



Money in Motion

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Level 12

333 Ann Street

Brisbane QLD 4000

**EML Payments Limited**

**24 October 2022**

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**ASX Market Announcements**

20 Bridge Street  
SYDNEY NSW 2000

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## **AGM NOTICE AND SHAREHOLDER LETTER**

**EML PAYMENTS LIMITED (ASX: EML) ("EML")** advises that an Annual General Meeting of Shareholders will be held on 25 November 2022 at the offices of Herbert Smith Freehills, ANZ Tower, Level 34, 161 Castlereagh Street, Sydney, NSW 2000 at 10:00am (Sydney time).

Refer to the following Notice of Annual General Meeting and a letter to Shareholders advising further details of the meeting and accessing meeting documents.

### **About EML Payments Limited**

EML Payments is a global payments company that operates in Australia, the UK, Europe, and the US. Our customers are diverse and include major banks in Europe, government, retail brands and financial services companies. For more information: [EMLPayments.com](https://emlpayments.com)

This announcement has been authorised for release by the Company Secretary.

### **For further information, please contact:**

**Sonya Tissera - Isaacs**

Company Secretary

**EML Payments Limited (ASX: EML)**

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24 October 2022

Dear Shareholder,

## 2022 EML Annual General Meeting

On behalf of the Board, I am pleased to invite shareholders to our 2022 Annual General Meeting (AGM). I am delighted that we will once again have the opportunity to meet face to face, after two years of virtual AGMs due to COVID-19.

Directors and management, including our new Chief Executive Officer (CEO), Emma Shand, look forward to meeting those of you who can attend in person. Your directors encourage you to attend this year's AGM, especially as our CEO will be updating you on the results of the Strategic Review of our business announced at EML's 2022 Full Year Results presentation in August.

The AGM will be held at the offices of:

Herbert Smith Freehills  
ANZ Tower,  
Level 34, 161 Castlereagh Street,  
Sydney, New South Wales, 2000

on **Friday 25 November, commencing at 10:00am (Sydney time).**

## Important shareholder dates

Notice of Meeting and AGM information available at  
[www.emlpayments.com/company/investor-centre/agm/](http://www.emlpayments.com/company/investor-centre/agm/)

Monday 24 October 2022

Direct Voting, lodgement of proxy forms and submitting questions in advance of the meeting closes at 10:00am (Sydney time)

Wednesday 23 November 2022

2022 Annual General Meeting commences at 10:00am (Sydney time)  
Registration will open at 9:30am

Friday 25 November 2022

## AGM information available on the EML website

In line with our commitment to environmentally sustainable practices, EML does not automatically send shareholders hard copies of the Notice of Meeting and related documents. Shareholders have a choice on how they receive communications.

Further information is available on our website at [www.emlpayments.com/company/investor-centre/](http://www.emlpayments.com/company/investor-centre/).

The Notice of Meeting can be accessed online from 24 October 2022. To vote directly or appoint a proxy prior to the AGM please download a hard copy voting form from our website or vote online at <https://investorcentre.linkgroup.com>. Shareholders wishing to submit a question in advance of the AGM can do so by downloading a question form from our website and sending it to Link Market Services Limited.


## Shareholder communication: provide your email address to stay up to date

We encourage shareholders to receive and access the Company's communications electronically. This is the best way to stay informed and reduces the environmental cost of hard copy materials. If you have not already done so, you can opt to receive shareholder materials electronically by writing to us or by switching online at <https://investorcentre.linkgroup.com>.

We also encourage you to follow us on [www.linkedin.com/company/emlpayments](https://www.linkedin.com/company/emlpayments). In addition to the ASX platform, LinkedIn is a great platform to stay up to date with all EML related developments.

On behalf of the Board, we look forward to welcoming you to our 2022 AGM.

Yours faithfully,

A handwritten signature in black ink that reads "Peter Martin". The signature is written in a cursive style with a horizontal line underneath the name.

Peter Martin

Chairman  
EML Payments Limited



Money in Motion

# Notice of Annual General Meeting (Notice).

EML Payments Limited ACN 104 757 904

Notice is hereby given that the 2022 Annual General Meeting (AGM) of members of EML Payments Limited (Company or EML) will be held on **Friday, 25 November 2022 at 10:00am (Sydney time)** at the offices of Herbert Smith Freehills, ANZ Tower, Level 34, 161 Castlereagh Street, Sydney, New South Wales, 2000.

Shareholders should monitor the Company's website and ASX announcements where updates will be provided if it becomes necessary and appropriate to make alternative arrangements for the holding or conduct of the meeting.

The Explanatory Memorandum accompanying this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum, Notes Relating to Voting and the Voting Form comprise part of this Notice.

# Notice of Annual General Meeting.

## Business of the Meeting

### 1. Financial Report

To receive and consider the Company's financial report for the financial year ended 30 June 2022 and the reports of the Directors and the Auditor as set out in the 2022 Annual Report.

### 2. Remuneration Report

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

*'That the Remuneration Report for the financial year ended 30 June 2022 be adopted.'*

**Note:** The vote on this resolution is advisory only and does not bind the Company or the Directors. A voting exclusion statement applies to this resolution, details of which are set out in the Notes Relating to Voting.

### 3. To re-elect or elect Directors

To consider and, if thought fit, to pass each of the following resolutions as separate ordinary resolutions:

- a. *'that Mr Peter Martin, who retires by rotation in accordance with rule 3.6(a) of the Company's Constitution and being eligible offers himself for re-election, be re-elected as a Director of the Company.'*
- b. *'that Mr Brent Cubis, who in accordance with rule 3.4 of the Company's Constitution, and being eligible offers himself for election, be elected as a Director of the Company with effect from 6 February 2023.'*

### 4. Grant of Sign-on Service Rights to the Group Chief Executive Officer and Managing Director, Ms Emma Shand

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

*'That, for the purposes of ASX Listing Rule 10.14 and all other purposes, approval is given for the Company to grant to the Company's Group Chief Executive Officer and Managing Director, Ms Emma Shand Service Rights under the EML Payments Limited Rights Plan on the terms set out in the Explanatory Notes to this Notice of Meeting.'*

**Note:** The Chair of the meeting will vote undirected proxies **FOR** this resolution. Information about the grant of these Rights to Ms Shand appears in the Explanatory Memorandum. A voting exclusion statement applies to this resolution, details of which are set out in the Notes Relating to Voting.

### 5. Grant of Long-Term Incentive Performance Rights to Group Chief Executive Officer and Managing Director, Ms Emma Shand

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

*'That, for the purposes of ASX Listing 10.14 and all other purposes, approval is given for the Company to grant to the Company's Group Chief Executive Officer and Managing Director, Ms Emma Shand, Performance Rights under the EPLRP on the terms set out in the Explanatory Memorandum to this Notice of Meeting.'*

**Note:** The Chair of the meeting will vote undirected proxies **FOR** this resolution. Information about the grant of these Rights to Ms Shand appears in the Explanatory Memorandum. A voting exclusion statement applies to this resolution, details of which are set out in the Notes Relating to Voting.

# Voting Entitlement.

The Board has determined, in accordance with the Company's Constitution and regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) (**Corporate Regulations**), that a person's entitlement to vote at the AGM will be taken to be the entitlement of that person shown in the Register of Members at 7:00pm (Sydney time) on Wednesday, 23 November 2022.

Voting restrictions apply to the Company's Key Management Personnel (**KMP**) and their closely related parties, which also affect proxy voting. Details of voting exclusions are contained in the Notes Relating to Voting set out below. In particular, please note that if the Chair of the meeting is appointed as your proxy, and you have not directed him how to vote, then by completing and returning the proxy form you will be expressly authorising the Chair of the meeting to exercise your undirected proxy on the resolutions in Items 2, 4 and 5 even though the resolutions are connected with the remuneration of the Company's KMP.

