

MINUTES OF THE ANNUAL GENERAL MEETING OF BEYOND BANK AUSTRALIA LIMITED (ACN 087 651 143) HELD AS A HYBRID MEETING AT U CITY FUNCTION CENTRE, 43 FRANKLIN ST, ADELAIDE ON MONDAY, 25 NOVEMBER 2024 COMMENCING AT 6:02 PM (ACDT)

The meeting commenced at 6:02pm (ACDT).

1. WELCOME

The Chair, Ms. Sam Andersen, introduced herself and welcomed members and guests to the 2024 Annual General Meeting (**AGM**) of Beyond Bank Australia Limited (**Beyond Bank**).

Acknowledgement of Country:

The Chair:

- noted that she was hosting the meeting from the lands of the Kurna People of the Adelaide Plains;
- acknowledged the Traditional Custodians of the various lands on which participants were attending and the Aboriginal and Torres Strait Islander people participating in the meeting; and
- paid her respects to Elders past, present and emerging and celebrated the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waterways of Australia.

Hybrid meeting:

The Chair:

- confirmed that this evening’s meeting is a hybrid meeting and outlined what this entails (members were invited to attend and participate in person, online, or via a phone conference facility); and
- advised those participating online what to do in the event of technical difficulties.

Quorum:

On the advice of the Company Secretary, the Chair noted that a quorum was present.

Introductions:

The Chair introduced the following individuals:

Directors

Ms Jodie Baker	Chair of the Board Risk Committee
Mr Trent Bartlett	Chair of the Board Governance and Remuneration Committee
Mr Steve Coles	Director
Mr John Evans	Chair of the Board Audit Committee

The Chair spoke to the resignation of Daryl Johnson from the Board during the year, advising that he had left to pursue a directorship of another financial institution. The Chair thanked Daryl for his contribution to the Board, Board Governance and Remuneration Committee and Board Risk Committee and wished him well in his future endeavours.

The Chair added that the Board is now well advanced in the recruitment of two new Directors, confirming that they would be appointed following a robust selection process and put to members for election at the appropriate time.

Executives

Mr Wayne Matters	Interim Chief Executive Officer
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Ms Michelle Coelho	Chief People & Culture Officer
Ms Stevie-Ann Dovico	Chief Information Officer
Mr Gavin Heathcote	General Manager Business Banking
Ms Wendy den Hartog	Interim Chief Operating Officer
Mr Brad Markwart	Chief Risk Officer
Mr Tony Maughan	Interim Chief Financial Officer
Mr Nick May	Chief Customer Officer
Mr Peter Rutter	Chief Community & Strategy Officer (who the Chair noted was unwell and therefore an apology)

Auditors

The Chair welcomed external auditors Mr Darren Ball and Mr Neil Ediriweera from KPMG and internal auditors Ms Katherine Cobb and Ms Jennifer Allan from PwC.

Agenda:

The Chair advised attendees that the agenda for the meeting was contained in the Notice of Annual General Meeting and confirmed that the minutes from the 2023 meeting were available on Beyond Bank's website.

Voting / questions:

The Chair confirmed that members would not be asked to vote at this Annual General Meeting and outlined the process for members to ask questions at the meeting.

2. REPORTS

The Chair

- advised the meeting that members now would receive and consider Beyond Bank's Financial Report, Directors' Report and Auditor's Report for the financial year ended 30 June 2024; and
- noted that Mr John Evans, the Chair of the Board Audit Committee, would share some of the financial highlights in more detail.

