



Money in Motion

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EML Payments Limited
ACN 104 757 904

BRISBANE, Queensland

Date
13 November 2018

Updated Trading Policy

EML Payments Limited (ASX: EML) is pleased to provide its updated Trade Policy.

In summary the Trading Policy:

- reminds all employees of the Company of the restrictions imposed on them under the Corporations Act as regards inside information;
- imposes separate, but consistent, restrictions under the Trading Policy itself;
- imposes additional restrictions on 'Nominated Persons' – which includes all Directors, all direct reports of the Group CEO (Mr Cregan), and any person who by virtue of their role or otherwise comes into possession of inside information.

Under the Trading Policy, in addition to the restrictions that apply under the Corporations Act and Trading Policy generally, Nominated Persons are prohibited from dealing in EML Securities during a 'Blackout Period'. Blackout Periods are from:

- end 31 December to end of trading day on which the Company's half-year financial results are released to the ASX;
- end 30 June to end of trading day on which the Company's full-year financial results are released to the ASX;
- four weeks prior to the Company's AGM to end of trading day the Company's AGM.

The Board may also declare additional Blackout Periods.

Once a Blackout Period has lifted ('trading window'), subject to the Corporations Act and the general restrictions contained in Trading Policy, Nominated Persons are free to deal in EML Securities. This includes buying, selling and otherwise dealing in EML Securities. There is no restriction as to when within the trading window that a Nominated Person (including any Board member) must deal with EML Securities (should they wish to). However, where the volume would be significant (as defined in the Trading Policy), there is provision in the policy for this to be discussed at Board level, in order for any such dealing to be coordinated and appropriately communicated to the market.

For further information, please contact:

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About EML Payments Limited

With EML, you will be empowered with more control, transparency and flexibility over your payment processes. Whether you serve businesses or consumers, EML makes your payment processing more efficient and secure from start to finish, while helping you improve customer service and increase brand loyalty.

Our portfolio offers innovative financial technology that provide solutions for payouts, gifts, incentives and rewards, and supplier payments. We issue mobile, virtual and physical card solutions to some of the largest corporate brands around the world, processing billions of dollars in payments each year, and manage more than 1,300 programs across 21 countries in North America, Europe and Australia.

For more information on EML Payments Limited, visit: [EMLpayments.com](https://www.emlpayments.com)

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Securities Trading Policy

INTRODUCTION

Background

EML Payments Limited (**EML** or **Company**) is a public company, listed on the Australian Securities Exchange (**ASX**). EML is committed to responsible corporate governance, including ensuring that the appropriate processes are in place to promote compliance with insider trading laws. Accordingly, the Board has endorsed this Policy as part of EML's broader governance framework.

Purpose

The purpose of this Policy is to:

- provide a summary on the law on insider trading in Australia;
- outline the prohibitions on dealing in EML Securities to prevent the misuse of unpublished information which could materially affect the value of such securities; and
- support market confidence in the integrity of dealings in EML Securities.

Scope of Policy

This Policy applies to all Directors, officers senior executives, employees, contractors and consultants (collectively, **Personnel**) of EML and its subsidiary companies (**Group**).

DEFINED TERMS

For the purposes of this Policy:

EML Securities include shares, options or other securities issued by EML or issued or created over the company's securities by third parties.

Blackout Periods means a relevant period as defined by EML when Nominated Persons may not Deal in EML Securities.

Dealing includes:

- (a) applying for, acquiring or disposing of securities;
- (b) entering into an agreement to apply for, acquire or dispose of, securities; and
- (c) granting, accepting, acquiring, disposing, exercising or discharging an option or other right or obligation to acquire or dispose of securities.

Nominated Persons means:

- (a) the Non-executive Directors of EML;

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- (b) all members of the Group's Executive Leadership Team (ie. those who report directly to the Group CEO) and the direct reports of each subsidiary CEO;
 - (c) any person who by their role or otherwise becomes aware of inside information by having access to confidential material which may contain potentially price sensitive information including, EML board papers, periodic disclosure materials or any other relevant document;
 - (d) in relation to those persons identified in paragraphs (a) to (c) above are also deemed to be Nominated Persons:
 - (i) their spouse or partner;
 - (ii) any of their children (including step children) under the age of 18;
 - (iii) a trust which they, any members of their family, or family controlled company are a trustee or beneficiary; and
 - (iv) a company which they or their family control.

