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ASX/PNGX | Announcement

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BY ELECTRONIC LODGEMENT

Kina Securities CTO Ivan Vidovich to succeed Greg Pawson as MD & CEO

Kina Securities Limited (ASX:KSL / PNGX: KSL) (Kina Securities) today announces that Ivan Vidovich, a seasoned change and transformation executive has been appointed as Acting Managing Director and Chief Executive Officer of Kina Securities. Mr. Vidovich's permanent appointment to the MD and CEO position is subject to regulatory approval and Kina Securities would expect this permanent appointment to be confirmed following the completion of the regulatory review and approval process to be undertaken by the Bank of Papua New Guinea.

Mr Vidovich will succeed outgoing MD & CEO Greg Pawson who is stepping down after 7 years in the role. Mr. Vidovich will commence on 1 January 2025 and Mr. Pawson will stay on as an advisor until 2 July 2025 to help support Kina Securities through the transition process.

Kina Securities' Non-Executive Chairman, Isikeli Taureka, said, "Kina Securities has been fortunate to have had Greg Pawson at its helm for the past 7 years, and the Board thanks him for his service."

"Under his watch, Kina Securities has grown into the second largest bank in Papua New Guinea and Kina Wealth is now the largest wealth management business in the country."

"Kina Securities has achieved steady revenue and profitability growth and expanded its market capitalisation by increasing its customer reach and improving the value proposition that it offers to homeowners, small and medium-sized enterprises, and private banking customers."

"The Board conducted an international search for a new MD & CEO as part of proper and appropriate MD & CEO succession planning, and from a very impressive international pool, we are very pleased to be able to appoint an internal candidate."

Kina Securities Outgoing MD & CEO, Greg Pawson, said: "It has been a pleasure leading Kina Securities for the past 7 years and the company that I have grown and nurtured will be in safe hands with Mr. Vidovich."

"In the face of significant challenges, Kina Securities has maintained resilient growth, delivering a 17 per cent return on equity for our shareholders. I am proud to have led Kina Securities through the key planning stages of its digital transformation and laid strong foundations for the next stage of its growth."

Following an initial engagement as an advisor to the KSL Board on Strategy and Digital Innovation, Mr. Vidovich was appointed Chief Transformation Officer in 2019, a role he has held for five years. In this capacity, he oversaw Kina's growth, diversification, and products and services innovation following the successful acquisition of ANZ Banking Group's retail, SME and commercial business in PNG.

Mr. Vidovich has over 25 years of senior leadership and executive experience in the financial services and logistics sectors across Australia, Asia, Europe, and the Pacific. His domestic, regional and global roles based in Australia, Singapore, the Netherlands and China, include positions at Suncorp, TNT N.V., and DBS Bank. His leadership responsibilities have encompassed P&L growth in both mature and emerging markets, strategy, mergers and acquisitions, people and culture transformation, digital innovation, and the management of large international workforces and cost bases.

Kina Securities Non-Executive Chairman, Isikeli Taureka, said: "Ivan knows Kina and our key stakeholders very well, having been our CTO for more than 5 years. Ivan is a seasoned change and transformation executive with a track record of growing core businesses alongside digital innovation. He has been a driving force behind Kina's recent growth, particularly in non-interest income which now contributes around 50% of group revenues. The Board is confident that he is the right person to deliver our dual goals of organic growth and business model innovation."

"As Kina invests in new opportunities to remain at the forefront of Papua New Guinea's and the broader region's financial services market, Ivan's domestic and global experience will support the Board in advancing Kina's growth and transformational journey."

Kina Securities incoming Acting MD & CEO, Ivan Vidovich, said: "I am honoured to be stepping into the role of MD & CEO for the most innovative bank in the Pacific region. With the Board's support, my goal is for Kina to be the most dynamic and progressive financial services organisation in the region, contributing to the prosperity of the markets we serve. I am excited to guide the organisation through its next stage of strategic growth for the benefit of our customers and all stakeholders."

Please see Appendix I & II for the details of respective remuneration and exit packages.

