



## ASX Announcement

Release date: 3 April 2023

### Smartgroup appoints Scott Wharton as new Chief Executive Officer

Smartgroup Corporation Ltd (**ASX: SIQ**) today announces the appointment of Scott Wharton as Managing Director and Chief Executive Officer effective 17 July 2023.

Mr Wharton's appointment follows the announcement on 23 February this year that the current Managing Director and Chief Executive Officer, Tim Looi, had advised the Board of his intention to retire. The Board immediately commenced a search for a replacement, engaging an international executive search firm to support the process.

Smartgroup will benefit from Mr Wharton's extensive experience in various senior leadership, transformation and operational roles within large ASX-listed and financial services companies including at The Star Sydney, Commonwealth Bank of Australia and Citigroup.

Chair of Smartgroup Michael Carapiet said, "We are very pleased to have secured the services of an exceptional and highly credentialed executive in Scott, with his experience in operational and transformation roles within financial services organisations.

"Scott will bring a strong track record of driving performance and change to lead Smartgroup and realise the significant growth potential in our business."

Mr Wharton said, "I am excited to lead Smartgroup and build on its success. Smartgroup can play a growing role as Australian consumers face increasing cost of living pressures, providing seamless salary packaging and car leasing services. Smartgroup's established capabilities in areas like payroll, workforce optimisation and fleet management position the company to play a bigger role in helping clients transform their businesses."

"The company has an impressive focus on customer service and has made good progress in streamlining and digitising operations. This has created a loyal client base and strong foundations for further innovation and growth. I am committed to working with the Smartgroup team to deliver sustainable and growing returns for our shareholders by ensuring the resilience of current operations, lifting performance, and accelerating digitisation and innovation."

Mr Looi will continue to work with the Board and management team until Mr Wharton commences, and will work with Mr Wharton to ensure a smooth and seamless handover of leadership. The Board again wish to thank Mr Looi for his dedication to the role and his service to the company over the past 14 years. In acknowledging Mr Looi's significant service to the company, Michael Carapiet said "Tim has been an integral part of the Smartgroup journey over the past 14 years. We are very grateful for his service and his contributions and we wish him well into the future."



Attachment 1 & 2 provide key terms of Mr Wharton's employment and a brief biography as background.

This announcement was authorised by the Board of Smartgroup for release to the ASX.

**For further information:**

Website: [www.smartgroup.com.au](http://www.smartgroup.com.au)

Email: Investor Relations: [ir@smartgroup.com.au](mailto:ir@smartgroup.com.au)

**Investors:**

Sophie MacIntosh  
Chief Legal Officer  
1300 665 855

**Media:**

Ben Wilson  
GRACosway  
0407 966 083



**Attachment 1: Material terms of service contract between Smartgroup and Scott Wharton**

<b>Positions held</b>	Mr Wharton is appointed to the positions of Chief Executive Officer with Smartgroup Benefits Pty Ltd, the Employer under the contract, and Managing Director of Smartgroup Corporation Limited.
<b>Commencement date</b>	Mr Wharton's new role commences on 17 July 2023.
<b>Term and notice period</b>	No fixed term. Employment will continue indefinitely until terminated by either party in accordance with the contract. Either party may terminate the agreement for any reason by giving 12 months' notice.
<b>Fixed remuneration</b>	Total fixed salary of \$850,000 per annum inclusive of superannuation entitlements.  Mr Wharton is also entitled to a one-off sign-on bonus of \$150,000 (gross and subject to applicable taxation) within one month of the employment commencement date.
<b>Short term incentives</b>	<p>Mr Wharton is eligible to participate in the Smartgroup Short Term Incentive Program (<b>STI Program</b>) with a maximum full year payment of 65% of fixed salary inclusive of superannuation for 2023. At the current fixed salary, this equates to a maximum full year payment of \$552,500. Payments under the STI Program are payable as 50% cash and 50% performance rights issued under the Company's Short Term Incentive Plan (<b>STIP</b>). Shares issued on vesting of performance rights issued under the STIP will be subject to a further holding lock for 12-months following the end of the performance rights vesting period.</p> <p>The payment under the STI Program for 2023 will be prorated for Mr Wharton's term of service for this year.</p> <p>The issue of 2023 performance rights will be subject to approval by the shareholders at the 2023 AGM.</p> <p>The amount of any payment to Mr Wharton under the STI Program in respect of any financial year will be determined by the Board having regard to:</p> <ul style="list-style-type: none"> <li>• the overall financial performance of Smartgroup against the budget approved by the Board for that financial year;</li> <li>• Smartgroup's overall performance against key performance indicators and objectives for Smartgroup approved by the Board for that financial year; and</li> <li>• Mr Wharton's own overall performance against personal key performance indicators and objectives approved by the Board.</li> </ul> <p>The Board has absolute discretion to determine the amount of any payment to Mr Wharton under the STI Program after taking into</p>



