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| <b>Company</b> | <b>EML Payments Limited</b>            |
| <b>Code</b>    | <b>EML</b>                             |
| <b>Meeting</b> | AGM                                    |
| <b>Date</b>    | 30 October 2020                        |
| <b>Venue</b>   | Online via Link Market Services        |
| <b>Monitor</b> | Steven Mabb assisted by Anton Dmytiyev |

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|--|---|
| <b>Number attendees at meeting</b>           | 118 online attendees (shareholders, third party proxies and guests combined) representing 11.5 million shares |
| <b>Number of holdings represented by ASA</b> | <b>20</b>   |
| <b>Value of proxies</b>                      | \$392 271   |
| <b>Number of shares represented by ASA</b>   | 122 969   |
| <b>Market capitalisation</b>                 | \$1.149 billion – on day of meeting   |
| <b>Were proxies voted?</b>                   | Yes, on a poll  |
| <b>Pre AGM Meeting?</b>                      | Yes, with Chair Peter Martin and Director David Liddy   |

## EML Payments charges on but some amber lights flashing after leaders' comments

The chair Peter Martin opened the meeting with a good explanation on how to vote and ask questions in the virtual AGM format. He welcomed fellow Directors and advised there were happy to answer questions. He gave a detailed review of the year and thanked all of the EML team for their contributions to achieve solid results during the difficult COVID period which has impacted parts of the business significantly.

Long serving CEO Tom Cregan addressed the meeting and covered key performance and financial results as well as forward strategy. He mentioned the EML Con event that was held the day before which gave a very impressive and detailed overview of the business and plans moving forward. Interestingly he stated that investors don't need to understand all the details of the business and instead need to determine whether they trust the management team can keep growing the business as they have over the recent years. This comment is a flashing amber light. If a company can't communicate to shareholders what their business and products/services do, in a way most people can understand, it heightens long term risk. The company does use a lot of industry jargon and acronym's when communicating to the market, so this will be something to watch closely going forward.

Agenda items were then dealt with in order and any questions asked after each item. ASA asked the majority of questions of the board.

We asked the following questions –

We understand that Covid-19 and its impact on the second half was an unexpected event, yet equally it has affected shareholders and customers in a negative way. For example the share price has declined from \$5.60 in February 2020 to \$3.25 at the end of FY20 which is a decline in shareholder value of 42% during this period. How'd the Board decide to use upward discretion and pay STI at 50% and LTI at 92% despite the gateway hurdles not being met?

The response was that the Board determined because of all the hard work and on track performance prior to Covid-19 shutdowns, they felt it appropriate to use discretion and award some of the incentives. The Chair then added that they will continue to use discretion when they feel the need to do so and to ensure they pay people well to retain them.

This response is another flashing amber light. They have an STI and LTI incentive program, they designed, which is supposed to be “at risk”. However they are effectively saying if they don’t get the results they want, they may just use discretion to override it. We have no issue with fixed remuneration being competitive and appropriate to retain talent in their industry. Address the level of fixed remuneration if that is a concern. But we and all shareholders should be worried when at risk incentives aren’t applied as such...

It's unclear to us whether the CEO LTI opportunity is 100% of Fixed Remuneration as listed in the annual report or 150% as listed in the NOM. Can you confirm that the CEO LTI for FY21 is being increased by 50% and was this communicated to shareholders in the annual report or elsewhere?

At this point the virtual AGM dropped out for the monitor despite a good internet connection. Probably due to a lag of the stream and in turn the response to the question wasn’t heard. However it did receive an against vote of over 27% which suggests many other shareholders were against this item and the 50% increase in LTI YOY.

Going forward, if you do another capital raising involving institutional investors, can you commit that it will be a PAITREO offer which is pro rata and renounceable and ensures that non-participating retail shareholders are fairly compensated for their rights if they can’t participate?

The CFO responded to this by stating that they used the structure in the prior cap raising to provide certainty to the vendor of the acquisition and that they couldn’t commit to using PAITREO going forward at this time.

The remuneration report received an against vote of over 10%.

The granting of LTI options to the CEO received an against vote of over 27%.

Director elections were passed with at least 98% in favour.

Other resolutions were passed with at least 96% in favour.

We thank the board and company for their engagement throughout the process. We hope they are more receptive to the very reasonable issues we raised moving forward and we look forward to monitoring their progress in the coming years.