

Invitation and notice of 2023 Annual General Meeting

Notice is hereby given that the 66th Annual General Meeting of Bank Australia Limited will be held at:

Venue	Date	Time
Melbourne Museum Theatre Room 11 Nicholson St, Carlton VIC 3053	Wednesday 22 November 2023	Registration opens at 5.00pm The meeting will commence at 6.00pm

Join us from 5pm to meet some of our community customers who have received support from Bank Australia, including recipients of our Impact Fund. These customers will be on hand to talk about the work they do to benefit people and the planet.

The meeting will commence at 6.00pm and will be followed by light refreshments.

A live broadcast of the meeting will be provided on an Online Platform meetings.linkgroup.com/bankaust23

Annual General Meeting attendance

To RSVP your attendance please call 132 888 or email AGM@bankaust.com.au

If you cannot join us at this time in person or virtually, highlights from the meeting will be recorded and posted on our website. Please visit bankaust.com.au/2023AGM.

This event will be wheelchair accessible and AUSLAN interpreted. Please contact us if you have other access requirements so that we can ensure your participation in our event.

Voting

Voting opens on **Monday 23 October 2023**. You can vote online at bankaust.com.au/2023AGM or contact us on 132 888 or email AGM@bankaust.com.au to ask for a postal ballot pack to be sent to you.

Any postal votes have to be received by the Returning Officer by 5.00pm Thursday 16 November 2023.

Online voting will close at 5.00pm Monday 20 November 2023.

Ask a question

Members are encouraged to raise questions prior to the Annual General Meeting via email to AGM@bankaust.com.au or write to the Company Secretary at Locked Bag 2035, Collingwood, Victoria, 3066.

Members will also be able to ask questions in person or virtually during the Meeting.

A telephone facility will also be available for members (or their proxy, attorney or corporate representative) who are online but prefer to ask questions verbally. To ask questions during the meeting using the teleconference facility, you can phone 1800 717 441 (within Australia), or +61 2 9189 2004 (outside Australia) and use your unique personal identification number (PIN). Your unique PIN is required for verification purposes, and may be obtained by contacting Link Market Services Limited on 1800 990 363, or +61 1800 990 363 (outside Australia) by 5.00pm, 20 November 2023.

Consistent themes raised prior to the meeting will be addressed by the Chair or Managing Director during their presentations.

Impact & Financial Reports

Bank Australia's Impact Report and Statutory Financial Report may be obtained from or inspected at any of the **Bank's branches from 1 November 2023**.

The Impact Report and Statutory Financial Report will also be available online at bankaust.com.au from this date.

Agenda – Annual General Meeting

1. Opening and apologies – Chair
2. To note the Minutes of the 65th Annual General Meeting of Bank Australia Limited held on 23 November 2022
3. Presentation – Chair
4. Presentation – Managing Director
5. To receive and consider the Financial Report, the Directors' Report and the Independent Auditors' Report for the financial year ended 30 June 2023
6. To re-appoint Steve Ferguson as Director
7. To consider and if thought fit, approve an ordinary resolution to determine the amount of Non-Executive Directors' remuneration
8. To consider and, if thought fit, approve a special resolution to amend the Bank's Constitution
9. Close of official Annual General Meeting proceedings

Refer to explanatory notes for agenda items 5 – 8.

Explanatory Notes to Resolutions

Agenda Item 5 – Financial Reports

The Corporations Act 2001 requires the Financial Report, the Directors' Report and the Independent Auditors' Report of the Bank to be laid before the Annual General Meeting.

Shareholders will be provided with an opportunity at the Annual General Meeting to ask questions in relation to these reports.

Agenda Item 6 – Re-appointment of Director

The Board recommends the following ordinary resolution:

"That Steve Ferguson be re-appointed as a Director of Bank Australia Limited."

Report of the Nominations Committee

The Nominations Committee is established by the Bank Australia Board in accordance with Appendix 3 Section A3-4(1) of the Company's Constitution.

The Committee's purpose is to assess the fitness and propriety of potential candidates for the office of Director of the Company, in accordance with the Fit and Proper Policy and the Constitution.

The Nominations Committee hereby declares that:

- There were no nominated candidates who failed to make themselves available for interview by the Nominations Committee
- The following nominated candidate demonstrated an ability to be Director of Bank Australia in accordance with Clause A3-4(7):
 - Steve Ferguson

Fran Raymond
Chair, Nominations Committee

Agenda Item 7 – Non-Executive Directors' Remuneration

The Board recommends the following ordinary resolution:

"That the total sum payable to the Seven Non-Executive Directors by way of fees and superannuation be increased by \$57,028 per annum. The directors may determine how this sum is to be apportioned among them and how and when it is to be paid. The said increased sum includes relevant taxes payable either by the Bank or Directors."

Please note the proposed increase of \$57,028 lifts total Director Remuneration to \$871,726 per annum. This pool of funds is for aggregate Non-Executive Directors' remuneration and is not the amount paid to individual Directors. The sum represents an increase of 7%.

Subject to member approval and determination by the Board it is intended for Non-Executive Directors to be paid \$92,737 p.a. (base remuneration up from \$86,670 or 7%), Committee Chairs to be paid \$111,284 p.a. (a 20% percent loading on base remuneration and up from \$104,004 or 7%) and the Board Chair to be paid \$166,926 p.a. (an 80% percent loading on base remuneration and up from \$156,006 or 7%).



Governance & Remuneration Committee

The Board has a Board Governance & Remuneration Committee and a Remuneration Policy that aligns remuneration and risk management.

Board remuneration is fixed and does not contain any variable performance based components to ensure alignment with prudent risk-taking.

Remuneration is designed to encourage behaviour that supports:

- the Bank's long-term financial soundness
- the risk management framework of the Bank.

The Governance & Remuneration Committee has sought and considered advice from independent sources in relation to remuneration of the Board of Directors with the finance industry generally and the customer owned banking sector specifically. Maintaining competitive remuneration ensures the Bank is able to continue to attract talented Directors to undertake the corporate responsibilities of serving on the Board of a financial institution.

Agenda Item 8 – Approving the special amendment to the Bank's Constitution

The Board recommends the following special resolution:

“That the Bank's Constitution be amended to include reference to the Bank's purpose and Directors' consideration of stakeholders, contained in the document tabled at the Annual General Meeting and signed by the Chair for the purposes of identification.”

Background

1. In 2020, Bank Australia became a certified B Corporation. Certified B Corporations are businesses that meet high standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose.
2. In 2023, Bank Australia is due to recertify as a B Corporation. To achieve B Corporation certification, B Corporations are now required to amend their governing documents to articulate that: (a) their purpose includes societal and environmental benefit; and (b) that their directors explicitly consider stakeholders in their decision-making.
3. Directors have considered such amendments to the Constitution and have determined that they are consistent with the interests of members and the Bank's intent to have a positive impact for people and the planet.
4. The “purpose and stakeholder resolution” being proposed to Bank Australia members at the 2023 Annual General Meeting is a special resolution (i.e. a resolution which must be passed by 75% of members (or proxies) who are present at the meeting and eligible to vote) to amend Bank Australia's Constitution for the following purposes:
 - a) to amend the Bank's purpose as described in the foreword; and
 - b) to include the Directors' consideration of stakeholders.
5. A copy of the proposed Constitution changes is included in this Notice. A copy of the full Constitution is available at www.bankaustralia.com.au/proposedconstitution.

Give us a call 132 888

Visit us bankaustralia.com.au/support/branches

Bank Australia Limited ABN 21 087 651 607 AFSL/Australian Credit Licence Number 238431