By order of the Board



**Sonya Tissera - Isaacs**  
Company Secretary

Level 12  
333 Ann Street  
Brisbane, QLD 4000

24 October 2022

# Explanatory Memorandum.

## 1. Financial and Statutory Reports

As required by section 317 of the *Corporations Act 2001* (Cth) (**Corporations Act**), the Financial Report and the reports of the Directors and the Auditor for the financial year ended 30 June 2022 will be laid before the AGM.

These reports can be viewed by members on the Company's website or by using the following link [www.emlpayments.com/company/investor-centre/](http://www.emlpayments.com/company/investor-centre/)

Shareholders are not required to vote on this item of business. However during this item of business, Shareholders will be given reasonable opportunity to ask questions and make comments about the financial statements, reports and the business management of the Company. Shareholders will also be given reasonable opportunity to ask a representative of the Company's Auditor, Deloitte Touche Tohmatsu, questions relevant to the conduct of the audit (including the independence of the Auditor in relation to the conduct of the audit), the preparation and content of the auditor's report, and the accounting policies adopted by the Company in relation to the preparation of the financial statements.

The Chair of the meeting will endeavour to address as many of the more frequently raised relevant questions as possible during the course of the AGM. However, there may not be sufficient time available at the AGM to address all of the questions raised.

## 2. Remuneration Report

Shareholders are asked to adopt the Company's Remuneration Report.

The Remuneration Report is set out on pages 39 to 60 of the 2022 Annual Report. The Annual Report is available on EML's website at [www.emlpayments.com/company/investor-centre/](http://www.emlpayments.com/company/investor-centre/)

The Remuneration Report:

- explains the Board's policies on the nature and level of remuneration paid to Key Management Personnel (**KMP**, which includes Directors and select executives);
- explains the strategy and principles that underly EML's Remuneration Framework;
- discusses the link between EML's Remuneration Framework and EML's business strategy, performance and reward;
- outlines the key changes made to the Company's Remuneration Framework during the year to ensure it is globally consistent, aligned to Shareholder interests, rewards decision making that is in the interests of all stakeholders, drives performance and encourages accountability, meets community expectations and is scalable;
- sets out the remuneration details and outcomes for KMP classified persons;
- provides information about the performance conditions that apply to various components of the Remuneration Framework, why those conditions were chosen and how performance is measured against them; and
- makes clear that the basis for remunerating Non-Executive Directors is distinct from the basis for remunerating executives, including Executive Directors.

In summary, and as set out in the Remuneration Report, the Board has sought to ensure that KMP think and act like owners of EML, which is achieved by regularly offering opportunities to earn equity that is conditional upon specified conditions being met.

Shareholders will have a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report at the AGM.

The vote on this resolution is advisory only and does not bind the Company or the Directors. Voting exclusions apply in relation to this resolution and are described in the Notes Relating to Voting.

## RECOMMENDATION

The Board abstains from making recommendations in regard to this resolution as it relates to the remuneration of the Board. The Chair of the meeting intends to vote undirected proxies **IN FAVOUR** of Item 2.

# Explanatory Memorandum.

## 3. Re-election and election of Directors

### a. Mr Peter Martin

In accordance with Rule 3.6(a) of the Company's Constitution, a Director must retire from office at the third annual general meeting after the Director was elected or last re-elected. In addition, in accordance with Listing Rule 14.4 a Non-Executive Director of a publicly listed company may not hold office without re-election past: (i) the third annual general meeting following the director's appointment; or (ii) three years, whichever is longer. Accordingly, Mr Martin is required to retire from office as a Director under each of rule 3.6(a) and Listing Rule 14.4 as he was last elected at the Company's 2019 AGM. Being eligible, Mr Martin will retire and stand for re-election.

### b. Mr Brent Cubis

Following recommendations from the Culture, Governance and Nominations Committee, the Board recommends Mr Brent Cubis for appointment as a Non-Executive Director with effect from 6 February 2023. Mr Cubis, being eligible, is now standing for election at the 2022 AGM, in accordance with rule 3.4 of the Company's Constitution.

The Board has taken into consideration the skills, expertise and contribution made to the Board and its Committees by the Directors standing for re-election and election. Brief biographical details of each director standing for re-election and election follow:



**Peter Martin.**

Non-Executive Chairman

Appointed 19 April 2012

Appointed as Chairman on 18 February 2015

MBA (Harvard Business School)

Bachelor of Civil Engineering (Monash University)

- Mr Martin was formerly the Chief Executive Officer of Rothschild Australia Asset Management (**Rothschild**) and was a Director of a number of Rothschild boards in Australia and overseas. Mr Martin has more than 45 years international commercial experience in marine construction, finance and investment management.
- Mr Martin joined the Board on 19 April 2012, is the Chair of the Board and the Chair of the Culture, Governance and Nomination Committee and a member for all other Committees.
- Mr Martin has a beneficial interest in 6,536,320 fully paid ordinary shares.
- The Board considers Mr Martin to be an independent Director.
- If re-elected, the Board intends that Mr Martin will continue as Chairman of the Board and Chair of the Culture, Governance and Nomination Committee. Mr Martin will also continue to be a member of all other Committees.

## RECOMMENDATION

The Board considers Mr Martin continues to make a valuable contribution to the Board and brings to the Board experience in international business, corporate finance, strategy and governance. The Board (with Mr Martin abstaining) recommends that shareholders vote **IN FAVOUR** of the re-election of Mr Martin in Item 3a).



# Explanatory Memorandum.

## 3. Re-election and Election of Director (continued)

Mr Cubis will join the Board on 6 February 2023. In accordance with Rule 3.4 of the Company's Constitution, a Director may be elected by shareholders via ordinary resolution at an annual general meeting if the Board recommends the appointment.



**Brent Cubis.**

Non-Executive Director

**Appointment date: 6 February 2023**

**Bachelor of Commerce (Finance/Accounting and Information Systems - University of New South Wales)**

**Graduate Member of the Australian Institute of Company Directors (GAICD)**

- Mr Cubis is an accomplished Non-Executive Director, international advisory board member and Chief Financial Officer with over 20 years board level experience helping to generate value for companies with extensive experience in fast growing companies via M&A, innovative funding and profit improvement through both revenue expansion and cost saving programs.
- Mr Cubis is currently Non-Executive Director and Audit and Risk Committee Chair of A2B Australia Limited (**ASX: A2B**), Silverchain Group, Carbon cybernetics, and leading youth cancer charity Canteen Australia. His previous roles have included CFO of Cochlear Limited, CFO of Nine Network Australia and a Non-Executive Director and Audit and Risk Committee Chair of Prime Media Group Limited (**ASX:PRT March 2021 to March 2022**).
- Mr Cubis does not have an interest in any ordinary shares of the Company at this time.
- The Board has conducted appropriate checks into Mr Cubis' background and experience. The Board considers Mr Cubis to be an independent Director.

## RECOMMENDATION

The Board considers Mr Cubis will make a valuable contribution to the Board and brings to the Board valuable experience in corporate financial/accounting, strategy and governance. The Board recommends Mr Cubis' appointment as a Director of the Company and recommends that shareholders vote **IN FAVOUR** of the election of Mr Cubis as a Director of the Company, with effect from 6 February 2023, in Item 3b).

