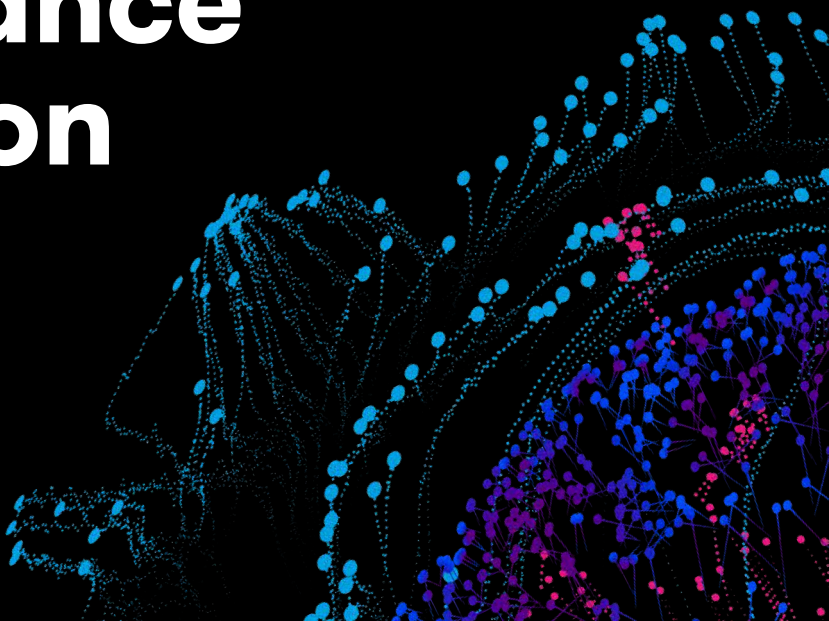




Board Performance Evaluation Process.

Money in Motion



Board Performance Evaluation Process

1. Purpose

The Board Performance Evaluation Process sets out the guidelines designed to assist the Board of Directors of EML Payments Limited (**EML** or the **Company**) to review its performance, the performance of the committees of the Board and the performance of the individual non-executive directors including the person performing the role of Managing Director & Group Chief Executive Officer (Group CEO).

2. Overview

Performance evaluation is an important element of the Board's monitoring role, especially with regard to the long-term growth of the Company and of shareholder value.

The Board are committed to continuous governance improvement undertaking an externally facilitated evaluation every 3-4 years and an internal board review process in intervening years.

3. Frequency / Timing

The Board meet annually to evaluate the effectiveness of the Board as a whole, the board's committees, individual non-executive directors, the chairman of the board (Chairman) and chairs of the committees. Consideration will be given to any objectives and defined criteria established as a benchmark for assessing performance against.

4. Performance Criteria

The Board at a minimum will review the following:

Board and Committee/s

- Does the Board understand the Company's business adequately?
- Does the Board know the industry competition, market, risk factors etc.?
- Does the Board spend adequate time on the long-term strategy?
- Is there an appropriate balance of power between the Board and the Group CEO?
- Does the Board have access to information from management and other sources?
- Is the Board enhancing shareholder value by the best possible margin?
- The Board and Committee composition to ensure the Committees are achieving outcomes
- Examine areas for training and development of board members
- Optimise the effectiveness of board and committee meetings

The Board must ensure that any benchmarks that they are being appraised against are regularly reviewed to account for the changing environments facing the Company.

Chairman of the Board (Chairman)

In accordance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition), a suitable non-executive director should be responsible for the performance evaluation of the Chairman, after having canvassed the views of the other directors. Whilst discussing the performance of the Board, non-executive directors are encouraged to provide comments to the Deputy Chairman on the performance of the Chairman.

Individual Non-Executive Directors

The Chairman is responsible for meeting with the individual non-executive directors to discuss their performance and contribution to the Board. The Chairman should at a minimum address the following:

- Degree of independence including relevance of any conflicts of interests.
- Familiarity with Company operations and industry trends.
- Willingness and capacity to devote the necessary time requirements of a non-executive director including attendance at meetings, extent of preparation for meetings, willingness to participate in committee work and whether they have sufficient time capacity going forward.
- Value and adding value to the contributions of the Board.
- Level of ethical awareness.
- Personal relationships with colleagues, management and stakeholders.

Whilst meeting with the individual non-executive directors to discuss individual performance, the Chairman must take the opportunity to obtain comments about co-directors' performance on the Board.

As part of the performance evaluation process, the Board are expected where applicable, to highlight areas for improvement and provide a description as to how this can be achieved.

Board Performance Evaluation Process continued

Senior Executives

The Company acknowledges that the performance of a listed entity's senior executives will usually drive the performance of an entity and is committed to conducting performance evaluations of its senior executives at least once every reporting period.

5. Facilitating Performance by Education

In order to provide non-executive directors with the best possible chance of adding value to the Company and contributing to an accepted level, the Company has induction procedures implemented which are designed to allow new board appointees to participate fully and actively in Board decision making at the earliest opportunity. The Group CEO is responsible for ensuring that the new non-executive director/s gain an understanding of all the necessary information relating to the Company. Such items include:

- The Company's financial, strategic, operational and risk management position.
- Their rights, duties and responsibilities.
- The role of the board committees.
- The orientation and continuing education programs for non-executive directors.

6. Access to Information

In order to enhance performance, the board is provided with information it needs to efficiently discharge its responsibilities. The following is noted:

- The Company has an agreed procedure that non-executive directors are permitted to seek independent professional advice in the furtherance of their service as non-executive directors, if necessary, at the Company's expense. Prior approval from the Chairman is required.
- All non-executive directors have access to the Company Secretary.