

MINUTES OF THE WARWICK CREDIT UNION LTD

ANNUAL GENERAL MEETING

HELD AT THE COACHMAN'S INN, WOOD STREET, WARWICK

WEDNESDAY, 11 OCTOBER 2023

The Chairman, Mr Ross Fraser, called on Ms Kellie Doherty, Company Secretary, to confirm that there was a quorum for the meeting to proceed. Ms Doherty confirmed that there were sufficient numbers for the meeting to proceed.

The Chairman officially declared the Annual General Meeting open at 5.32pm and asked Mrs Rhonda Bell to recite the Credit Union prayer.

There were 41 members and 1 guest in attendance.

1. Welcome

The Chairman welcomed members, official guests, invited guests, Mr Craig Jenkins (BDO Auditor), Directors, Management and staff.

2. Apologies

Apologies were received and acknowledged from:

- Mr Bob Hogarth
- Mr Craig Armstrong
- Mr Gary Hayes
- Ms Janet Schultz
- Ms Lyndall McCormack
- Ms Sarah Fea
- Ms Rebecca Lancaster
- Mr Martin Shepherd
- Mr Doug Cutmore

The Chairman enquired if there were any further apologies to be noted. None were received.

3. Chairman's report

Mr Fraser stated it was a pleasure to deliver the Chairman's report for the 2022-23 financial year. He advised that Warwick had finished in a very strong position with profit after tax of \$2.3M, some \$600,000 up on last year and total assets remaining in excess of \$400M. With capital and liquidity ratios prudently managed the credit union remains in a strong position, however the waters ahead of us could get rough. Prudent management will be required by the captain and crew to steer us through the year ahead which the directors strongly feel.

Importantly, Warwick funded more than \$68M in loans to members helping them realise their dreams of housing, motoring and small business heading them into the future. Our investing members enjoyed a safe place to invest while benefitting from the rising interest environment.

So whether interest rates have peaked is an unknown question and is yet to be seen, however the local communities we serve continue to have sound fundamentals that is strong employment levels and robust housing prices.

The credit union has maintained a variety of sponsorships which we have done for many, many years to the tune of in kind and cash of \$100,000 supporting local organisations and events in the communities in which we operate. In this regard the easiest part of sponsorship is signing the cheque, the challenge is to capitalise on the investment that the cheque represents.

One good thing that came out of covid is that more Australians are realising the benefits of living in communities like the Southern Downs, Gympie and Dalby. But our business has to be smart enough to engage with these newcomers to convince them of the benefits of dealing with their local banking institution. We must not be hoodwinked by media and some large industry participants who say you must become bigger or you will not survive.

No doubt we face some challenges in that area being the size that we are but we must not forget our core principles, "culture, service, local, easy to do business with and committed people", principles which have stood the test of time at the credit union over some 50 plus years. And just importantly we must say what we do and do what we say. We can and must be a leader in the industry that we are in. People in all walks of life are looking for service from these suppliers, being small in that area can be a huge advantage.

Since the end of the financial year in review we have seen a changing of the guard with long serving Chief Executive Officer, Mr Lewis von Stieglitz leaving in July this year. On your behalf I record our thanks to Lewis and wish him well in his future endeavours.

Having said that a warm welcome to our new CEO, Mr John Ford who commenced in August. The board is looking forward to working with John to build on our successes and take the credit union to the next level.

I would particularly like to thank the communities in which we operate for their ongoing support and patronage without which our achievements would not be possible.

To the credit union staff, thank you sincerely for your dedication and your commitment to our success. You work tirelessly to achieve our objectives which in turn guarantees the credit union's continued support in its local communities.

To my fellow Directors thank you for your dedication to the credit union in what has been a very busy and challenging year.

In conclusion, I say as we look forward to an exciting year ahead, the phrase 'easy to do business with' has never been more important than it is right now.

The year ahead will no doubt be challenging. How we as a business address these challenges will determine our future success and continued growth.

The Chairman formally welcomed Mr John Ford, new Chief Executive Officer, to the Credit Union and asked John to say a few words.

John thanked everyone for coming today and acknowledged the staff and board on the results that Ross had outlined. I think you can all be very satisfied with that achievement. I acknowledge the 50 year foundation that I am coming to and will work to continue to improve in the future.

Right now I am working on a business plan for the credit union to go forward addressing the issues that Ross has touched upon and at the next AGM we can provide you sound evidence of the progress that we are making in the business plan such as improving our service to our communities and members that we have as shareholders. I look forward to that opportunity next year and thank you again for coming tonight.

4. Resolutions

The Chairman stated that the meeting will now move to the formal resolutions which are the election of two Directors and setting Director's remuneration.

As you would know Mr Alan Olsen and Mr David Jay are existing directors who retire by rotation and offer themselves for re-election. Both Alan and David have been assessed as Fit and Proper under the Credit Union's Fit and Proper Policy. There have been no other applicants for the vacant positions, so I am pleased to announce both Alan and David have been re-elected for a further three years.

Congratulations Alan and David.

The last resolution is to set director remuneration for the financial year ending 2024. After a comparison with similar mutuals, it confirmed that the current board remuneration is well below market. This is at a time when board responsibilities and obligations have become much more onerous and demanding. The skills required, the prudential oversight and the shifting financial scene has required significant time and focus from the Directors, all of whom are committed to the success of our Credit Union.

The current board has been operating in challenging times and has not filled a vacancy that became available some time ago, but now seeks to adjust the remuneration to be more equitable and also to create a provision for an additional board member should the need arise.

I now call on a member to move that director remuneration be set at \$307,000 for the financial year ending June 2024.

It was moved by Mr Paul Munson, seconded by Mr Daniel Carpenter that the remuneration for the financial year ending June 2024 be set at \$307,000.

All in favour/against

Carried

The Chairman stated he would like the meeting to formally note receipt of the accounts and reports for the Credit Union for 2023.

The Chairman asked for any further comments. As none were forthcoming, the Chairman thanked all directors, staff and members present for taking time to attend the annual general meeting. He also invited all in attendance to stay for refreshments.

The Chairman declared the meeting closed at 5:43pm.

SIGNED .....

DATED 30. 10. 23.