

# AUSTRALIAN MUTUAL BANK LTD

ABN 93 087 650 726

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Australian Mutual Bank Ltd will be held on Wednesday, 25 November 2020 in the The York, 99 York Street, Sydney at 3pm

### Annual General Meeting and Coronavirus (COVID 19)

As a result of the uncertainty and to minimise health risks created by the rapidly evolving coronavirus (COVID 19) pandemic, **members are strongly encouraged to consider lodging a directed proxy rather than attending the meeting in person.**

Members may lodge questions relating to business items on the AGM agenda prior to the meeting. This can be done by emailing questions to [agm@australianmutual.bank](mailto:agm@australianmutual.bank). Questions will be responded to prior to the meeting or raised at the meeting. The meeting venue selected will accommodate a limited number of members under coronavirus conditions. To ensure the venue capacity is not exceeded those intending to attend the meeting must pre-register by calling 1300 131 420 or email [agm@australianmutual.bank](mailto:agm@australianmutual.bank). All who attend the meeting will be required to maintain social distancing requirements, wear a mask and adhere to the COVID Marshal's instructions. Members who still wish to physically attend the AGM should take heed of government warnings and recommendations and monitor the Australian Mutual Bank website for any updates about AGM arrangements. If it becomes necessary or appropriate to make alternative arrangements for the AGM, information will be posted on the website and at office locations.

### Agenda

1. **Apologies**
2. **Confirmation of the Minutes of the Annual General Meeting held on Wednesday, 27 November 2019.**
3. **To receive the Directors' Report, Financial Report and Auditor's Report for the financial year ended 30 June 2020.**
4. **Election of Directors**

Alex Claassens and Anton Usher retire in accordance with the Constitution and are eligible for re-election. Candidates for this election are Alex Claassens, Moray Vincent, Anthony Matis, Bruce Williams and Anton Usher. Each of these candidates has been assessed by the Director Nominations Committee and the Board. The candidate assessment has determined that each meets the requirements of the Fit and Proper Policy and possess the necessary skills to make an effective contribution to board deliberations and processes.

As there are five (5) candidates for the two (2) vacancies to be filled, a ballot for election of Directors will take place at this meeting.

**Note:** The ballot will be closed at the AGM by the Returning Officer after the commencement of the meeting.

5. **Determine the remuneration of Directors – General Resolution**

To consider and if thought fit pass the following Ordinary Resolution:

*"That Remuneration to be paid to Directors from the 2020 Annual General Meeting to the 2021 Annual General Meeting be a lump sum of up to \$380,000 with payments to individuals from that lump sum to be at the discretion of the Board and such amounts to incorporate all FBT and Superannuation commitments payable."*

6. **Constitutional Amendments - Special Resolution**

To consider and if thought fit pass the following Special Resolution:

*"That the Bank's Constitution be amended in the manner set out in the Schedule of Proposed Amendments tabled at the meeting and, for the purposes of identification, signed by the Chair."*

(see the Summary of Proposed Constitutional Amendments accompanying this Notice)

**Note:** A Member who is entitled to vote but unable to attend the meeting may appoint an adult person who need not be a Member as their proxy. A Member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

An Appointment of Proxy form is available at any Australian Mutual Bank office or can be downloaded directly from the Australian Mutual Bank website at [www.australianmutual.bank/AGM](http://www.australianmutual.bank/AGM). For the appointment to be valid, the Appointment of Proxy form must reach the Company Secretary, PO Box 881, Haymarket NSW 1240, no later than 3.00pm (Sydney time) Monday, 23 November 2020.

**BY ORDER OF THE BOARD**

Simon Brasier  
Secretary

Due to Coronavirus health requirements no refreshments or food will be available at the conclusion of the meeting. Members attending the meeting will be requested to vacate the premises while maintaining social distancing and other requirements after the AGM has ended.

**Explanatory Notes**

**Item 4 - Election and Appointment of Directors**

Alex Claassens and Anton Usher retire in accordance with the Constitution and are eligible for re-election. Candidates for this election are Alex Claassens, Moray Vincent, Anthony Matis, Bruce Williams and Anton Usher. Each of these candidates has been assessed by the Director Nominations Committee and the Board. The candidate assessment has determined that each meets the requirements of the Fit and Proper Policy and possess the necessary skills to make an effective contribution to board deliberations and processes.

As there are five (5) candidates for the two (2) vacancies to be filled, a ballot for election of Directors will take place at the AGM. **Rather than attend the AGM, members are encouraged to cast their vote by directed proxy.**

**Item 5 – Determine the remuneration of Directors**

**Ordinary Resolution 1 - Director Remuneration**

Member approval is sought to maintain the previously approved total annual remuneration pool paid to all elected Directors of \$380,000. No increase is being sought on this occasion due to the prevailing economic conditions. Payments to individual directors from that lump sum will be at the discretion of the Board and such amounts will incorporate all FBT and Superannuation commitments payable.

**Item 6 – Constitutional Amendments**

**Special Resolution 1: Summary of proposed Constitution amendments**

The following is a summary of the proposed Constitutional Amendments. A marked-up version of the Constitution showing the changes is available on request from the Company Secretary and copy will be tabled at the AGM by the Chair.

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| <b>Electronic meetings Elections - Electronic voting and postal ballot</b> | <p>COVID 19 has highlighted the need for virtual or hybrid meetings of members. A benefit is the potential increase in participation. Any such system of electronic meetings must allow members to participate and to vote. They will be counted in the quorum.</p> <p>The proposed electronic voting provisions will allow the Board to determine if a vote on specific matters to be considered by a General Meeting can be voted on before the meeting occurs.</p> <p>The election provisions for Directors will allow the Board to use a combination of electronic and postal ballot or just an electronic ballot. It is the aim to increase member participation in the election process by conducting the ballot before the AGM rather than rely on proxy voting for members who cannot attend.</p> <p>It is not compulsory for the Board to use the electronic meeting and voting mechanisms.</p> |
| <b>Director eligibility and nomination</b>                                 | <p>It is proposed to require that a person nominating to become a member elected Director must have been a member continuously for 3 years at the time of nomination.</p> <p>Provision has also been made to allow a person to self-nominate for election as a Director and to remove the requirement for 2 other members to nominate them.</p>  |
| <b>Tier 1 shares</b>   | <p>These shares will not be issued. It is proposed to remove them from the Constitution.</p>   |
| <b>Alternate Directors</b>   | <p>It is proposed to remove the provisions for Alternate Director because they have not been used and there is no proposal to do so in the future.</p>   |
| <b>Director Nominations Committee</b>                                      | <p>These provisions are moved to Appendix 5 from Rule 10.4.</p>  |
| <b>Circulating resolution of the Board</b>                                 | <p>Updated provisions are proposed to allow more flexibility in how resolutions of the Board may be passed using modern technology.</p>  |
| <b>Director remuneration</b>   | <p>The proposed change will mean that the members in general meeting approve the aggregate amount of Director remuneration (as they do now) but the annual amount once approved will remain at that level until the members approve a change. At present it has to be set every year, even if no increase is being sought.</p>   |
| <b>Member Shares issued to Minors</b>                                      | <p>It is proposed to remove the provision for issuing shares to minors at 20% of the subscription price. With the change to a subscription price \$0 it is not necessary to retain the provision.</p>  |