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ASX/PNGX | Announcement

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BY ELECTRONIC LODGEMENT

Kina extends Managing Director and Chief Executive Officer's Employment Agreement

Kina Securities Limited (ASX:KSL | PNGX:KSL) (**Kina** or the **Company**) is very pleased to announce that it has agreed with its Managing Director and Chief Executive Officer (**MD & CEO**), Mr. Greg Pawson, to extend the term and make other changes to his Employment Agreement (**Employment Agreement**).

The term of Mr. Pawson's Employment Agreement has been extended for three years from 4 December 2022 to 4 December 2025 (**Term**). The Board may, in its discretion, elect to extend the Term for an additional two years by giving Mr. Pawson at least six months' written notice of the extension.

Together with the extension of the Term, the Board has increased Mr. Pawson's fixed base salary to A\$750,000 per annum inclusive of superannuation (**Fixed Remuneration**) (up from A\$591,300) in recognition of the significant contribution Mr. Pawson has made to the Kina Group over the past five years and that his Fixed Remuneration has not been adjusted since he commenced employment on 4 December 2017.

There were no other material changes to Mr. Pawson's Employment Agreement and his entitlement to participate in the Company's short-term incentive (**STI**) and long-term incentive (**LTI**) Performance Incentive Plans remains at a STI Target of up to 150% of Mr. Pawson's Fixed Remuneration and a Target LTI of up to 50% of his Fixed Remuneration. A summary of the key terms of Mr. Pawson's Employment Agreement is set out in the attached **Schedule**.

The Kina Board considers the extension of Mr. Pawson's Employment Agreement will be of material benefit to the Company as it continues to execute its strategy.

Kina's Chairman, Mr. Isikeli Taureka said "on behalf of the Board, we are delighted that Greg has agreed to extend his Employment Agreement for a further three years. During his tenure as MD & CEO, Kina has grown its business significantly through both organic and non-organic growth. The Board looks forward to continued growth and success under Greg's leadership."

ENDS

For further information:

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This Announcement was authorised for release by Kina Securities Limited's Board of Directors.

Schedule

Summary of Key Employment Agreement Terms

Extension of Mr. Greg Pawson's Employment Agreement as MD & CEO

Key Term	Details
Fixed Remuneration	A\$750,000 (inclusive of Superannuation)
Incentive - Short-Term	<p>Mr. Pawson is eligible for an at-risk short-term incentive (STI) benefit (STI Award) in respect of each year of the Employment Agreement Term (including the current financial year), for up to 150% of his Fixed Remuneration.</p> <p>The at-risk STI Award is linked to the achievement of both financial and non-financial performance measures. No STI Award is payable unless a minimum Group Profit After Tax (NPAT) is achieved.</p> <p>Details of the structure and operation of the STI Award are set out in the Remuneration Report contained in the Company's 2022 Annual Report.</p>
Incentive - Long-Term	<p>Mr. Pawson is eligible for an at-risk long-term incentive (LTI) benefit (LTI Award) in respect of each year of the Employment Agreement Term (including the current financial year), for up to 50% of his Fixed Remuneration.</p> <p>Details of the structure and operation of the LTI Award are set out in the Remuneration Report contained in the Company's 2022 Annual Report.</p>
Termination	<p>Mr. Pawson may terminate the Employment Agreement by giving the Company not less than six calendar months' notice.</p> <p>The Company may at its discretion exercised solely by it, terminate Mr. Pawson's Employment Agreement at any time, by giving Mr. Pawson six months' notice or a payment in lieu (or a combination of both).</p> <p>Mr. Pawson's Employment Agreement may also be terminated by the Company with immediate notice, if the State of Papua New Guinea cancels, refuses to renew, or revokes Mr. Pawson's visa or work permit.</p> <p>The Company may at its discretion exercised solely by it, terminate Mr. Pawson's Employment Agreement at any time, by giving Mr. Pawson immediate notice for actions by Mr. Pawson which include, without limitation:</p> <ul style="list-style-type: none"> • becomes a bankrupt or commits any act of bankruptcy or enters into a deed of assignment, deed of arrangement or composition with his creditors under any bankruptcy Law in any jurisdiction; or • is convicted of a criminal offence. <p>The Company may also terminate Mr. Pawson's Employment Agreement without notice or payment in lieu of notice, if Mr. Pawson has committed serious misconduct, which includes, without limitation:</p> <ul style="list-style-type: none"> • wilful or gross neglect or gross negligence in the performance of his duties and responsibilities; or • serious or repeated breaches of his Employment Agreement; or • any act of dishonesty or fraud.
Restrictive Covenant	On termination of Mr. Pawson's Employment Agreement, Mr. Pawson will be subject to a restraint of trade period of 12 months.
Commencement Date	4 December 2022
Term	<p>Three Years from 4 December 2022 to 4 December 2025.</p> <p>The Board may, in its discretion, elect to extend the Term for an additional two years by giving Mr. Pawson at least six months' written notice of the extension.</p>