

NOTICE OF ANNUAL GENERAL MEETING

QPCU Limited T/A QBANK ABN 79 087 651 036

Notice is given that the Annual General Meeting ('AGM') of the Members of QPCU Limited T/A QBANK ('the Company') will be held:

Date: Tuesday 21st November 2023
Time: 10.30 am AEST
Venue: online at <https://meetings.linkgroup.com/QBANK23>.

IMPORTANT INFORMATION ABOUT ATTENDING THE 2023 AGM

The AGM is an important opportunity for shareholders to hear about QBANK's financial performance and future plans and to ask questions of the Board and Management. QBANK wishes to maximise options for shareholders to attend and participate in the AGM. Accordingly, this year, the Board has decided to hold the 2023 Annual General Meeting **online**.

Shareholders attending the Annual General Meeting online will be able to hear and view the Annual General Meeting on their own devices, vote on the business of the meeting and ask questions (either via the online platform or by registering to use the questions and comments phone line), and will be treated as if they were present at a physical meeting. Further details are set out below:

1. The Meeting will be held virtually (online) via an online platform, at <https://meetings.linkgroup.com/QBANK23>.
2. We encourage all shareholders and proxyholders to participate in the Meeting virtually via the online platform at <https://meetings.linkgroup.com/QBANK23>. To join the meeting online, shareholders and proxyholders will need a desktop or mobile/tablet device with internet access to log onto the online platform on the morning of the Meeting and provide their details (including their Member Number and post code (mailing address)) to be verified as a shareholder or proxyholder.
3. Shareholders and proxyholders will be able to log in to the online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions set out in this Notice of Meeting and the Online Meeting Guide (available at <https://www.qbank.com.au/about-us/AGM>). We recommend logging in to our online platform at least 15 minutes prior to the scheduled start time for the Meeting.
4. Once the Meeting commences at 10:30am, shareholders and proxyholders will be able to listen to the Chair of the Meeting talking live and in real time.
5. Shareholders and proxyholders will have the ability to ask questions during the Meeting via the online platform, and to hear all of the discussion, subject to connectivity of their devices.
6. If you wish to ask a question or make a comment by phone (orally) rather than via the online AGM platform, a questions and comments phone line will be available during the AGM. To

register to use the questions and comments phone line, please call Link Market Services on 1800 990 363 (inside Australia) or +61 1800 990 363 (outside Australia) by no later than 10.30 am AEST on Monday 20th November 2023, to register your participation by phone and obtain the required access code.

7. **Recording or videoing the AGM is not permitted.** Further terms and conditions apply to participation in the Meeting which can be accessed as part of the login process.

Attendance and voting via on-line platform

We recommend logging in to our online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions below:

1. Enter <https://meetings.linkgroup.com/QBANK23> into a web browser on your computer or online device
2. Shareholders will need their Member Number and postcode (mailing address) which is provided in the letter advising of this Notice; and
3. Proxyholders will need their proxy code which Link Market Services will provide via email prior to the Meeting.

Further information on how to participate virtually (including asking questions via the virtual platform) is set out in this Notice and the Online Platform Guide at <https://www.qbank.com.au/about-us/AGM>.

BUSINESS OF THE MEETING

Ordinary business

Item 1 - Confirmation of 2022 AGM minutes

Item 2 - Directors' Report and Financial Statements

To receive and consider the Directors' Report and audited financial statements for the financial year ending 30 June 2023.

Item 3 - Announcement of results of Director Elections

To announce the re-appointment of Mr Andrew Henderson and Mr Daniel Keating as Directors of the company.

Item 4 - Directors' remuneration

To consider, and if thought fit, to pass the following resolution:

That Directors' aggregate remuneration be set at \$506,630 per annum, commencing at the conclusion of the 2023 AGM.

Special business

Item 5 - Amendments to Constitution - Quorum

To consider, and if thought fit, to pass the following resolution as a special resolution:

That Subrule 11.4(1) of the Constitution of the company be deleted and replaced with the following:

'11.4(1) The quorum for a general meeting is 10 shareholders present in person.'

Item 6 – Amendments to Constitution- Directors

To consider, and if thought fit, to pass the following resolution as a special resolution:

That the provisions of the company's Constitution relating to directors in Rule 13.1 be amended as set out in the Explanatory Statement.

