



South West Slopes Credit Union trading as SWSbank (SWS)

**Notice of Annual General Meeting
South West Slopes Credit Union Ltd (ACN 087 650 673)**

**Notice is hereby given that the 2024 Annual General Meeting of
South West Slopes Credit Union Ltd will be held at:**

**SWS' Head Office, 89 Boorowa St, Young NSW 2594
On Thursday 21st November 2024 at 5:30pm**

BUSINESS

- 1. Welcome to members and guests**
- 2. Apologies**
- 3. Minutes of the 2023 Annual General Meeting**
- 4. Result of Election of Directors**
- 5. Chair's Address**
- 6. Chief Executive Officer's Address**
- 7. Annual Financial Report**
- 8. Director Remuneration**
- 9. General Business**
- 10. Close**

By Order of the Board

Andrew Jones
Company Secretary
9th September 2024

AGENDA ITEM 3: Minutes of the 2023 Annual General Meeting

**South West Slopes Credit Union Ltd
ABN: 80 087 650 673**

**MINUTES OF THE 2023 ANNUAL GENERAL MEETING
Held at Head Office, 89 Boorowa Street Young NSW, 2594
Thursday 9th November 2023**

1. Welcome to members and guests:

The Chair, Mr. Allan Stuart opened the meeting at 6:01pm noting that a quorum was present and welcomed members to the 2023 AGM.

Chair Stuart acknowledged the presence via telephone of Mrs Leanne Smith representing SWSCU's External Auditors (Intentus) if required.

2. Apologies:

Apologies were received from Kim Cloake, Melva Cloake, Allyce Cloake, Caitlyn Milliken, Joan Trudgett, Kylie Wilder, Sarah Prosser, Matthew Hall, Nicole Hall, Cathy Peek and Jane Douch.

3. Minutes of the 2022 AGM:

Chair Stuart presented the meeting the minutes of the 2022 AGM.

The minutes were moved by L Peek and Seconded by K Cloake that the 2022 AGM Minutes were a true and correct record of the 2022 AGM. Passed.

There was no business arising from the 2022 minutes.

4. Director Elections:

Chair Stuart advised that in accordance with the constitution, Thomas Douch and himself retired by rotation and being eligible offered themselves for re-election. A further nomination for the position of Director was received from Timothy Findlay.

In accordance with the Constitution, an election by ballot was held and the following people were elected as directors:

- Thomas Douch
- Allan Stuart

As the election of Directors was the result of a direct vote by members, no Resolutions are required.

Chair Stuart thanked the returning officer, Cliff Sheridan and the Nominations Committee for making the election run smoothly.

Chair Stuart also thanked Timothy Findlay for his participation in the election and noted his qualifications and experience were exceptional.

5. Chair's Address

Chair Stuart spoke to his statement in the Annual Report and provided an overview of the highlights contained in the statement.

Chair Stuart noted that the period following the COVID pandemic has been one of significant change and uncertainty with increases in household spending, inflation and a rapid increase in interest rates. Through good balance sheet management, SWSCU has delivered exceptional results during this period reporting record profits.

Chair Stuart noted the most satisfying moment of his role as a Director of SWSCU over the last twelve months was being able to give back some of those profits to members in form of market leading interest rates for both borrowers and depositors.

Chair Stuart noted that the strategic objectives of SWSCU are as follows:

- Supporting our regional areas as the big Banks remove their resources;
- Keeping ahead of the evolving threat of cyber-crime;
- Improving and expanding our digital banking offering; and
- Maintaining profits to meet our future expenditures.

Chair Stuart also noted the Board had recently undergone its three year assessment and whilst there were some recommendations for improvement there was also positive feedback on the Boards Associate Director Policy which gives prospective Directors an insight into what it is like to be a Director of an ADI.

Chair Stuart concluded his address by thanking members, fellow directors, the executive and staff for their ongoing support of SWSCU.

6. Chief Executive Officer's Address

CEO Jones noted that it is a different world than it was in June 2022. At that time households were feeling wealthy having built up savings and equity during the pandemic. A year later, the cash rate is sitting at 4.15% (4.35% as at today) following 10 increases in twelve months, something that has not been seen before. Following the post-COVID stimulation measures, inflation peaked at 8% in December 2022 and has dropped to just over 5%, still above the RBA's acceptable range of 2-3%. The economy may still be waiting to see the full effects of interest rate hikes as the potential for significant further interest rate hikes diminish.

During the pandemic, SWSCU focused on building up deposits and managing the balance sheet which has allowed SWSCU to give back to members at a time when they were struggling. SWSCU has supported borrowers through this period by not passing on 1.1% of interest rate increases. SWSCU also supported depositors by delivering market leading term deposit rates in the form of term deposit specials, as well as increasing its sponsorship (social dividend) by 50%.

CEO Jones noted that the Board and Executive have done an excellent job over the last year to manage the balance sheet and is evident in SWSCU's profitability and the fact SWSCU was listed as the number one Credit Union last year across a number of metrics.

Looking forward, there will be more change:

- Regional Bank Closures - more bank closures as the big banks continue to pull resources from regional areas. This is a positive for SWSCU. SWSCU has just signed a 14 year lease for the old NAB building in Temora. The branch is expected to open in March 2024 following a small renovation. This will be the first branch designed to focus on member education so SWSCU can better assist members who struggle with using technology.
- Technology – SWSCU continues to embrace technology where appropriate.
- End of cheques and telephone banking – these changes are driven by the fact that third party providers no longer offer these services as they have declined to a point where they are no longer profitable.

CEO Jones concluded his address by thanking the Board, Executive team and staff.

7. Annual Financial Report

CFO Sullivan, thanked members for attending the AGM and gave a short presentation which covered the 2023 Financial Year Highlights.

- Growth of \$100m over a six year period.
- Asset growth of more than 4% to June 2023.
- Deposits grew 4% to June 2023 and have almost doubled over the last 6 years.
- Loans grew 8% to June 2023 despite low supply, rising interest rates and a decline in loan applications.

Overall the support SWSCU has received from members together with good financial management has put SWSCU in a strong position to give back to our members and provide market leading loan and term deposit rates.

Chair Stuart asked for questions on any of the presentations.

A member queried whether the loan book forms part of the assets. CFO Sullivan confirmed.

A member queried what wholesale investments SWSCU has. CFO Sullivan noted that being an ADI restricts the type of investments SWSCU is allowed to invest in so investments are generally term deposits and interests in other ADIs.

A member queried whether more members are walking through the doors. CEO Jones noted the closure of NAB in Temora was a great example with 30 to 40 new members a month since the closure was announced. The majority of new members have been for deposits as mortgages are usually the last thing people move. Chair Stuart noted that in time, the deposits eventually turn into loans.

There being no further questions from the members present at the meeting, presentation of these reports were noted.

8. Director Remuneration

Submission by the Directors of Board for noting:

The Board of Directors in accordance with clause 17.1(2) of SWSCU's Constitution have resolved that Directors remuneration for the 2023/2024 financial year be increased by 6%.

As this increase is within the 10% allowed by the Constitution, a member vote is not required.

9. General Business

Chair Stuart asked members if they had any questions or issues they wished to raise in General Business. None were raised.

CEO Jones invited those in attendance for light refreshments at the Commercial Hotel immediately following the conclusion of the meeting.

10. Close

There being no further business, Chair Stuart thanked members for their attendance and closed the meeting at 6:34pm.