## 4. Grant of Sign-On Service Rights to the Group Chief Executive Officer and Managing Director, Ms Emma Shand

The Company is seeking the approval of shareholders under Listing Rule 10.14 and for all other purposes for the Board to grant 1,612,903 Service Rights to the Group Chief Executive Officer and Managing Director, Ms Emma Shand who is classifiable as a director of EML.

The proposed grant represents the contracted service-tested sign-on grant under the EML Payments Limited Rights Plan (**EPLRP**) on the terms set out below. The EPLRP was approved by Shareholders at the AGM held on 17 November 2021. In addition to the below, further terms of the EPLRP are set out in Appendix 1.

# Explanatory Memorandum.

## 4. Grant of Sign-On Service Rights to the Group Chief Executive Officer and Managing Director, Ms Emma Shand (continued)

### Why is shareholder approval being sought?

The issue of securities to a Director under an employee incentive scheme (in this case Service Rights under the EPLRP) requires Shareholder approval pursuant to Listing Rule 10.14.1. Accordingly, Shareholder approval is sought for the proposed grant of Service Rights under the EPLRP to Ms Shand. Once approval is obtained under Listing Rule 10.14, per Listing Rule 7.2, Exception 14 approval will not be required under Listing Rule 7.1, and the issue of Rights to Ms Shand will not count towards the Company's capacity to issue equity securities under Listing Rule 7.1.

Due to the current business challenges and perceived risk associated with taking on the Group Chief Executive Officer and Managing Director role, and the need to secure a candidate of exceptional calibre to address those challenges at this time, a substantial sign-on offer was a necessary part of the contract negotiated to secure Ms Shand to the position of Group Chief Executive Officer and Managing Director. This contract was disclosed to the ASX on 21 July 2022. Service testing applies to the grant to ensure that the reward only vests when it is viewed as earned by the Company. The intention is to provide this opportunity in the form of conditional equity to provide Ms Shand with substantial shareholder alignment and 'skin-in-the-game' more quickly than would be possible under a typical long-term incentive arrangement. Were it not for the inclusion of this opportunity, the Company would have had to offer substantially higher Fixed Pay, which was deemed to be less well aligned with EML's current market position and with shareholder interests, than the proposed equity arrangement. It is expected that the proposed equity remuneration will represent a lower net cost to the Company than the Fixed Pay equivalent, over time. Service Rights were therefore selected as the instrument that struck a fair balance between the requirements of various stakeholders. A "Gate" of satisfactory, or better, performance has been applied to the Service Rights to ensure appropriate alignment.

### Details of the proposed grant

Accordingly, approval is sought to grant 1,612,903 Service Rights under the EPLRP to Ms Shand, representing her contracted sign-on award.

If Shareholders do not approve the proposed grant of Service Rights to Ms Shand, the Board will be required to offer Ms Shand an alternative cash retention payment on equivalent terms.

### Key terms of the proposed grant

The key terms of the proposed grant are as follows:

- a. Subject to Shareholders' approval, the Board has determined to award a sign-on grant to Ms Shand, shortly after the AGM.
- b. The maximum number of Service Rights to be issued to Ms Shand has been calculated by dividing the dollar value of Ms Shand's sign-on grant (\$1,500,000) by the volume weighted average price of the Company's shares over the 20 trading days up to (but not including) the grant date of 30 September 2022 (which has been calculated to be \$0.93), rounded to the nearest cent.
- c. Subject to the terms of the EPLRP, the Service Rights are subject to a retention vesting condition requiring that Ms Shand serves specified periods as an employee of the Company in order for the Rights to vest, starting on the date of commencement of employment on 11 July 2022, and ending on:
  - For Tranche 1 (537,634 Service Rights), 25 November 2022 (ie the Rights will vest immediately after being allocated),
  - For Tranche 2 (537,634 Service Rights), 11 July 2023,
  - For Tranche 3 (537,635 Service Rights), 11 July 2024.
- d. To ensure that the Rights will not vest if Ms Shand is not performing to expectations, and thus to ensure additional alignment with the experience of shareholders, a Gate applies to the Rights such that they will not be eligible to vest unless the Board determines that Ms Shand's performance is "satisfactory" or better, as at the end of each Measurement Period applicable to each Tranche
- e. The Rights are not transferable and any unexercised Rights will expire 15 years after the Grant Date if not exercised earlier.
- f. Subject to the terms of the EPLRP and the grant, each Right will give Ms Shand the right to acquire one share in the Company (or a cash payment equivalent to the value of one share).
- g. Subject to the Company's securities trading policy and any applicable laws (such as the insider trading provisions), or the requirements of the Corporations Act, shares acquired on the vesting and exercise of the Rights proposed to be granted to Ms Shand will not be subject to disposal restrictions.
- h. The proposed Exercise Price is nil.

# Explanatory Memorandum.

## 4. Grant of Sign-On Service Rights to the Group Chief Executive Officer and Managing Director, Ms Emma Shand (continued)

### Key terms of the proposed grant (continued)

- i. The EPLRP allows for the terms of an Invitation to override the default terms of the EPLRP, which applies to the proposed arrangement as agreed as part of contract negotiation, in respect of treatment in the case of a delisting or change in control; in this case all unvested Service Rights will vest on a change in control of the Company.
- j. The EPLRP allows for treatment in the case of a cessation of employment to be specified in the terms of the Invitation, which have been set as follows, and which were determined as part of contract negotiation:
  - a. If Ms Shand's employment is terminated by the Company without cause or there is an event that results in a substantial diminution to Ms Shand's role, the Service Rights will continue to vest in accordance with the schedule set out above, as if Ms Shand were still employed by the Company; and
  - b. If Ms Shand resigns or her employment is terminated for cause prior to the applicable vesting date for a Tranche, any unvested Service Rights on the date of cessation of employment will lapse.

### Other information

Further information that must be provided to Shareholders in accordance with Listing Rule 10.15 is set out below:

- a. Ms Shand is the only person referred to in the approval under Listing Rule 10.14 presently entitled to participate in the EPLRP. No loan will be made available to Ms Shand in relation to the acquisition or exercise of the proposed grant of Rights.
- b. The Price of the Rights is nil because the Rights form part of Ms Shand's contracted remuneration arrangements.
- c. ASX Listing Rule 10.15.4 requires this Notice of Meeting to include details (including the amount) of Ms Shand's FY22 current total remuneration:

<b>TOTAL FIXED REMUNERATION INCLUDING SUPERANNUATION (TFR)</b>	<b>A\$ 850,000</b>
Short-Term Incentive	100% of TFR at maximum
Long-Term Incentive	200% of TFR at maximum

Shareholders are referred to the Remuneration Report for full details of Ms Shand's remuneration.

- d. If Shareholder approval for the grant is obtained, the Rights will be granted to Ms Shand as soon as practicable after the meeting, but in any event no later than within 12 months of the date of the AGM.
- e. Details of any securities issued under the EPLRP will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14
- f. The value attributed to each Service Right by the Company is \$0.93 which is the volume weighted average price used to determine the grant. However, the actual cost to the Company will be determined by the application of the AASB2 accounting standard, and the Share Price on the date of grant, as well as whether or not the participant completes the required periods of service.
- g. Any additional persons covered by Listing Rule 10.14 who became entitled to participate in an issue of securities under the EPLRP after the resolution is approved and who were not named in the Notice of Meeting will not participate until approval is obtained under that rule.
- h. ASX Listing Rule 10.15.5 requires this Notice of Meeting to state the number and average price of securities received by Ms Shand under the EPLRP. No equity securities have been issued to Ms Shand under the EPLRP.
- i. Refer to Appendix 1 for further details of the EPLRP applicable to the proposed grant.

Voting restrictions apply in relation to this resolution and are described in the Notes Relating to Voting.

