



**MINUTES OF THE ANNUAL GENERAL MEETING  
OF GREAT SOUTHERN BANK  
HELD ON THURSDAY, 7 NOVEMBER 2024, AT 2:30 PM  
LEVEL 27, 300 GEORGE STREET, BRISBANE, QLD, 4000  
AND BY VIRTUAL MEETING**

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**PRESENT**

Nigel Ampherlaw (Chairman)  
Deborah O'Toole (Director)  
Kyle Loades (Director)  
Louise McCann (Director)  
Wayne Stevenson (Director)  
Mark Hand (Director)  
Peeyush Gupta (Director)  
Kim Anderson (Director)  
Paul Lewis (Managing Director & Chief Executive Officer)  
Alan Lee (Chief Financial Officer)  
Steve Chugg (Group Executive – Business and Embedded Finance)  
Megan Keleher (Chief Customer Officer)  
Tracey Lake (Chief People Officer)  
Carol-Ann Gough (Chief Information Officer)  
Rolf Stromsoe (Chief Risk Officer)  
Andrew McMaugh (General Counsel and Company Secretary)  
Scott Guse (External Auditor, KPMG)

*and*

other registered members as outlined on the Members' Attendance Register<sup>1</sup>

**ATTENDEES**

Proxies and Guests as outlined in the Proxy and Guest Registers.

**OPENING**

The Chairman opened the meeting and acknowledged the traditional owners of the land being the Turrbal and Yugara people.

The Chairman then introduced Great Southern Bank Board members. He then introduced Paul Lewis as CEO and Managing Director, the Company Secretary and the External Auditor, Mr Scott Guse from KPMG.

The Chairman confirmed a quorum was present.

The Company Secretary explained the process for asking questions during the AGM.

**AGENDA ITEM 1 – CHAIRMAN & CEO PRESENTATIONS**

The Chairman spoke to his presentation, and highlighted the following items:

- How Great Southern Bank is:
  - Creating a positive impact
  - Supporting and protecting customers and communities
  - Creating positive community and sustainability impacts

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<sup>1</sup> There were 157 members present (in person and online) at the meeting for quorum purposes (including Directors, CEO, Executive team, and Company Secretary).

- Key financial highlights

The Chairman invited the CEO to make a presentation. The CEO introduced his Executive Team and then spoke to the following areas:

- How Great Southern Bank is helping home owners and savers
- 2024 independent awards received by Great Southern Bank
- Customer service
- Growth and future

Members were invited to ask questions regarding the Chairman and CEO presentations under Agenda item 2.

### **AGENDA ITEM 2 – FINANCIAL STATEMENTS AND REPORTS**

The Chairman formally tabled the Group Financial Report which included the Financial Statements, Directors' Report, Directors' Declaration and Auditors' Report for the year ended 30 June 2024.

Questions were invited from participants. The discussion included:

1. Plans for demutualisation
2. Use of franking credits
3. Community partnerships
4. BCorp certification costs
5. Virtual AGM's in the future
6. Insurance for deposits held by the Bank
7. The Bank's current liquid assets to deposits ratio figure

A list of all questions and responses is attached as Appendix 1.

### **AGENDA ITEM 3 – CONSTITUTION AMENDMENTS**

The Chairman formally tabled a copy of the proposed Constitution noting the amendments had been outlined in the explanatory memorandum included in the Notice of Meeting. The amendments relate to:

- BCorp Accreditation
- Redemption of Member Shares; and
- Virtual AGM's

Members were invited to ask questions on each resolution.

The Chairman encouraged members to support the amendments to the Constitution.

The Chairman advised members that details of the votes and proxies would show on members' screens and that results of the final poll would be disclosed on the Great Southern Bank website.

### **AGENDA ITEM 4 – APPOINTMENT OF DIRECTORS**

The Chairman noted the three directors offering themselves for re-election to the Board being Kyle Loades, Peeyush Gupta and Kim Anderson. The Chairman confirmed that all directors had been assessed by the Board in accordance with Rule 10.7 of the Constitution,

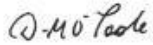
to be fit and proper and have appropriate skills, experience, and knowledge to act as Directors of Great Southern Bank.

