

10 August 2023

Leadership Update

Zip Co Limited (ASX: ZIP) (“Zip”, or the “Company”) is pleased to announce an update to Zip’s leadership structure. The change reflects the Company’s lifecycle and maturity and optimises the leadership structure to deliver on Zip’s strategic priorities and next stage of profitable growth. Importantly, it allows the founders to remain close to the business and our team of Zipsters, in line with their passion for disruption, innovation and getting things done.

Effective immediately, Cynthia Scott will assume the role of Group CEO, overseeing Zip’s group operations and strategy. Ms Scott is a highly respected executive and has made a strong contribution as CEO of Zip’s Australia and New Zealand (“ANZ”) business, a role she has held since November 2021. She brings extensive experience in financial services, corporate strategy, capital markets and innovation to the position with previous roles including CEO of Barclays ANZ.

Zip Co-Founders, Peter Gray and Larry Diamond will assume the roles of ANZ and US CEOs respectively, to drive performance in Zip’s two core markets and the Company’s next stage of sustainable growth and product innovation. Mr Diamond relocated to the US in October 2022 to lead the Zip business in North America, and will now exclusively focus on this region. He will continue to serve on the Board as an executive director. It is intended that Ms Scott will join the Board as Managing Director on 24 August 2023, with Mr Gray to act as a board advisor.

Zip Chair Diane Smith-Gander said:

“Marking Zip’s tenth year of operation, the new leadership structure reflects Zip’s evolution and positions the Company well for its next chapter. Over the past 18 months Cynthia has demonstrated an excellent understanding of Zip’s business, its opportunities and values and has helped reset and execute on the Company’s strategy. We are delighted that she has accepted this role and that Larry and Peter as country CEOs will be the driving forces in Zip’s two core markets – the US and ANZ. The Board thanks Larry and Peter for their significant contributions as CEO and COO.”

Zip Group CEO Cynthia Scott commented:

“I am honoured to accept this opportunity and will continue to work closely with Larry and Pete, as well as our incredible team of Zipsters, to drive our mission to be the first payments choice, everywhere and every day. Zip has made good progress on its refreshed strategic priorities and my focus will be on ensuring we continue this momentum as we deliver on our FY24 milestones and beyond. I look forward to working with the Board, executive team and our Zipsters to drive sustainable value for our shareholders, customers, merchants and partners.”

Zip Co-founder and US CEO, Larry Diamond commented:

“Over the past 18 months, Cynthia, Pete and I have collaborated very closely and will continue to work in lock step to leverage our respective strengths, as we focus on Zip’s next stage of profitable growth and cementing Zip’s position as the better way to pay. It also enables Pete and I to remain close

to the core of the business and our Zipsters, who share our commitment to innovation and delivering great outcomes for our customers and merchants.”

Ms Scott’s biography and a summary of the material terms of her employment agreement are included as an annexure to this ASX Announcement.

Release approved by the Company Secretary on behalf of the Board.

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Annexure

Cynthia Scott’s biography

Ms Scott assumed the role as Zip’s ANZ CEO in November 2021. She was previously the Chief Strategy and Business Development Officer at Scentre Group and prior to that, Group Executive responsible for Telstra’s New Business portfolio. Other roles at Telstra included Group Managing Director of Strategic Finance (Strategy, M&A, Treasury and Investor Relations), and responsibility for Telstra’s international operations.

Prior to Telstra, Ms Scott spent over 20 years in investment banking, most recently at Barclays where her roles included Regional Head of Debt Capital Markets in Hong Kong and CEO of Australia and New Zealand.

Ms Scott is a Non-Executive Director on the Board of Uniti Group, and was previously Chair of Foxtel, Telstra Ventures and Autohome, a NYSE-listed Chinese technology company. She is a member of Chief Executive Women and of the Adara Panel and was previously a member of the Australian Advisory Board for Room to Read.

Summary of Group CEO and Managing Director’s Employment Agreement

Position	Group Chief Executive Officer and Managing Director.
Commencement date	10 August 2023 as CEO; Managing Director on appointment to the Board.
Term	No fixed term. Employment is ongoing until terminated by either party (see “Termination of Employment” below).
Fixed Pay	\$737,399 (including base salary of \$710,000 and superannuation of \$27,399), to be reviewed annually.
Short Term Variable Reward (STVR)	Ms Scott is entitled to participate in Zip’s STVR Plan. For FY24, Ms Scott is eligible to earn a maximum STVR bonus of up to 100% of base salary (\$710,000) based on achievement of targets set by the Board.

	50% of any STVR award will be delivered in Zip securities that are deferred for 1 year.
Long Term Variable Reward (LTVR)	<p>Ms Scott is entitled to participate in Zip’s LTVR Plan.</p> <p>For FY24, subject to shareholder approval, Ms Scott will be offered Performance Share Rights with a face value of 150% of base salary (\$1,065,000). Vesting will be subject to service and performance conditions measured over a three year period.</p> <p>If shareholder approval is not obtained an alternative cash equivalent plan will be put in place.</p> <p>LTVR will be forfeited on resignation or in “bad leaver” circumstances. In case of redundancy, death or disablement or other “good leaver” circumstances, the Board may determine that a pro rata award (based on service) is retained that may vest in the ordinary course subject to performance conditions and other terms of the award.</p>
Termination of Employment	<p>Either party may terminate the employment by giving 6 months’ notice. The Company may require Ms Scott to serve her notice or may elect to pay Ms Scott in lieu of serving out her notice.</p> <p>Zip may terminate Ms Scott’s employment without notice in some circumstances.</p>
Employment Restraints	Non-compete and non-solicit provisions apply until 6 months after cessation of employment.

For more information, please contact:

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About Zip

ASX-listed Zip Co Limited (ASX: ZIP) is a leading global financial services company, offering innovative, people-centred products that bring customers and merchants together. On a mission to be the first payment choice everywhere and every day, Zip offers point-of-sale credit and digital payment services around the world, including through strategic investments, connecting millions of customers with its global network of tens of thousands of merchants.

Zip provides fair, flexible and transparent payment options to individual consumers, helping them to take control of their financial future and helping merchants to grow their businesses. Zip is committed to responsible lending and is managed by a team with over 100 years' experience in retail finance and payments. Zip is also a licensed and regulated credit provider and was founded in Australia in 2013.

For more information, visit: www.zip.co

Shareholders who would like to receive email communications from Computershare for all future correspondence, visit <http://www.computershare.com.au/easyupdate/ZIP>.