### RECOMMENDATION

The Non-Executive Directors consider the grant of 1,612,903 Service Rights to Ms Shand under the EPLRP to be reasonable and appropriate in all the circumstances. The Board (with Ms Shand abstaining) recommends that shareholders vote **IN FAVOUR** of Item 4.

# Explanatory Memorandum.

## 5. Grant of Long-Term Variable Remuneration Performance Rights to Group Chief Executive Officer and Managing Director, Ms Emma Shand

The Company is seeking the approval of shareholders under Listing Rule 10.14 for the Board to grant up to 1,827,957 Performance Rights to Ms Emma Shand, the Group Chief Executive Officer and Managing Director, as the Long-Term Variable Reward (LTVR) component of her remuneration for the financial year ending 30 June 2023 under the EPLRP on the terms set out below.

### Why is shareholder approval being sought?

The issue of securities to a Director under an employee incentive scheme (in this case Performance Rights under the EPLRP) requires Shareholder approval pursuant to Listing Rule 10.14.1. Ms Shand is classifiable as a Director. Accordingly, Shareholder approval is sought for the proposed grant of Performance Rights under the EPLRP to Ms Shand. Once approval is obtained under Listing Rule 10.14, per Listing Rule 7.2, Exception 14, approval will not be required under Listing Rule 7.1 and the issue of Rights to Ms Shand will not count towards the Company's capacity to issue equity securities under Listing Rule 7.1.

### Details of the proposed grant

Accordingly, approval is sought to grant 1,827,957 Performance Rights under the EPLRP to Ms Shand, as the LTVR component of her remuneration for the financial year ending 30 June 2023.

It is the view of the Board that the granting of such Rights under the EPLRP to Ms Shand is an appropriate part of her at-risk remuneration linked to generating long-term value for Shareholders and such a grant will constitute the giving of reasonable remuneration for the purposes of Chapter 2E of the Corporations Act. Performance Rights were therefore selected as the instrument that struck a fair balance between the requirements of various stakeholders.

If Shareholders do not approve the proposed grant of Performance Rights to Ms Shand, the proposed grant of Performance Rights will not proceed. In that circumstance, issues may arise with the competitiveness of Ms Shand's total remuneration package and alignment of rewards with other senior executives in the Group. The Board would then need to consider alternative remuneration arrangements for Ms Shand which are consistent with the Company's remuneration principles, including providing an equivalent cash long-term incentive, subject to the same risk of forfeiture, vesting conditions and Measurement Period as described below for the grant of the Performance Rights.

# Explanatory Memorandum.

## 5. Grant of Long-Term Variable Remuneration Performance Rights to Group Chief Executive Officer and Managing Director, Ms Emma Shand (continued)

### Key terms of the proposed grant

The key terms of the proposed grant are as follows:

- j. Subject to Shareholders' approval, the Non-Executive Directors have determined Ms Shand's grant of FY23 LTVR to be 1,827,957 Performance Rights.
- k. The maximum potential number of Performance Rights available to be issued to Ms Shand has been calculated by dividing the dollar value of Ms Shand's LTVR opportunity for FY23 (\$1,700,000, which equates to 200% of fixed annual remuneration) by the volume weighted average price of the Company's share price represented by the 10 day VWAP over the 10 trading days following the release of the FY22 financial results (which has been calculated to be \$0.93), rounded to the nearest cent.
- l. The number of Performance Rights that will ultimately vest in favour of Ms Shand is dependent on the Non-Executive Directors assessment of the Company's performance against the iTSR and RACE vesting conditions for the period beginning on 1 July 2022 and ending on 30 June 2025 and the Board's overriding discretion. The Performance Rights are not transferable, and any vested but unexercised Performance Rights will expire 15 years after the grant date.
- m. Subject to the terms of the EPLRP and the grant, each Performance Right will give Ms Shand the right to acquire one share in the Company (or a cash payment equivalent to the value of one share) subject to the Performance Rights vesting after a three-year Measurement Period beginning on 1 July 2022 and ending on 30 June 2025.
- n. Tranche 1 (30% weighting) being 548,387 of the Performance Rights will be subject to a vesting condition based upon an indexed Total Shareholder Return (**iTSR**).
- o. A gate applies to the iTSR Performance Rights, such that vesting will not be considered if the Company's TSR is not positive for the Measurement Period. The percentage of iTSR Performance Rights that will vest, if any, will be determined at the end of the Measurement Period (ie 30 June 2025) by reference to the following vesting schedule:

PERFORMANCE LEVEL	EML TSR COMPARED TO TSR OF THE ASX 300	% OF GRANT VESTING
Stretch	$\geq$ Index TSR + 5% TSR CAGR	100%
Between Target and Stretch	$>$ Index TSR + 2.5% TSR CAGR and $<$ Index TSR + 5% TSR CAGR	Pro-rata
<b>Target</b>	<b>Index TSR + 2.5% TSR CAGR</b>	<b>50%</b>
Between Threshold and Target	$>$ Index TSR and $<$ Index TSR + 2.5% TSR CAGR	Pro-rata
Threshold	= Index TSR	25%
Below Threshold	$<$ Index TSR	0%

- p. Tranche 2 (70% weighting) being 1,279,570 of the Performance Rights will be subject to a vesting condition based on Return on Adjusted Capital Employed (**RACE**). For any Performance Rights to vest, the RACE target at threshold must be met. The percentage of RACE Rights that will vest, if any, will be determined over the Measurement Period (i.e. 1 July 2022 to 30 June 2025) by reference to the following vesting schedule:

# Explanatory Memorandum.

## 5. Grant of Long-Term Variable Remuneration Performance Rights to Group Chief Executive Officer and Managing Director, Ms Emma Shand (continued)

PERFORMANCE LEVEL	RETURN ON ADJUSTED CAPITAL EMPLOYED (RACE)	% OF STRETCH/ GRANT/ MAXIMUM VESTING
Stretch	20%	100%
Between Target and Stretch	>17.5% and <20%	Pro rata
<b>Target</b>	<b>17.5%</b>	<b>50%</b>
Between Threshold and Target	>15% and <17.5%	Pro rata
Threshold	15%	25%
Below Threshold	<15%	0%

- q. The Exercise Price is nil.
- r. Subject to the Company's Securities Trading Policy and any applicable laws (such as the insider trading provisions), shares acquired on the vesting and exercise of the Performance Rights ultimately awarded to Ms Shand will not be subject to disposal restrictions;
- s. If Shareholder approval for the grant is obtained, the Performance Rights will be granted to Ms Shand as soon as practicable after the meeting, but in any event within 12 months after the date of the meeting. Any Performance Rights will not vest until after the Board's assessment of the Company's performance against the targets for the period beginning on 1 July 2022 and ending on 30 June 2025 and the Board's overriding discretion.
- t. Unless the Board determines otherwise:
- If Ms Shand's employment is terminated for cause at any time prior to vesting, all unvested Performance Rights will lapse; and
  - If Ms Shand's employment is terminated for any other reason during the first year of the Measurement Period, it will result in the pro-rata forfeiture of her Performance Rights reflecting the remaining portion of the year that will not be served, with the excess Performance Rights staying on foot for testing at the usual time; and
  - If Ms Shand's employment is terminated for any other reason after the first year of the Measurement Period, all of her Performance Rights will stay on foot for testing at the usual time.
- u. For the other terms and conditions applicable to the grant, please refer to Appendix 1 which outlines the EPLRP, which is the underlying plan.