**GENERAL**

The Chairman noted this was his last AGM with Great Southern Bank and acknowledged the significant efforts of Great Southern Bank employees during his time as Chair of the Board. The Chairman welcomed Deborah O'Toole as the incoming Chair.

There being no further business the Chairman thanked members for their attendance and declared the 2024 AGM of Great Southern Bank closed at 3.12pm.

*I confirm these minutes as a true record of the Annual General Meeting of Great Southern Bank held on 7 November 2024.*



11/12/2024

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**Deborah O'Toole**  
**Chairman**

Date:

Appendix 1: Member Questions and responses

## 2024 AGM Q&A

| Question   | Answer   |
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| <p>We've had one question from a member who has asked if we plan on demutualising in the future and if so, is there a timeframe and when will members be notified? They went on to ask that if now why the name change – sorry, if not why the name change to Great Southern Bank.</p>   | <p>Firstly, there are no plans to demutualise now or in the future and it is not on the agenda of any of our Board members. We really value being customer owned. We changed our name because rebranding from CUA to Great Southern Bank helped us reach out to more Australians. Our research shows that whilst everyone knew what a bank was, half of Australians didn't know what a credit union was, a figure rising to 70% amongst millennials. It's important that we can appeal to these Australians. Many are the next generation of members, people who will carry on the fantastic tradition of customer owned banking.</p>  |
| <p>I'm just wondering, with that in mind, with the lack of progression of the demutualisation, what's the Board got in mind for the just under half a billion worth of franking credits that are sitting on the books at the moment, and how can we utilise or capitalise on some of the tax advantages there?</p> <p>If we raised a mutual capital instrument, could we utilise them then? Sorry, if we raised MCIs, could we utilise them then? I think we could.</p>  | <p>Sorry, thank you. Very good question. We have about \$438 million [sic – see Annual Report 2024 page 89 \$448.7 million] in franking credits. By nature of our design in terms of our – as a mutual organisation, we're not able to utilise those franking credits. So at the moment, the short answer is there are actually no plans to utilise those because we can't.</p> <p>We could, but to raise an MCI, which is a capital instrument, becomes very, very costly, and so the opportunity to be able to utilise those MCIs is some way away. We're a very well capitalised organisation at the moment and so the need to raise an MCI is not anywhere in the horizon over the next certainly three years.</p> <p>So in the normal course of business, we can't use them, but if we do something that requires us to raise capital, then there's an opportunity. Any other franking ones? Yes?</p> |
| <p>I'm wondering if the Great Southern Bank isn't turning into a charity. You've got this partnership with Mission Australia to help – partnership with Mission Australia to help vulnerable Australians save hundreds of dollars. Well, if you want to help vulnerable Australians, hand out \$100 notes here. We're all vulnerable.</p> <p>There's something about a partnership with Tasman Environmental Markets and one of the things is to help rural communities in India. Going far away from - to help out people, go all the way to India.</p> | <p>A couple of years ago when we did quite an in-depth survey of our members in terms of what their expectations were of us as a bank and as owners of the bank, one of the highest rated issues they raised was wanting to see us doing more in the community with vulnerable people. So what we do in that area, one is for social license, or what we feel we have a social obligation over, but also what we believe a response to what a lot of our members have told us they want to see us doing. The India bit, who's best to answer that?</p>   |

| Question  | Answer   |
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|   | <p>This is part of our ESG commitments, so we have a net zero target at 2040. One of the things we do is offset our carbon emissions and the way we do that is through partnership, and the two partnerships we have in terms of offset, one is traditional burning methods through First Nations communities, and the other one is through this partnership in India, and that helps us offset our emissions as we gradually bring down our own emissions towards zero. So that's part of that.</p> <p>The Chairman's right, as part of ESG, we do want to focus on the S. So we want to be at market on the E, but S is really our purpose and the majority of our customers want to hear about how from an S perspective or a societal perspective, how we're helping those that are vulnerable. We don't think, and it's to your comment, we're not becoming a charity, but we're working with those that are best placed to provide these services, and that's Mission Australia, so that we do these things through partnerships. Our core business is banking, their core business is in the community, and that's the partnership.</p> |
| <p>B certification, what does that cost?</p>  | <p>B Corp certification? It doesn't cost a lot of money. It takes quite a bit of work from a small group of people. The reason why it's important to us, it's for a couple of reasons. It's rapidly become community expectations, that you are able to be certified as an ethical organisation. So that's the first one, so it's really important to a new generation of customers that you have those benchmark standards and B Corp is probably the best of those globally. It's a global benchmark.</p> <p>It also helps us for the small amount that we use in terms of wholesale funding, so we're about 75% of our funding is from deposits; 25% would come from larger banks and larger organisations. We call that wholesale funding. That is also starting to become really important to those funding partners that you have this type of accreditation. So it's really about meeting the market in terms of good, ethical business practices, but it doesn't cost us a lot.</p>  |
| <p>This amendment about virtual AGMs, does that mean this is going to be the last physical one?</p> | <p>No. No. It won't be the last physical one. The reason we're doing this is if you remember during COVID, organisations like</p>  |