Chair's Report:

The Chair highlighted:

- the contraction in profitability, resulting from a drop in the net interest margin together with higher than usual inflation, tighter employee conditions, technology investments and the costs associated with the execution and integration of two mergers;
- the impact of that contraction on the Bank's cost to income ratio, noting that it still compares favourable to the financial services sector with a ratio of nearly 82% (after technology investments and merger expenses) and 78% without those strategic investments;
- the growth in assets under management to more than \$10B;
- completion of the mergers with First Choice Credit Union Limited and AWA Mutual Limited, through which the Bank welcomed nearly 9000 new customers and 27 new staff;
- refurbishment of the Orange branch and planned opening of a branch in Portland in December;
- the cessation of merger discussions with Police & Nurses Limited;

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Chair:

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- the end of Jake Bromwich's tenure as CEO and appointment of Wayne Matters as Interim CEO;
- the retirement of both Robert Keogh and Ray O'Brien, and appointments of Brad Markwart as Chief Risk Officer, Tony Maughan as Chief Operating Officer, Stevie-Ann Dovico as Chief Information Officer and Gavin Heathcote (formerly the CEO at AWA Alliance Bank) as the General Manager Business Banking;
- the strong staff engagement scores and incident closure rates and introduction of new programs to ensure the psychological safety of staff;
- the launch of a new competency framework to help the career progression and development goals of staff;
- the Bank's continued focus on changing the lives of its customers and communities through financial wellbeing, and becoming Australia's best relationship bank;
- the launch of a new website with easier navigation and personalised content recommendations, using new AI tools;
- the upgrade of the Bank's calculators to help customers plan their loan repayments and budgets and understand refinancing options;
- the investment in a new loan origination system, automating processes for improved customer experience and reducing the time to yes by 14 days;
- the continued improvement of the Bank's award-winning mobile app;
- the communication channels available to customers, noting that 1.2 million conversations had been had on social media and there had been 415,000 branch transactions, 250,000 phone calls, 74,000 email and secure mail transactions, 46,000 banking reviews for our customers and 44,000 live chats;
- that customer-owners gave the Bank a satisfaction rating of 93%;
- the 15.9% growth in lending and a deposit portfolio growth of 11.5%;
- the induction of Robert Keogh to the Business Council of Cooperatives and Mutuals Hall of Fame in recognition of his service to cooperatives and mutuals over the span of 40-plus years;
- the proposed further investment in technologies to assist the detection and prevention of scams and to support the National Scams Accord;
- the pilot program involving a toolkit of financial wellbeing applications designed to assist employees of the Bank's community partners;
- the Bank's status as a BCorp and commitment to creating positive impact for the future;
- the launch of the Reflect Reconciliation Action Program and aim to improve employment opportunities and financial wellbeing for Aboriginal and Torres Strait Islanders through these programs;
- the launch of the Bank's first Disability Access and Inclusion Plan;
- the digitisation of checklists, introduction of e-sign contracts for electronic delivery and switching of customers to electronic statements, reducing both paper use and emissions from print and mail delivery;
- the reinvestment of 8.1% of profits back into community, nearly 6000 community partners and team of 24 people working in the community sector; and
- the Bank's choice to voluntarily commence climate report in the 2025 financial year, noting that it is not required to do so until 2026.

Directors' Report:

The Chair referred to the Directors' Report (contained in the Annual Report) and invited questions from members. None were received.

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Chair:

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Board Audit Committee Report:

The Chair invited Mr John Evans, Chair of the Board Audit Committee, to present the Financial Report and Auditor's Report.

Mr Evans spoke to various key financial indicators, including:

- net profit after tax, noting it was lower than the previous year due to a contraction in the interest margin and increase in operating costs;
- net interest margin, noting it continues to follow a declining trend, consistent with the mutual industry;
- total assets, noting the 14.4% growth over the year (including the First Choice and AWA mergers) and organic growth of 9.6%;
- capital adequacy ratio, noting that it was marginally lower at 16.4% as a result of strong asset growth and the lower net profit, but still more than double the minimum regulatory requirement;
- liquidity, noting it was slightly lower at 13.7% but still well above the minimum regulatory requirement of 9%;
- cost to income ratio, noting that it rose to 81.8% in the year as a consequence of the lower net interest margin and higher costs but confirming that, excluding merger costs, the ratio would be 78% which is consistent with the mutual sector average; and
- credit risk, noting a slight increase in the credit risk on loans ratio to 0.66% as a consequence of high interest rates and other cost of living pressures.

Mr Evans then outlined Beyond Bank's outlook for the 2024-25 financial year.

The Chair invited questions in relation to the Financial Report and Auditor's Report.

