOUR PROXY,
or turn over to complete the form →**

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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

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I/We being a member/s of DuluxGroup 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 DuluxGroup Limited to be held at DuluxGroup's Head Office at 1956 Dandenong Road, Clayton, Victoria 3168 on Thursday, 21 December 2017 at 10.30am (Melbourne time) 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), by signing and returning this form, I/we expressly authorise the Chairman to exercise my/our proxy on Items 3, 4.1, 4.2 and 5 (except where I/we have indicated a different voting intention below) even though Items 3, 4.1, 4.2 and 5 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 each Item by marking the appropriate box in step 2 below.

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
Item 2.1	Re-election of Director - Mr Peter Kirby	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2.2	Re-election of Director - Ms Judith Swales	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4.1	Allocation of shares under the Long Term Equity Incentive Plan 2017 offer to Mr Patrick Houlihan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4.2	Allocation of shares under the Long Term Equity Incentive Plan 2017 offer to Mr Stuart Boxer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5	Grant of share rights under the Non-Executive Director and Executive Sacrifice Share Acquisition 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.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /

DLX

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Computershare +