| Question  | Answer  |
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|   | <p>ours had to receive special approval from ASIC to run a virtual AGM, so during the pandemic, we couldn't get together physically like this. Just in preparation for a time that there might be disruption, we want to have the option to run a virtual AGM without having to go to ASIC. Our intention is to run hybrid AGMs well into the future, and hybrid being in-person and also offer it online.</p>  |
| <p>According to page 103 of the report, I'm happy to say that we got over \$13 billion in customer deposits of various types, so that's a great result, so the customers haven't run away from GSB yet. Then my question, I've got two questions. First question is how much is the insurance which the bank and the Group have currently to offset against the deposits in case there is an emergency, say like a bank run or some other emergency? Because there should be some insurance within the bank and the Group to secure our money, because we don't deposit expecting the government to bail out because they are not going to do that.</p> <p>They will ask you to bail in which means they will get our money to bail in the big guys so that's not going to help. In fact, I even mentioned a bit about that to our new Company Secretary, Andrew, before the meeting started. I had a chat with him. [Unclear] you can't trust the government, we have to look after ourselves because we are a customer owned bank, so we need insurance within the bank and the Group to secure our money. If not, we don't trust what the bank says. That is question one.</p> | <p>Okay, I might phone a friend too in terms of the specifics, but our deposits are insured up to a certain amount, but it is a large amount so a large proportion of our deposit base is insured. In addition, we have the very highest standards in terms of our risk management and – yeah, well, credential risk management, so we're very concerned and we stress test the bank very often, so we run stress tests scenarios like bank runs all the time and it would be very fair to say that in those stress tests environment, we perform very, very well. So Rolf, I might just get Rolf to add a little bit more just on the deposit insurance side.</p> <p>Well, first of all, let me just say it's nice to speak with somebody like-minded, so I live and breathe these things every day, Sonny, as the Chief Risk Officer for the bank, making sure that we have those risk management practices very well embedded in the organisation. A significant amount of effort goes into making sure that we protect our deposit base. As Paul says, there is government insurance over our deposits up to a certain point, but that's certainly not what we rely on. We've got quite a significant effort that goes into that.</p> |
| <p>Thanks so much for that. I'm happy that we are like-minded. Now, question number two, I think Paul is quite [familiar with] this question, I asked you this question at the last year's AGM, so the question I asked was what is the [LADR] figure currently or as at the end of the last financial year? LADR is the liquid assets to deposits ratio which is a sort of an insurance against an emergency, like a bank run. So what is the current LADR figure? If you don't have the latest figure, you can give us the figure at the start of this financial year.</p> <p>Also, before I hand over the mic, a special thanks to Nigel for all his service. Three long</p>   | <p>Our MLH ratio is 13%, just above 13%, so we have excess – what we would call excess liquidity, so we're a bit higher. It's very similar to last year. Very similar. I think I said last year it was 13.5, was it?</p> <p>As of yesterday, Paul, it was 15.19.</p> <p>Well, actually, it's more than that. We've got too much. We don't want too much though because that becomes unprofitable</p>  |

| <b>Question</b>   | <b>Answer</b>                                 |
|---|---|
| years in the hotseat which is a great achievement. Also, it's too early to welcome the new Chair because I have to get used to referring to the Chairman as a piece of furniture in the future, that's okay.<br>So we can feel safe. Safe with our money. | You can feel very confident. Very, very safe. |