There were no questions asked by those members in attendance.

The Company Secretary confirmed that no questions in relation to the Financial Report or the Auditor's Report were submitted in advance of the meeting or had been submitted during the meeting via the online platform or telephone link.

3. ELECTION OF DIRECTORS

The Chair advised the meeting that:

- following the call for nominations, the Nomination Committee met with two nominating candidates to assess fitness and propriety and skills and experience of each nominee;
- on the recommendation of the Nomination Committee, both nominees were approved by the Board as approved candidates;
- subsequently, one of those nominees withdrew their candidacy; and
- as the number of candidates was less than the number of positions to be filled, in accordance with Beyond Bank's Constitution, Ms Jodie Baker is declared elected at this AGM for a term of three years.

The Chair reiterated that the Board is currently recruiting for two new Directors to ensure the skills and experience of the Board are fit for purpose, and also, so that they meet the expectations of APRA for a Board of Directors of an organisation of the size and complexity of Beyond Bank Australia.

4. GENERAL BUSINESS

The Chair advised the meeting that the formal part of the meeting agenda had closed and sought questions from members that were of a general nature.

Questions:

The Company Secretary reported that prior to the meeting some questions from members were

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Chair:

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received regarding administrative or personal matters and confirmed that they had been addressed.

The Company Secretary advised the Chair that 4 further questions had been submitted in advance of the meeting in relation to:

- the security measures the Company is planning to implement to combat fraud and reduce the risk of financial loss from scammers;
- the governance process being followed to ensure a long-term CEO is secured;
- the governance mechanism in place to ensure Board members, executives and senior leaders disclose conflicts and material matters that may impact on their ability to fulfil their positions; and
- whether the Board will be ensuring that mandatory AI guardrails are in place on AI and automation programs (the Chair confirmed that it would).

In response, the Chair advised the meeting that:

- Beyond Bank already invests in a number of technological solutions to combat fraud and reduce the risk of financial loss from scammers and is working on upgrading that solution and introducing new, better customized tools (including payment matching technology and enhanced verification and identity checks). The Bank is also investing in our Scamwatch and Scam Busters programs to educate people to be vigilant and ever aware against scams.
- A rigorous process is being followed to recruit the new CEO, including meetings with a panel of directors, informal and formal assessments, background checks and internet checks.
- The fitness and propriety of all members of the Board and executive team is assessed annually. The assessment process is reviewed annually to ensure that it remains best practice. In addition, directors and executives are asked to declare any conflicts of interest at each meeting.
- The Board will ensure that mandatory AI guardrails are in place.

The Company Secretary confirmed that there were no other general questions submitted by members.

Members in attendance raised various other questions, including in relation to:

- the availability of diaries in branches (the Chair advised that the Bank is currently reviewing its loyalty program);
- whether the Board would consider having any Qantas directors on the Board (the Chair advised that it would be unlikely that the Bank would consider those individuals to align with Beyond Bank's values);
- the increase in employee termination payments (the ICEO took the question on notice);
- the potential for the proposed merger with P&N Bank to be revived (the Chair spoke to the importance of merging with an organisation that has similar capital prudential focus, a cost to income focus, a strategy, people and culture that matches that of Beyond Bank Australia);
- director remuneration (the Chair confirmed that Directors are paid at a rate which is commensurate with being a mutual organisation of the size of the Bank); and
- the Bank's plans to exit cash (the Chair advised that for as long as cash is legal tender, the Bank intends to deal in cash).

A member in attendance also spoke to his varying experiences with the Bank following a fraudulent withdrawal from his account. The Chair advised that the Chief Customer Officer would speak with him after the meeting about his experience.

Closing comments:

The Chair:

- conveyed her thanks to Beyond Bank's:
 - Board of Directors for their continuing support and due diligence over the past year;
 - people for their undivided focus, doing the very best that they can for the Bank and each of

its customers every day of the week; and

→ customer-owners; and

- thanked members and guests for their attendance and participation and invited those in attendance at U City to partake in some refreshments and further conversation.

The meeting closed at 7:26pm (ACDT).

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Chair:

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