### Other information

Further information that must be provided to Shareholders in accordance with Listing Rule 10.15 is set out below:

- a. Ms Shand is the only person referred to in Listing Rule 10.14 presently entitled to participate in the EPLRP.
- b. The Price of the Performance Rights is nil because the Performance Rights form part of Ms Shand's contracted remuneration arrangements.
- c. No loan will be made available to Ms Shand in relation to the acquisition or exercise of the proposed grant of Performance Rights;
- d. ASX Listing Rule 10.15.4 requires this Notice of Meeting to include details (including the amount) of Ms Shand's FY22 current total remuneration:

TOTAL FIXED REMUNERATION INCLUDING SUPERANNUATION (TFR)	\$850,000
Short-Term incentive	100% of TFR at maximum
Long-Term incentive	200% of TFR at maximum

Shareholders are referred to the Remuneration Report for full details of Ms Shand's remuneration.

# Explanatory Memorandum.

## 5. Grant of Long-Term Variable Remuneration (LTVR) Performance Rights to Group Chief Executive Officer and Managing Director, Ms Emma Shand (continued)

- e. The value attributed to each Performance Right by the Company is \$0.93, which is the volume weighted average price used to determine the grant. However, the actual cost to the Company will be determined by the application of the AASB2 accounting standard, and the Share Price on the date of grant, as well as whether or not the participant is employed by the Company during the Measurement Period.
- f. ASX Listing Rule 10.15.5 requires this Notice of Meeting to state the number and average price of securities received by Ms Shand under the EPLRP. No equity securities have been issued to Ms Shand under the EPLRP.
- g. If Shareholder approval for the grant to Ms Shand is obtained, the Performance Rights (under the EPLRP) will be granted to Ms Shand as soon as practicable after the meeting, but in any event no later than within 12 months of the date of the AGM.
- h. Details of any securities issued to Ms Shand under the EPLRP will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- i. Any additional persons covered by Listing Rule 10.14 who becomes entitled to participate in an issue of securities under the EPLRP after the resolution is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under that rule.
- j. Refer to Appendix 1 for further details of the Rights plan applicable to the proposed grant.

Voting restrictions apply in relation to this resolution and are described in the Notes Relating to Voting.

### RECOMMENDATION

The Non-Executive Directors consider the grant of a maximum of 1,827,957 Performance Rights to Ms Shand under the EPLRP to be reasonable and appropriate in all circumstances. The Board (with Ms Shand abstaining) recommend that shareholders vote **IN FAVOUR** of Item 5.

# Notes relating to voting.

## 1. Entitlement Time

The Board has determined, in accordance with the Rules of the Company's Constitution and the Corporations Regulations, that a person's entitlement to vote at the AGM will be taken to be the entitlement of that person shown in the Register of Members at 7:00pm (Sydney time) on Wednesday, 23 November 2022. Share transfers registered after that time will be disregarded in determining voting entitlements at the AGM.

## 2. Voting Exclusions

**Voting exclusions are applicable for the following resolutions:**

- Resolution 2: Remuneration Report
- Resolution 4: Grant of Sign on Service Rights to Group Chief Executive Officer and Managing Director, Ms Emma Shand
- Resolution 5: Grant of Long-Term Variable Remuneration (LTVR) Performance Rights to Group Chief Executive Officer and Managing Director, Ms Emma Shand

### Resolution 2: Remuneration Report

**Voting Exclusion:**

The Company will disregard any votes on the resolution in Item 2:

- by or on behalf of a member of the Company's KMP named in the Company's Remuneration Report for the year ended 30 June 2022 or their closely related parties, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of the Company's KMP at the date of the meeting or their closely related parties, unless the vote is cast as a proxy for a person entitled to vote on the resolution in Item 2;
- in accordance with a direction as to how to vote on the proxy form; or
- by the Chair of the meeting pursuant to an express authorisation to exercise the proxy even though Item 2 is connected with the remuneration of the Company's KMP.

### Resolutions 4 and 5: Grant of Sign on Service Rights and Long-Term Variable Remuneration (LTVR) Performance Rights to Group Chief Executive Officer and Managing Director, Ms Emma Shand

**Voting Exclusion:**

The Company will disregard any votes on the resolution in Item 4 and Item 5:

- in favour of the resolution by or on behalf of Ms Shand or any of her associates, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of the Company's KMP at the date of the AGM or their closely related parties, unless the vote is cast as on the resolution in Item 4 or Item 5;
- as a proxy or attorney for a person entitled to vote on the resolution in accordance with a direction given to the proxy or attorney to vote on the resolution in that way; or
- by the Chair of the meeting as a proxy for a person entitled to vote on the resolution, pursuant to an express authorisation to exercise the proxy as the Chair decides; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## 3. All Resolutions will be by poll

All Shareholders are asked to participate in the AGM. Each resolution considered at the AGM will be conducted by a poll. The Board considers voting by poll to be in the interests of Shareholders as a whole and ensures the views of as many Shareholders as possible are represented at the AGM. On a poll, every member has one vote for every fully paid ordinary share held.



# Notes relating to voting.

## 4. Direct Voting

In accordance with rule 18.1 of the Company's Constitution, the Directors:

- Have determined that at the AGM, a Shareholder who is entitled to vote on a resolution at the AGM is entitled to a direct vote in respect of that resolution; and
- Have approved the use of either:
  - a. The direct Voting Form available together with this Notice of Meeting for use prior to the AGM; or
  - b. Voting in real time at the AGM.

### Direct Voting via the Voting Forms – Prior to the AGM

If a Shareholder is unable to attend the AGM at ANZ Tower, Level 34, 161 Castlereagh Street, Sydney, NSW, 2000 at 10:00am, they are entitled to vote their shares directly by marking Section A 'Vote Directly' on the Voting Form available with this Notice. They will then not need to appoint a proxy to act on their behalf. Such Shareholders should mark either 'for' or 'against' boxes next to each item on the Voting Form. The 'abstain' boxes should not be marked – if a Shareholder does mark the abstain box, then their vote for that item will be invalid.

If a Shareholder does not give a direction on all of the items, or if they complete both Section A 'Vote Directly' and Section B 'Appoint a Proxy', their vote will be passed to the Chair of the AGM as their proxy.

In accordance with rule 18.1 of the Company's Constitution, Shareholders will be able to vote directly on resolutions considered at the AGM at any time between the date of this Notice of Meeting and **10:00am (Sydney time) on Wednesday 23 November 2022**.

## 5. Voting by Proxy

If a Shareholder is unable to participate and vote at the AGM, and does not choose to use direct voting, they are entitled to appoint a proxy to attend in person and vote on their behalf. To do so, they should mark Section B 'Appoint a Proxy' on the Voting Form and insert the name of their proxy in the space provided or appoint the Chair of the AGM as their proxy.

The following information is relevant if you wish to appoint a proxy to vote on your behalf on resolutions at the Annual General Meeting.

### The Chair of the meeting acting as proxy

You may appoint the Chair of the meeting as your proxy. In addition, subject to the voting exclusions described above, the Chair of the meeting is deemed to be appointed where a signed proxy form is returned which does not contain the name of the proxy, or where the person appointed on the form does not attend the meeting or attends the meeting but does not vote.

If a member directs the Chair of the meeting how to vote on an item of business, the Chair of the meeting must vote in accordance with the direction.

For proxies without voting instructions that are exercisable by the Chair of the meeting, the Chair of the meeting intends to vote all available proxies **IN FAVOUR** of the resolutions.

In relation to each of the remuneration-related resolutions (being the resolutions in Items 2, 4, and 5), if the Chair of the meeting is appointed as your proxy, and you have not directed your proxy how to vote on the relevant resolution, please note that by completing and returning the proxy form accompanying this Notice you will be expressly authorising the Chair of the meeting to exercise your undirected proxy on these resolutions even though they are connected with the remuneration of the Company's KMP.