Appointment of proxies to attend the AGM

You may appoint a proxy to attend the AGM and vote on your behalf on the resolutions to be considered at the AGM. A proxy need not be a shareholder. A shareholder 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. In accordance with the company's Constitution and the Corporations Act 2001, a shareholder is not entitled to vote at the AGM unless the shareholder was a shareholder as at Monday 23rd October 2023.

Any poll required at the AGM will be conducted independently by Link Market Services ('LMS'). LMS is a leading share registry and financial services provider in Australia, managing over 10 million account records and over 1000 ASX listed securities. LMS has been engaged to ensure complete independence of this process from QBANK management. LMS's control framework has been assessed by KPMG and found to be appropriate for the provision of registry services.

How to appoint proxies

If you wish to appoint a proxy to attend the meeting on your behalf, you can do so by following the instructions below.

Online: To appoint a proxy online, go to QBANK's website at <https://www.qbank.com.au/about-us/AGM>. You will need to enter your QBANK Membership Number and postcode (mailing address) which is provided in the letter advising of this Notice. If you wish to appoint a proxy online through QBANK's smartphone app, please click on '**2023 AGM**' and follow the instructions. You may appoint a proxy online until 10:30am on Sunday 19th November 2023.

Post or Email: If you wish to complete a paper proxy form, please contact QBANK on 13 77 28 or at agm@qbank.com.au to request one. This form may be posted to the returning officer or can also be returned via email as detailed on the proxy form. **To be valid, proxy appointment forms must reach the Returning Officer by 10:30am on Sunday 19th November 2023.**

If you have any queries in respect of the voting process or would like a paper proxy appointment form issued, please contact QBANK on 13 77 28 or at agm@qbank.com.au.

EXPLANATORY STATEMENT FOR PROPOSED BUSINESS TO BE CONDUCTED AT THE 2023 QBANK ANNUAL GENERAL MEETING

This Explanatory Statement has been prepared for the information of the shareholders of QPCU Limited T/A QBANK ('the Company') in connection with the business proposed to be conducted at the Annual General Meeting ('AGM') to be held online at <https://meetings.linkgroup.com/QBANK23> on Tuesday, 21st November 2023 at 10:30am.

Item 1 – Confirmation of 2022 AGM minutes

This item seeks to confirm the minutes of the 2022 AGM which will be made available to all persons in attendance at the AGM.

Item 2 – Directors' Report and Financial Statements

This item asks the meeting to receive the Financial Report, Directors' Report and the Auditor's Report for the year ending 30 June 2023.

The *Corporations Act 2001* requires that the report of the directors, the report of the auditor and the financial reports be presented to the AGM. These reports will be tabled and discussed at the AGM and directors and management will be available to answer questions from shareholders.

In addition, a representative of the Company's auditors, Grant Thornton Audit Pty Ltd, will be present to answer any questions about the conduct of the audit or the preparation and content of the Auditor's Report.

The Company's Annual Report for the year ended 30 June 2023 will be available at www.qbank.com.au from Monday 30th October 2023.

Item 3 – Announcement of the Results of the Director Elections

For this year's election of Directors, there are two vacancies and two eligible candidates. Mr Andrew Henderson and Mr Daniel Keating are currently Directors of QBANK and are each standing for re-election.

As there are an equal number of vacancies and eligible candidates, the provisions of Clause A5-3 of the Constitution apply. Accordingly:

- (a) The election process otherwise set out in Appendix 5 (Election of Directors) is discontinued.
- (b) Each candidate will be appointed as an elected director by announcement at the AGM.

The Company Secretary will announce the appointment of each candidate at the AGM and, upon that announcement, each candidate will be deemed duly appointed as an elected Director whose term of office commences at the end of the 2023 AGM.

Item 4 – Directors' remuneration

This resolution seeks approval for a Directors' remuneration pool of \$506,630. Directors' remuneration was last set by shareholders in 2016 at a level of \$482,504. No increases have been proposed since 2016. The proposed increase this year is a 5% increase to the existing remuneration pool. The Board referenced the McGuirk Remuneration Survey for 2023 and, the Consumer Price Index (All Groups) and the Wage Price Index to assist them in their decision and considers this increase to be reasonable and appropriate.

Item 5 – Amendments to Constitution - Quorum

The purpose of this special resolution is to obtain member approval to reduce the quorum required for a general meeting of shareholders from 30 to 10.