THE INSIDER TRADING PROHIBITION

If Personnel have **price sensitive information** relating to EML which has **not** been published or which is **not** otherwise **generally available**, it is illegal to:

- buy, sell or otherwise deal in EML Securities;
- advise, procure or encourage another person (for example, a family member, a friend, a family Company or trust) to buy or sell EML Securities; or
- pass on information to any other person, if it is known or ought reasonably to be known that the person may use the information to buy or sell (or procure another person to buy or sell) EML Securities.

It is the responsibility of Personnel to ensure that they do not do any of the things prohibited by the insider trading law. The consequences for breach of this law is set out below.

What is "price sensitive information"?

Price sensitive information means information relating to EML that would, if the information were publicly known, be likely to:

- have a material effect on the price or value of EML Securities; or
- influence persons who commonly invest in securities in deciding whether or not to buy or sell the EML Securities.

Examples of possible price sensitive information include, but are not limited to:

- the financial performance of the Group against its budget;
- entry into or termination of a material contract (such as a major contract win);
- a material acquisition or sale of assets by EML;
- an actual or proposed takeover or merger;
- a material claim against a Group member or other unexpected liability.
- an actual or proposed change to EML capital structure, including a proposed capital raising; or
- a proposed dividend or a change in dividend policy.

When is the information "generally available"?

Information is **generally available** if:

- it consists of readily observable matter; or
- it has been made known in a manner that is likely to bring the information to the attention of persons who commonly invest in securities of a kind whose price might be affected by the information, and since it was made known, a reasonable period for it to be disseminated among such persons has elapsed; or
- it is derived from information which has been made public; or
- it consists of observations, deductions, conclusions or inferences made or drawn from other generally available information.

Consequences for breach of the insider trading prohibition

Breach of the insider trading prohibition by Personnel could expose them to criminal and civil liability. Breach of insider trading law or this Policy will also be regarded by the Company as serious misconduct which may lead to disciplinary action and/or dismissal.

Extra-territorial application

Under the Corporations Act 2001 the prohibition against insider trading applies to acts within Australia and acts outside of Australia that involve the securities of companies that are Australian or do business in Australia.

DEALINGS IN EML SECURITIES

General Rule

Personnel must not Deal in EML Securities when they are in possession of inside information in relation to EML.

Blackout Periods

Nominated Persons are routinely in possession of material non-public information, which, if generally available would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell EML Securities.

As such, Nominated Persons **are prohibited from dealing in the Company's Securities during a Blackout Period.**

Unless the Board otherwise directs, in its absolute discretion, **Blackout Periods:**

- commence from the end of 31 December until the end of the trading day on which the Company's half-year financial results are released to the ASX;
- commence from the end of 30 June until the end of the trading day on which the Company's full year financial results are released to the ASX; and
- commence four weeks prior to the Company's Annual General Meeting and ending at the end of the day on which the Company's Annual General Meeting is held.

Additional Blackout Periods outside of those scheduled above may be declared when the Company is engaging in a market sensitive transaction or has other price sensitive information. These periods will be determined by the Board.

For a Blackout Period to be lifted, the following process will be followed;

1. the Company Secretary will seek confirmation from the Chairman and the Managing Director that a Blackout Period may be lifted;
2. upon receipt of such confirmation, the Company Secretary will seek approval from the Board to lift the Blackout Period;
3. upon receipt of such confirmation, the Company Secretary will lift the Blackout Period and advise the relevant parties.

EXCEPTIONS

Exceptional Circumstances

In certain exceptional circumstances a Nominated Person may seek written approval from the Company Secretary together with the CEO (or, in the case of Directors, CEO or Company Secretary, the Board Chair) to dispose of or transfer (but not acquire or otherwise Deal with) during a Blackout Periods, or other dealings that would otherwise be prohibited by this Policy. A request for consent providing details of the proposed Dealing must be provided in writing to the relevant officer and any approval and conditions applicable to the approval must be provided by electronic delivery via email. After the dealing, if approved, the Company Secretary must be provided with a transaction confirmation.

What constitutes "exceptional circumstances" will be assessed on a case-by-case basis, and may include, without limitation, severe financial hardship or a requirement to comply with a court order or court enforceable undertaking.

Other Exceptions

Personnel may at any time:

- trade EML Securities where the trading does not result in a change of beneficial interest in the Securities;
- acquire securities under any Director or employee share plan or through the exercise of options or performance rights under an option or performance rights plan or acquire, or agree to acquire, options or performance rights under an option or performance rights plan. However, any dealing in those Securities remains subject to this policy and the provisions of the Corporations Act;
- transfer EML Securities already held into a self-managed superannuation fund or other saving scheme in which the person is a beneficiary;
- undertake to accept, or accept, a takeover offer;
- trade under an offer or invitation made to all or most of the securityholders, such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan or an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board. This includes deciding whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue.