	account the above factors and any other matters the Board considers relevant, including Mr Wharton’s conduct.
<b>Long term incentives</b>	<p>Mr Wharton is eligible to participate in the Smartgroup Long Term Incentive Plan (<b>LTIP</b>). The issue of shares under the LTIP, and the terms on which they are issued is at the discretion of the Board.</p> <p>The Board has agreed to grant to Mr Wharton shares to the value of \$1,105,000 under the LTIP in respect of the financial year ending 31 December 2023, subject to shareholder approval at the 2023 AGM and subject to the achievement of performance hurdles to be determined by the Board and which will be disclosed in the notice of meeting seeking approval of shareholders to the LTIP grant.</p> <p>The grant under the LTIP for 2023 will not be prorated for Mr Wharton’s term of service for this year.</p> <p>The amount of any future grant to Mr Wharton under the LTIP is at the discretion of the Board.</p>
<b>Post-employment restrictions</b>	<p>Mr Wharton has agreed to certain post-employment restrictions which apply for up to 12 months following termination of his employment, including restrictions against:</p> <ul style="list-style-type: none"> <li>• competing with Smartgroup and its subsidiaries or becoming employed by or providing services to any competitor of Smartgroup;</li> <li>• soliciting or accepting approaches from certain customers or clients of Smartgroup and its subsidiaries; and,</li> <li>• inducing certain employees and contractors to leave their employment or engagement.</li> </ul>



## **Attachment 2: Biography for Scott Wharton**

Mr Wharton's career spans over 20 years in financial services across Australia, Asia, and the United States. He has a strong track record in leading and transforming organisations through performance improvement, digital strategy, technology and cultural change.

Over the past year Mr Wharton has been CEO of The Star Sydney, focussed on stabilising the business. Prior to this role he was a Group Executive and member of the Commonwealth Bank of Australia's Executive Leadership team. In this role he led efforts critical to making CBA a Simpler, Better Bank. This included the successful delivery of the Remedial Action Plan, in response to the Australian Prudential Regulation Authority's Inquiry into governance, culture, and accountability in 2018, delivering the CBA's multi-year productivity effort, and the establishment of the CBA talent centre in India.

Mr Wharton has also held senior management positions with Citigroup in Hong Kong and New York, where he was a Managing Director and a member of the Operations & Technology Global Operating Committee.

Mr Wharton is a Fellow and Adjunct Professor (Industry) at the University of Technology Sydney (UTS), where he is also a member of the Vice Chancellor's Industry Advisory Board. In May 2022, he was appointed as the Co-Chairman of Supply Nation (the Australian supplier diversity council) and is also an Ambassador of the Australian Indigenous Education Foundation.

Mr Wharton holds a Bachelor of Science from the University of Sydney, a Bachelor of Laws from UTS, an Executive MBA from INSEAD and an Executive MBA from Tsinghua University (Beijing).

ENDS