Background and reason for the proposed changes

The current quorum requirement, as set out in the Constitution, requires a minimum of 30 shareholders at any meeting for any business to be transacted. While the intention behind setting a quorum is to ensure the active participation of a sufficient number of shareholders, due to declining attendance at our AGMs the current threshold poses challenges to addressing the business that must be considered at general meetings, particularly at the Annual General Meeting. If the quorum is not reached, the meeting must be adjourned, and additional time and costs will be incurred by the company. Accordingly, it is proposed to reduce the quorum to 10 shareholders.

Notes

To be passed, this special resolution requires the approval of at least 75% of the votes cast by shareholders entitled to vote on the resolution at the meeting.

Board Recommendation

The Board approves the proposed change and unanimously recommends that you vote **FOR** the special resolution.

Item 6 - Amendments to Constitution - Directors

This special resolution will:

- (a) Reduce the number of elected Directors from five to four; and
- (b) Allow the Board to appoint up to three Directors in addition to the elected Directors, for a term not exceeding three (3) years;

subject to a condition that the majority of Directors must be elected Directors.

Background and reason for the proposed changes

The QBANK Board is currently comprised of five Member elected Directors and up to two board appointed Directors. If this resolution is approved, the Board will be comprised of four Member elected Directors and up to three board appointed Directors. As an authorised deposit-taking institution (ADI), QBANK is required by APRA to have at least five (5) Directors.

The effect of this special resolution is that the Board will have greater discretion regarding the size and composition of the Board. APRA has made it clear through public statements that it expects Boards of ADIs such as QBANK to ensure that there is an appropriate mix of skills on the Board to ensure the Board can discharge its responsibilities to provide oversight of the effective and compliant operation of the ADI.

The Board is conscious that it does not want to add to the overhead of the organisation by increasing the size of the Board beyond seven Directors. Reducing the number of elected Directors and giving the Board power to appoint up to three additional Directors gives the Board greater discretion to add to the size or skill set of the Board as and when the Board considers it appropriate and to ensure appropriate coverage in key areas identified in the Board Skills Matrix. The Board could use this power to appoint a Director with particular skills or experience, or where it considered it appropriate to appoint an additional Director outside the usual election cycle or for a fixed term.

It is important to note that Members will remain entitled to fill the majority of positions on the Board by election.

Details of the proposed change

It is proposed that:

(a) Subrule 13.1(1) of the Constitution be deleted and replaced with the following:

'13.1(1) The number of elected directors is four from the end of the first AGM after which any of the 2023 Directors is no longer an elected director.

In this Rule '2023 Director' means any person who is an elected director immediately after the end of the 2023 AGM.'

(b) Subrule 13.1(2) of the Constitution be deleted and replaced with the following:

'13.1(2) At any time, the board may consist of up to three (3) directors appointed by the board under Subrule (4), in addition to the elected directors.'

Notes

To be passed, this special resolution requires the approval of at least 75% of the votes cast by shareholders entitled to vote on the resolution at the meeting.

Board Recommendation

The Board approves the proposed changes and unanimously recommends that you vote **FOR** the special resolution.

ADDITIONAL INFORMATION ABOUT THE AGM

Attendance

Your attendance at the AGM is important to us and we encourage you to attend the AGM online.

Recording Devices

In the absence of permission from the Chair, all recording and broadcasting devices (including voice recorders, still cameras and video cameras) are not permitted at the meeting.

Questions

In accordance with the Corporations Act 2001, the Chair of the meeting will allow a reasonable opportunity at the meeting for shareholders as a whole to ask questions or make comment about the management of QBANK (including an opportunity to ask questions of the Auditor). Shareholders may submit written questions to QBANK if they are unable to attend the meeting, do not wish to appoint a proxy to attend on their behalf, or wish to submit the question before the meeting. Questions must be submitted by no later than five business days before the meeting (i.e. by Tuesday 14th November 2023) by emailing: agm@qbank.com.au. Further information about submitting questions for those attending online is set out above on page 1 of this notice of meeting.

Further information

If you would like further information about the AGM please contact us:

Mail: The Company Secretary
QBANK
L1, 231 North Quay Brisbane QLD 4000

Email: agm@qbank.com.au

Phone: **13 77 28**