### Directing your proxy how to vote

If you wish to indicate how your proxy should vote, please mark the appropriate boxes on the proxy form. If you mark the "abstain" box for a particular item, you are directing your proxy not to vote on your behalf and your shares will not be counted in computing the required majority on a poll. If you do not mark a voting instructions box in respect of a resolution, your proxy can vote as he, she or they decide, subject to any voting exclusions that apply to the proxy.

### Does the proxy you appoint need to be a member?

A proxy may be an individual or a body corporate and need not be a member of the Company.

# Notes relating to voting.

## 5. Voting by Proxy (continued)

### Appointing two proxies

A member entitled to attend the AGM and vote is entitled to appoint not more than two proxies. If you wish to appoint two proxies, please obtain a second proxy form by telephoning the Share Registry, Link Market Services on 1300 554 474 (within Australia) or by sending a fax to +61 2 9287 0309.

If you wish to appoint two proxies, both forms should be completed specifying the nominated percentage or number of your votes given to each proxy. Please return both proxy forms together. If the proxy forms do not specify the proportion or number of your votes, each proxy may exercise half of the votes.

### Appointment of a body corporate representative as a proxy

Where a member is a body corporate or a member appoints a body corporate as proxy, that body corporate will need to ensure that:

- it appoints an individual as its corporate representative to exercise its powers at the meeting, in accordance with section 250D of the Corporations Act (the “Certificate of Appointment of Corporate Representative” that can be obtained from the Share Registry can be used for this purpose); and
- the instrument appointing the corporate representative is received by the Company at its registered office by the time referred to below.

### Completing the proxy form

A proxy form must be signed by the member or their attorney or, in the case of a corporation, executed in accordance with section 127 of the Corporations Act or signed by an authorised officer or attorney. If the proxy form is signed by an attorney or by the authorised officer of a corporation, the power of attorney or other authority (or a notarially certified copy) must accompany the form unless it has previously been provided to the Company. If the proxy form is sent electronically or by fax, any accompanying power of attorney or other authority must be certified.

### Lodgement of voting/proxy forms

Voting/proxy forms must be received by the Company by **10.00 am (Sydney time) on Wednesday 23 November 2022**.

You may lodge your voting/proxy form:

<b>ONLINE</b>	<a href="https://investorcentre.linkgroup.com">https://investorcentre.linkgroup.com</a>
<b>BY MAIL</b>	EML Payments Limited C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Australia
<b>ALL ENQUIRIES TO</b>	+61 1300 554 474

## 6. Appointing an attorney to vote on your behalf

Where a member appoints an attorney to act on their behalf at the meeting, such appointment must be made by a duly executed power of attorney. The power of attorney must be received by the Company at Link Market Services Limited by hand or post by **10.00 am (Sydney time) on Wednesday 23 November 2022**.

# Definitions.

Capitalised terms in this Notice of Meeting and Explanatory Memorandum have the meaning set out below:

<b>TERM</b>	<b>DEFINITION</b>
<b>Annual General Meeting or Meeting</b>	means the Company's Annual General Meeting the subject of this Notice of Meeting.
<b>Annual Report</b>	means the 2022 Annual Report of the Company.
<b>ASX</b>	means ASX Limited ACN 008 624 691.
<b>Board</b>	means the Board of Directors of the Company.
<b>Company or EML</b>	means EML Payments Limited ACN 104 757 904.
<b>Constitution</b>	means the constitution of the Company.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth).
<b>Non-Executive Directors</b>	means the Non-Executive Directors of the Company.
<b>Explanatory Memorandum</b>	means the explanatory statement accompanying the resolutions contained in this Notice of Meeting.
<b>Key Management Personnel or KMP</b>	means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and includes the Group Chief Executive Officer and Managing Director and each of the Non-Executive Directors.
<b>Listing Rules</b>	means the listing rules of ASX.

# Definitions.

<b>TERM</b>	<b>DEFINITION</b>
<b>Notice of Meeting</b>	means this notice of meeting and includes the Explanatory Memorandum.
<b>EPLRP or Plan</b>	means the EML Payments Limited Rights Plan where approval was granted by Shareholders at the 2021 Annual General Meeting.
<b>Remuneration Report</b>	means the section of the Directors' report for the 2022 financial year that is included under section 300A(1) of the Corporations Act.
<b>Shareholders</b>	means a person who is a registered holder of Shares in the Company at 7:00pm (Sydney time) on Wednesday, 23 November 2022.
<b>Shares</b>	means fully paid ordinary shares in the capital of the Company.

# Appendix 1:

## Terms of the EML Payments Limited Rights Plan (EPLRP)

Further terms of EML's EPLRP, which was approved by Shareholders at the 2021 AGM held on 17 November 2021, include:

ASPECT	DETAILS
<b>Instrument</b>	<p>The EPLRP uses Indeterminate Rights which are an entitlement to the value of a Share (less any Exercise Price) which may be satisfied either in cash and/or in Shares (at the Board's discretion), unless otherwise specified in an Invitation. Generally, it is expected that exercised Rights will be satisfied in the form of Shares or Restricted Shares (ordinary fully paid share in the Company that may be subject to Specified Disposal Restrictions).</p> <p>The Plan allows for three classes of Rights which may be appropriate forms of remuneration under various circumstances, being:</p> <ul style="list-style-type: none"> <li>• Performance Rights which vest when performance conditions have been satisfied and will generally be used for the purpose of granting LTVR to executives,</li> <li>• Service Rights which vest after completion of a period of service and which will generally be used as a retention incentive below the executive level if and when appropriate, or as part of fixed remuneration, and</li> <li>• Restricted Rights which are vested at grant but which may have Exercise Restrictions and or Specified Disposal Restrictions that extend to the Shares that result from the exercise of Rights (Restricted Shares), and will generally be used to defer earned remuneration from time to time e.g. to defer STVR.</li> </ul> <p>When an Exercise Price greater than nil is specified in an Invitation the Rights are Share Appreciation Rights (SARs) that only produce value when the Share Price exceeds the Exercise Price at the time of Exercise i.e. equivalent to an option. They may be Performance SARs, Service SARs or Restricted SARs under the foregoing classes of Rights.</p> <p>These instruments were chosen because they allow EML to offer employees equity as part of remuneration that is aligned with current market best-practices, tax and regulatory requirements in a range of circumstances.</p>
<b>Terms and Conditions</b>	<p>Under the rules of the EPLRP (Plan Rules) the Board has the discretion to set the terms and conditions on which it will offer Rights, including the modification of the terms and conditions as appropriate to ensuring the Plan operates as intended.</p> <p>Performance Rights, Service Rights (including when they are Share Appreciation Rights) are subject to Vesting Conditions. In the case of Performance Rights (including Share Appreciation Rights) the Vesting Conditions are intended to be challenging and linked to indicators of sustainable value creation for shareholders.</p> <p>The terms and conditions of the Plan include those aspects legally required as well as terms addressing exceptional circumstances, such as a de-listing, a major return of capital to shareholders, including the treatment of Rights and Restricted Shares on termination of employment.</p> <p>The Plan contains customary and usual terms having regard to Australian law for dealing with winding up, administration, variation, suspension and termination of the Plan.</p>
<b>Variation of Terms and Conditions</b>	<p>To the extent permitted by the ASX Listing Rules, the Board retains the discretion to vary or amend the terms and conditions of the Plan.</p>

# Appendix 1:

## Terms of the EML Payments Limited Rights Plan (EPLRP) (continued)

Further terms of EML's EPLRP, which was approved by Shareholders at the 17 November 2021 AGM, include:

ASPECT	DETAILS
<b>Eligibility</b>	Eligible Persons selected by the Board will be invited to participate in the Plan. Eligible Persons includes: full time and part-time employees, executive directors and contractors, but excludes Non-Executive Directors.
<b>Term</b>	Each Invitation will specify the Term of Rights, as determined by the Board, and if not exercised within the Term the Rights will lapse. The maximum term allowable is 15 years under the Rules, which is based on the maximum tax deferral period in Australia.
<b>Number of Rights</b>	The number of Rights specified in an Invitation will be at the discretion of the Board. It is intended that the number of Rights to be granted will be determined annually with regard to the Participant's fixed remuneration, an appropriate Volume Weighted Average Price (VWAP), relevant market practices and the relevant policies of the Company regarding remuneration, such that total remuneration is appropriate in both quantum and structure.
<b>Measurement Period</b>	The Measurement Period is the period over which vesting conditions are assessed and may be determined by the Board as part of each Invitation but will generally be three years for Performance Rights, starting from the beginning of the first financial year in the Measurement Period.
<b>Vesting Conditions</b>	<p>Vesting Conditions, if any, are to be determined by the Board as part of each Invitation.</p> <p>Performance Rights will vest based on selected measures of Company performance and service with the Company. They are intended to create alignment with indicators of shareholder value creation over the Measurement Period.</p> <p>Service Rights will vest based on periods of service with the Company only, and will generally relate to annual remuneration cycles when granted as part of fixed remuneration, or aligned with succession plans for example.</p> <p>Restricted Rights do not have Vesting Conditions and are fully vested at grant but are subject to disposal restrictions. The disposal restrictions may extend to the Shares (Restricted Shares) that result from exercising Restricted Rights, as appropriate to circumstances. This is likely to be used where the application of vesting conditions is not appropriate e.g. in the case of deferred STVR awards for executives.</p>
<b>Gates</b>	The Board may attach Gates to tranches of Performance Rights. A Gate is a condition that, if not fulfilled, will result in nil vesting of a tranche regardless of performance in relation to the Vesting Conditions.

# Appendix 1:

## Terms of the EML Payments Limited Rights Plan (EPLRP) (continued)

Further terms of EML's EPLRP, which was approved by Shareholders at the 17 November 2021 AGM, include:

ASPECT	DETAILS
<b>Cost of Rights and Exercise Price</b>	<p>No amount is payable by Participants for Rights unless otherwise determined by the Board. Rights are intended to form part of the annual remuneration package appropriate to each Participant.</p> <p>No Exercise Price is payable by a Participant to exercise Rights under the Rules. However, as part of the terms of an Invitation the Board may determine that a notional Exercise Price applies, which will be deducted from the value of a Share in determining the Exercised Rights Value i.e. creating a cashless exercise option or Share Appreciation Right/SAR which functions identically to an option, but is less dilutive than traditional options from a shareholder perspective.</p>
<b>Exercise of Vested Rights</b>	<p>Vested Rights may be exercised at any time between the Vesting Date (or the latter elapsing of Exercise Restrictions if applicable) and the end of their Term, by the Participant submitting an Exercise Notice, otherwise they will lapse. The Exercised Rights Value will be determined as follows and will be either be paid in cash, converted into Shares based on the then Share price, or a combination of cash and Shares, as determined by the Board:</p> <p><b>Exercised Rights Value =</b>  <b>Number of Rights Exercised x (Share Price at Exercise - Exercise Price)</b></p> <p>Generally, it is expected that vested Rights will be settled in Shares. Such Shares will often be Restricted Shares as they will be subject to disposal restrictions if the exercise occurs during a period in which trading in Shares is prohibited under the Company's securities trading policy.</p> <p>For Participants outside of Australia, the Invitation may specify an automatic exercise date or other overriding variations, to comply with local regulatory and tax conditions.</p>
<b>Exercise Restrictions</b>	<p>An Invitation may specify a period of Exercise Restrictions during which Rights may not be exercised, even if vested. For Restricted Rights which are fully vested at grant, Exercise Restrictions apply for at least 90 days following the Grant Date.</p>
<b>Disposal Restrictions</b>	<p>Rights may not be sold, transferred, mortgaged, charged or otherwise dealt with or encumbered, except by force of law.</p> <p>Shares acquired from the exercise of vested Rights may be subject to disposal restrictions due to:</p> <ol style="list-style-type: none"> <li>The Company's securities trading policy, and</li> <li>The insider trading provisions of the Corporations Act.</li> </ol> <p>Shares resulting from the exercising of Rights that may not be traded due to the foregoing or because of Specified Disposal Restrictions included in an Invitation will be Restricted Shares while they are so restricted. EML will ensure that such restrictions are enforced due to the presence of CHES holding locks or alternatively by any trustee of an Employee Share Trust that may be engaged in connection with the Plan.</p>
<b>Specified Disposal Restrictions</b>	<p>Invitations may include Specified Disposal Restrictions that apply for a specified period to Restricted Shares that result from the exercising of Rights. The Board will decide whether to include such conditions and the period for which they will apply. Initially, grants will not be subject to a Specified Disposal Restriction.</p>

# Appendix 1:

## Terms of the EML Payments Limited Rights Plan (EPLRP) (continued)

Further terms of EML's EPLRP, which was approved by Shareholders at the 17 November 2021 AGM, include:

ASPECT	DETAILS
<b>Disposal and Exercise Restriction Release at Taxing Point</b>	In the event that a taxing point arises in relation to Restricted Rights or Restricted Shares and the Exercise Restrictions or Specified Disposal Restrictions have not elapsed then they will cease to apply to 50% of the taxable Rights and Shares. This ensures that unreasonable tax outcomes are avoided.
<b>Termination of Employment</b>	<p>Generally, if termination of employment occurs within the first year of the Measurement Period, Performance Rights will be forfeited in the proportion that the remainder of the first year of the Measurement Period bears to a full year, commensurate with the annual nature of Performance Rights granting cycles (as distinct from vesting or performance measurement). Remaining Performance Rights will then continue to be held for testing for vesting at the end of the Measurement Period. Any Performance Rights that do not vest following the assessment of the Vesting Conditions will be forfeited i.e. no acceleration or bringing forward of vesting will occur unless otherwise determined by the Board in exceptional cases.</p> <p>Service Rights will be dealt with as specified in the relevant Invitation as appropriate to the circumstances of the granting of Service Rights and the applicable Measurement Periods. Generally pro-rata vesting for the period of service completed will apply.</p> <p>Vested Rights held after a Participant's termination of office or employment with the Group will be automatically exercised 90 days after the date on which the Participant ceases to hold any unvested Rights and all Exercise Restrictions have elapsed.</p> <p>It should be noted that the Plan contains clauses that address fraud, misconduct, inappropriate benefits and clawback which will result in the forfeiture of unvested and unexercised rights equivalent to traditional "Bad Leaver" approaches, but which may apply at any time including during employment.</p>



# Appendix 1:

## Terms of the EML Payments Limited Rights Plan (EPLRP) (continued)

Further terms of EML's EPLRP, which was approved by Shareholders at the 17 November 2021 AGM, include:

