



Money in Motion

+61 (07) 3557 1100
Level 12
333 Ann Street
Brisbane QLD 4000
EML Payments Limited

17 April 2023

ASX Market Announcements

20 Bridge Street
SYDNEY NSW 2000

New Leadership, New Operational Priorities and Strategic Review

Key Highlights:

- Appointment of interim Group CEO, Kevin Murphy, an experienced payments and business turnaround executive based in the UK and Ireland, replacing Ms Emma Shand, effective immediately
- New operational priorities focused on solving the challenges facing the business today
- Appointment of investment banking advisers, Barrenjoey to commence the previously announced strategic review

EML Payments Limited (ASX:EML) ("EML") today announces that it has appointed Mr Kevin Murphy as interim Group CEO and that it is commencing a global search for a permanent Group CEO to replace Ms Emma Shand, who given the change in operational priorities resigned from her role today as Managing Director & Group CEO.

The appointment of Mr Murphy as interim Group CEO is one of several new initiatives designed to reposition the EML business. Other initiatives include confirmation of immediate operational priorities and the appointment of Barrenjoey to conduct a strategic review of the EML business.

Since the Board of EML payments was reconstituted on 22 February 2023, it has undertaken an internal review of the business and believes that these initiatives are an important first step towards solving the challenges impacting EML today.

1. New Leadership

The Board of EML has appointed Mr Murphy, an experienced payments executive and Irish national, as interim Group CEO until a permanent CEO is appointed.

A former Managing Director of Bank of Ireland (cards business), Mr Murphy has a deep understanding of the global payments industry, has significant regulatory experience (including with the Central Bank of Ireland) and has been involved in several successful business turnaround scenarios for private equity funds. He resides between London and Dublin.

The Board has commenced a global recruitment process for a permanent Group CEO. Mr Murphy will be considered for this role.



Money in Motion

+61 (07) 3557 1100
Level 12
333 Ann Street
Brisbane QLD 4000

EML Payments Limited

The Board of EML advises that Ms Shand, Managing Director & Group CEO, will step down as Managing Director & Group CEO effective from today and will remain employed with EML for a short transitional period through to 17 July 2023. The Board recognises Ms Shand's contribution to the business in her role over the course of the past 9 months.

2. New Operational Priorities

The Board has resolved to transition away from the previous long-range strategy announced at the November 2022 AGM, to focus on solving the challenges it believes are facing the business today. The Board has identified four key priorities:

- A. **Remediation:** The renewed Board is committed to engaging with the Central Bank of Ireland, the Financial Conduct Authority in the UK and all other regulatory stakeholders. It is the Board's intention to progress remediation efforts swiftly, in line with the Central Bank of Ireland and Financial Conduct Authority's expectations. The Board has:
 - Established a dedicated Board Sub-Committee to oversee the remediation program. The Chair of Sub-Committee will be actively involved in regulator engagement;
 - Established comprehensive reporting on remediation progress and timetable adherence; and
 - Commenced a global search for a new appointment to the EML Board Sub-Committee with experience in remediation processes in Ireland and the UK.
- B. **Cost Optimisation:** EML has embarked on an enterprise-wide cost optimisation program that will streamline our operating model, making it leaner and more efficient. We have already taken steps to rationalise head office costs, and are actively exploring additional opportunities. EML remains committed to its investment aimed at the successful and timely conclusion of our remediation programs.
- C. **Targeted Growth in Core Businesses:** Under the renewed Board, EML will focus on unlocking growth in our most profitable business lines where our products and services today are well placed to serve customer needs, such as the Gift and Incentive business.
- D. **Talent Retention:** In recognition of recent departures, the Board has placed priority on recognising and retaining our team members – particularly those with roles, skills and relationships that are critical to EML's current business and future growth plans. As a first step the Board has introduced new measures tying team incentives to successful remediation delivery.



Money in Motion

+61 (07) 3557 1100
Level 12
333 Ann Street
Brisbane QLD 4000

EML Payments Limited

3. Strategic Review

As an update to our 23 February 2023 announcement, the Board has appointed Barrenjoey, the Australian strategic partner of Barclays, to conduct a strategic review of the EML business. The strategic review will consider all options available to the Board including a potential sale of all or parts of the business in order to maximise shareholder value.

Luke Bortoli, chairman of EML, said: *"The renewed Board has spoken with internal and external stakeholders and formed a view on the urgent priorities for the business. We are focused on doing the right thing by our people, customers, regulators and shareholders and we are committed to taking actions that will help the business move through its immediate challenges, deliver sustainable growth in the medium to long term and maximise value for shareholders."*

"We are pleased to welcome Kevin Murphy as interim Group CEO and are excited to have an executive of Kevin's calibre join EML. His understanding of the Irish and broader European regulatory environments, previous interactions with the Central Bank of Ireland and deep experience in the payments sector are perfectly aligned to addressing the needs of our business today."

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

This announcement has been authorised for release by the Board of Directors.

For further information, please contact:

Investor enquiries

Group Treasurer and Group Investor Relations Officer
M +61 437 786 055
E ryan.chellingworth@emlpayments.com

Media enquiries

Lauren Thompson
M +61 438 954 729
Celia Moore
M +61 432 344 069



Money in Motion

+61 (07) 3557 1100
Level 12
333 Ann Street
Brisbane QLD 4000

EMI Payments Limited

Annexure

Kevin Murphy Biography and Employment Terms

Kevin Murphy is an internationally experienced CEO and Board Director who specialises in the global payments industry and has worked across all aspects of payments including card issuing, acquiring, consumer lending, FX remittances, corporate payments, etc.

He has extensive experience in growing, turning around, and restructuring businesses in Ireland, UK, Europe & North America through clear strategy direction and execution, board influencing and decision making across a portfolio of PE firms, large public listed and privately-owned companies.

His initial career was spent working with Irish banks, including 5 years as Managing Director of Bank of Ireland cards business in Ireland and the UK. Most recently, he has spent 12 years working internationally, as CEO of PE owned portfolio businesses. He has held Executive and Non-Executive roles in regulated payments businesses across Ireland, UK, USA, Spain and Luxembourg.

Kevin will be based between London and Dublin.

Set out below are the material terms of Kevin Murphy's employment agreement:

Position	Interim Group Chief Executive Officer
Commencement Date	17 April 2023
Term	Six months starting on the commencement date
Total Fixed Remuneration	A\$360,000 for the six-month term, inclusive of superannuation.
Incentives	Mr Murphy will be entitled to receive up to A\$150,000 of performance rights subject to the achievement of performance and other vesting conditions. Performance rights will be eligible to vest at the end of the six-month interim Group CEO period. Mr Murphy will not otherwise be eligible to receive variable remuneration during the six-month interim Group CEO period.
Termination	Termination by either party with two months' notice (or payment in lieu of notice).
Post-employment restraint	<ul style="list-style-type: none">Non-competition up to 3 months; andNon-solicitation up to 12 months, after the termination of Mr Murphy's employment.