This announcement was authorised for release by the Non-Executive Chairman of Kina Securities.

For further information:

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Appendix I: Summary of Key Employment Agreement Terms of Mr. Ivan Vidovich's Employment Agreement as MD & CEO

Key Term	Detail
Fixed Remuneration (Base Salary)	\$700,000 (inclusive of Superannuation)
Short Term Incentive	<p>Mr. Vidovich 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) as detailed below:</p> <ul style="list-style-type: none"> • Target – 100% of Base Salary • Maximum – 150% of Base Salary • STI Awarded will be 65% cash and 35% in Performance Rights. STI Performance Rights are restricted from exercise until the second anniversary after the grant date and will vest on the second anniversary. • 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. Details of the structure and operation of the STI Award are set out in the Remuneration Report contained in the Company's 2023 Annual Report. These are not subject to any further measurement after award and allotment.
Long Term Incentive	<p>Mr. Vidovich 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) as detailed below:</p> <ul style="list-style-type: none"> • Target LTI and Maximum LTI that can be awarded: <ul style="list-style-type: none"> ○ Target – 50% of Base Salary ○ Maximum – 50% of Base Salary

	<ul style="list-style-type: none"> • Details of the structure and operation of the LTI Award are set out in the Remuneration Report contained in the Company's 2023 Annual Report.
Termination	<p>Mr Vidovich may terminate the Employment Agreement by giving the Company not less than six calendar months' notice. The Company may at its discretion exercised solely by it, terminate Mr Vidovich's Employment Agreement at any time, by giving Mr Vidovich six months' notice or a payment in lieu (or a combination of both). Mr Vidovich'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 Vidovich's visa or work permit. The Company may at its discretion exercised solely by it, terminate Mr Vidovich's Employment Agreement at any time, by giving Mr Vidovich immediate notice for actions by Mr Vidovich 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 Vidovich's Employment Agreement without notice or payment in lieu of notice, if Mr Vidovich 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.



Non-compete	Mr Vidovich will not engage in any business or activity in competition with the Employer for a period of 12 months after termination of employment.
Non-Solicitation	Employee will not entice or solicit any employee or customer of the Employer to cease dealing with the Employer for a period of 12 months after termination of employment.
Type of Employment	Full Time, Fixed Term
Commencement Date	1 January 2025
End Date	31 December 2029 The Board may, in its discretion, extend the term for an additional two years by giving the Employee six months written notice of the extension.

Appendix II: Summary of Leaving Entitlements for Outgoing MD & CEO Mr Greg Pawson subject to compliance with the agreed Deed of Release

Key Term	Detail
End Date	2 July 2025 by mutual agreement. The Board may give the Executive written notice of an earlier End Date, in which case the Employer will pay the Executive in lieu of notice for the period not served.
Handover and Work Through Notice Period	<ul style="list-style-type: none"> The Executive will continue to work at the Employer's offices during the notice period to perform his usual duties until 31 December 2024 (the Last Working Day). From the Last Working Day until the End Date, the Executive is not required to attend the Employer's premises but will carry out transitional duties, give strategic advice and provide support to the incoming Managing Director & Chief Executive Officer, as required by the Board.

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<p>Outstanding Incentives</p>	<ul style="list-style-type: none"> • The Executive remains eligible under the Employer’s short-term and long-term incentive plans for any outstanding performance rights. • Vesting of the Executive’s outstanding performance rights remains subject to the terms of the Plans and the Executive’s compliance with his obligations under the Employment Agreement and this document, to the reasonable satisfaction of the Board. • Outstanding performance rights from the LTI benefit will be pro-rated based on the end date and then be subject to performance testing. • The Board has determined to award the Executive his short-term incentive for the 2024 year at target in the gross amount of \$750,000, to be paid in cash on the end date. • Mr Pawson acknowledges that the Employer will not make any grants under its long-term incentive plan for the 2024 year.
<p>Continuation of Terms of Current Employment Contract</p>	<p>All other terms of Mr Pawson’s current employment contract will continue to apply to the end date and obligations post the end date will also continue to apply.</p>