ASPECT	DETAILS
<b>Delisting</b>	<p>In the event the Board determines that the Company will be subject to a de-listing, the Vesting Conditions specified in an Invitation for Performance Rights will cease to apply and:</p> <ul style="list-style-type: none"> <li>• Rights with an Exercise Price greater than nil (SARs) will vest 100% unless otherwise determined by the Board, comparable to the traditional treatment of Options and appropriate to the marginal and time-dependent value of such instruments,</li> <li>• Unvested Performance Rights with a nil exercise price, each tranche will vest pro-rata based on time and value created, using the following formula:</li> </ul> $\text{Number of Performance Rights to Vest} = \text{Unvested Performance Rights} \times \frac{\% \text{ of First Year of Measurement Period Elapsed}}{\left( \frac{\text{Share Price at the Effective Date} - \text{Share price at Measurement Period Commencement}}{\text{Share price at Measurement Period Commencement}} \right)}$ <ul style="list-style-type: none"> <li>• Remaining Performance Rights may vest or lapse as determined by the Board,</li> <li>• Service Rights will vest to the extent determined to be appropriate by the Board under the circumstances applicable to each grant of Service Rights, and</li> <li>• Exercise Restrictions and Specified Disposal Restrictions will cease to apply on the date determined by the Board.</li> </ul>
<b>Major Return of Capital or Demerger</b>	<p>In the event that the Board forms the view that a major part of the Company's assets or operations will imminently cease to be owned by the Group due to an intention to sell or separately list those assets or operations, or in the event of a major return of capital to Shareholders, the Board has discretion to vest, lapse or adjust the terms of Rights such that Participants are neither advantaged nor disadvantaged by the corporate action.</p>
<b>Board Discretion, Preventing Inappropriate Benefits, Malus, Clawback, Fraud and Misconduct</b>	<p>The Board has discretion to adjust the number of Rights that ultimately vest if it forms the view that the unadjusted outcome is not appropriate to the circumstances that prevailed over the Measurement Period and/or to the contribution of a Participant to outcomes over the Measurement Period (Malus).</p> <p>The Board has sole discretion to determine that some or all unvested Rights (for Malus) or vested Rights subject to Exercise Restrictions (for Clawback) held by a Participant, lapse on a specified date, if allowing the Rights to be retained would, in the opinion of the Board, result in an inappropriate benefit to the Participant. Such circumstances include joining a competitor or actions that the Board deems harmed the Company's stakeholders. The Board also has discretion to trigger early vesting if it deems it necessary to do so, to address unforeseen circumstances.</p> <p>In the case of fraud or misconduct, a Participant will forfeit all unvested Rights.</p>

# Appendix 1:

## Terms of the EML Payments Limited Rights Plan (EPLRP) (continued)

Further terms of EML's EPLRP, which was approved by Shareholders at the 17 November 2021 AGM, include:

ASPECT	DETAILS
<b>Bonus Issues, Rights Issues, Voting and Dividend Entitlements</b>	<p>In the case of some capital reconstructions, bonus issues or rights issues, the number of Rights held by Participants may be proportionately adjusted to reflect bonus issues so that no advantage or disadvantage arises for the Participant, in accordance with the ASX Listing Rules. Right holders will not participate in Shareholder rights issues.</p> <p>Rights do not carry voting or dividend entitlements. Shares (including Restricted Shares) issued when Rights are exercised carry all entitlements of Shares, including voting and dividend entitlements.</p>
<b>Quotation</b>	Rights will not be quoted on the ASX. The Company will apply for official quotation of any Shares issued under the Plan, in accordance with the ASX Listing Rules.
<b>Issue or Acquisition of Shares</b>	Shares allocated to a Participant when Rights are exercised under the Plan may be issued or acquired on or off market by the Company or a trustee whose purpose is to facilitate the operation of the plan.
<b>Cost and Administration</b>	The Company will pay all costs of issuing and acquiring Shares for the purpose of satisfying exercised Rights, as well as any brokerage on acquisitions of Shares for this purpose and all costs of administering the Plan.
<b>Hedging</b>	The Company prohibits the hedging of Rights or Shares subject to disposal restrictions by specified Participants.




Level 12 / 333 Ann Street  
Brisbane QLD 4000


Telephone: (07) 3557 1100

Facsimile: (07) 3607 0111


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## LODGE YOUR VOTE



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EML Payments Limited  
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Sydney South NSW 1235 Australia



### BY FAX

+61 2 9287 0309



### BY HAND

Link Market Services Limited  
Parramatta Square, Level 22, Tower 6,  
10 Darcy Street, Parramatta NSW 2150



### ALL ENQUIRIES TO

Telephone: 1300 554 474

Overseas: +61 1300 554 474

For a vote or a proxy appointment to be effective, it must be received by 10:00am (Sydney time) on Wednesday, 23 November 2022.



X99999999999

## VOTING FORM

I/We being a member(s) of EML Payments Limited and entitled to attend and vote hereby:

STEP 1 Please mark either A or B

**A**

### VOTE DIRECTLY



elect to lodge my/our vote(s) directly (mark box)



in relation to the Annual General Meeting of the Company to be held at **10:00am (Sydney time) on Friday, 25 November 2022**, and at any adjournment or postponement of the Meeting.

You should mark either "for" or "against" for each item. Do not mark the "abstain" box.

OR

**B**

### APPOINT A PROXY



the Chair of the Meeting (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chair of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (Sydney time) on Friday, 25 November 2022 at Herbert Smith Freehills, ANZ Tower, Level 34, 161 Castlereagh Street, Sydney, New South Wales, 2000 (the Meeting)** and at any postponement or adjournment of the Meeting.

**Important for the Resolutions in Items 2, 4 and 5** If the Chair of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chair of the Meeting to exercise the proxy in respect of the Resolution, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

**The Chair of the Meeting intends to vote undirected proxies in favour of each item of business.**

STEP 2

## VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an

### Items of Business containing Resolutions

2 Remuneration Report

For Against Abstain\*

5 Grant of Long-Term Incentive Performance Rights to Group Chief Executive Officer and Managing Director - Ms Emma Shand

For Against Abstain\*

3a To re-elect Mr Peter Martin as a Director

3b To elect Mr Brent Cubis as a Director

4 Grant of Sign-on Service Rights to the Group Chief Executive Officer and Managing Director - Ms Emma Shand

\* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

## SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

EML PRX2201G



## HOW TO COMPLETE THIS SHAREHOLDER VOTING FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### VOTING UNDER BOX A

If you ticked the box under Box A you are indicating that you wish to vote directly. Please only mark either "for" or "against" for each item. Do not mark the "abstain" box. If you mark the "abstain" box for an item, your vote for that item will be invalid.

If no direction is given on any item, or if you complete both Box A and Box B, your vote will be passed to the Chair of the Meeting's as your proxy.

Custodians and nominees may, with the Share Registrar's consent, identify on the Voting Form the total number of votes in each of the categories "for" and "against" and their votes will be valid.

If you have lodged a direct vote, and then you attend the Meeting, your attendance will cancel your direct vote.

The Chair of the Meeting's decision as to whether a direct vote is valid is conclusive.

### VOTING UNDER BOX B – APPOINTMENT OF PROXY

If you wish to appoint the Chair of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Voting Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Voting Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Voting Form and the second Voting Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 or by an authorised officer or attorney (which requires a Power of Attorney or other authority be provided with this form unless it has been previously provided to the Company). Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A VOTING FORM

This Voting Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (Sydney time) on Wednesday, 23 November 2022**, being not later than 48 hours before the commencement of the Meeting. Any Voting Form received after that time will not be valid for the scheduled Meeting.

Voting Forms may be lodged using the reply paid envelope or:



#### ONLINE

<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Voting Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



#### BY MOBILE DEVICE

You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

#### QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



#### BY MAIL

EML Payments Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
Parramatta Square  
Level 22, Tower 6  
10 Darcy Street  
Parramatta NSW 2150

\*During business hours Monday to Friday (9:00am - 5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**