DEALING IN EML SECURITIES BY DIRECTORS AND THE EXECUTIVE LEADERSHIP TEAM

Approval requirements

Any Key Management Personnel (other than the Board Chairman) wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior written approval of the Board Chairman before doing so.

If the Board Chairman wishes to buy, sell or exercise rights in relation to the Company's securities, the Board Chairman must obtain the prior approval of the Chairman of the Audit and Risk Committee before doing so.

All requests to buy or sell securities must include:

- the intended volume of securities to be purchased or sold;
- an estimated time frame for the sale or purchase; and
- a statement that the Director is not in the possession of any inside information.

Copies of written approvals must be forwarded to the Company Secretary prior to the approved purchase or sale transaction.

Protocol for selling of EML securities by Directors

Directors are mindful of the market perception associated with any sale of Company securities and possibly the ability of the market to absorb the volume of shares being sold. With this in mind, the Company has adopted the following protocols to manage the orderly selling of EML securities by Directors:

- a) Any Director wishing to sell EML securities must comply with the approval requirements set out above.
- b) Upon receiving notification from a Director wishing to sell the Company's securities, the Company Secretary shall notify the remaining Board members and provide up to 5 business days for the other Directors to advise whether they also wish to sell EML securities.
- c) Where the total volume of securities to be traded by directors at any one time is not significant, the Chairman (or the Audit and Risk Committee Chairman in the case where the Board Chairman is the seller) may approve the sale at his or her sole discretion.

However, where the total volume of securities to be traded by directors at any one time is significant, the proposed sale of securities must first be discussed with the Board, with such discussions to include consideration of opportunities for the sale to be executed off-market in blocks through one or more institutional brokers.

Volume is considered to be "**significant**" if the volume of securities to be sold exceeds either:

- 10% of the total securities held by the seller/s prior to the sale; or
- 10% of the average daily traded volume of the shares of the Company on the ASX for the preceding 20 trading days.

Notification requirements

Subsequent to approval being obtained in accordance with the procedures outlined above, any Key Management Personnel who (or through his or her Associates) buys, sells, or exercises rights in relation to Company securities **must** notify the Company Secretary in writing of the details of the transaction as soon as possible upon execution of the transaction and in any event within five (5) business days of the transaction occurring. This notification obligation **operates at all times** but does not apply to acquisitions of shares or options by employees made under employee share or option schemes, nor does it apply to the acquisition of shares as a result of the exercise of options under an employee option scheme.

Notification process not an approval

The processes for notification of an intention to Deal in EML Securities, as set out in this section, do not provide for the Board Chair, Audit and Risk Committee Chair or the Company Secretary (as applicable) to approve of the proposed Dealing. The person intending to Deal in EML Securities is personally responsible for any decision to Deal and compliance with this Policy and the law.

PROHIBITED TRANSACTIONS

Hedging Transactions

No employee of EML is permitted to enter into security transactions (or any derivative thereof) which limit the economic risk of any unvested entitlements awarded under any equity-based remuneration scheme, or otherwise awarded, or which will be offered by EML in the future.

Margin Loans

Nominated Persons may not:

- enter into a margin loan or similar funding arrangement to acquire any EML Securities; or
- use EML Securities as security for a margin loan or similar funding arrangement.

Dealings in Securities of Other Companies

If Personnel have **price sensitive information** relating to a company other than EML which is not **generally available** the same insider trading rules outlined above apply to Dealing in securities in that company.

In the course of performing duties on behalf of EML, Personnel may obtain price sensitive information relating to another company in a variety of circumstances. Examples include, but are not limited to the following:

- another company may provide price sensitive information about itself to EML in the course of a proposed transaction;
- another company with whom EML is dealing may provide price sensitive information about a third company; or
- information concerning EML or actions which may be taken by EML (ie. a planned transaction or strategic change) could reasonably have an effect on a third party company.

Confidentiality

Apart from the application of the insider trading law to securities in other companies, Personnel are also bound by a duty of confidentiality in relation to information obtained in the course of their duties as an employee of EML, in respect of third parties.

WHO TO CONTACT

If you are in any doubt regarding your proposed dealing in EML Securities, you should contact the Company Secretary.