

# 2021 Notice of Annual General Meeting



Notice is given that the Annual General Meeting (**AGM**) of Newcastle Permanent Building Society Limited ACN 087 651 992 (**Newcastle Permanent**) will be held:

Date: Friday, 12 November 2021  
Time: 12 noon  
Venue: Online at [web.lumiagm.com/302347118](http://web.lumiagm.com/302347118) (for members)  
and at 307 King Street Newcastle West NSW 2302 (for Directors and some senior management only if circumstances allow, otherwise online)

There will not be a physical venue for members to attend this year.

Newcastle Permanent continues to monitor the ongoing risks from the COVID-19 outbreak. In the interests of the health and safety of our members, staff and other potential attendees and given the uncertainty regarding the rules which may be in place at the time of the meeting relating to in-person gatherings, Newcastle Permanent has decided to hold this year's meeting largely as an online meeting. The Chair of the meeting, Directors and some senior management will conduct the meeting from 307 King Street Newcastle West NSW 2302 if circumstances allow, otherwise the Directors and senior management will attend online. **Other members and interested parties will not be able to attend the meeting in person and will instead attend the meeting online.**

As we did last year, we are providing members with various alternatives to participate in the AGM, including by watching the AGM live online through a facility which will allow members to cast votes, ask questions or make comments online. Information on how to participate is provided below.

## Items of Business

### 1. Consideration of Reports

To receive and consider the Financial Report, the Directors' Report and the Independent Auditor's Report of Newcastle Permanent for the financial year ended 30 June 2021.

### 2. Re-election of Directors

To consider and, if thought fit, to pass the following as Ordinary Resolutions:

- 2.1 That Jeffrey Ronald Eather, being a Director retiring pursuant to Articles 8.3 and 8.5 of the Constitution, be re-elected as a Director.
- 2.2 That Samantha Jane Martin-Williams, being a Director retiring pursuant to Articles 8.3 and 8.5 of the Constitution, be re-elected as a Director.

### 3. Amendment to Newcastle Permanent's Constitution to permit issuance of mutual capital instruments (MCIs)

To consider and, if thought fit, to pass the following as a Special Resolution:

*That Newcastle Permanent's Constitution be modified to allow Newcastle Permanent to issue mutual capital instruments (MCIs) in accordance with the Corporations Act, by making the amendments contained in the copy of Newcastle Permanent's Constitution marked to show the proposed changes which has been tabled at the Annual General Meeting and signed by the Chair for the purposes of identification.*

A copy of Newcastle Permanent's Constitution marked to show the proposed changes to it is available from Newcastle Permanent's website at [www.newcastlepermanent.com.au/agm](http://www.newcastlepermanent.com.au/agm)

By Order of the Board

Vera Corbett  
Acting Company Secretary

17 September 2021

## Voting Information

### 1. How do you exercise your right to vote?

#### *Members of Newcastle Permanent*

Persons appearing on the register of members of Newcastle Permanent at 5.00pm on Wednesday 10 November 2021 will be treated as members for the purposes of the AGM.

#### *Voting entitlement*

Persons 18 years or over and appearing on the register of members at 5.00pm on Wednesday 10 November 2021 who had a minimum of \$500 on deposit with Newcastle Permanent for a continuous period of at least 90 days immediately preceding 30 June 2021 are members that are entitled to vote. Newcastle Permanent considers both deposit accounts and positive balances held by members in loan accounts when determining whether a member satisfies the voting qualification requirement.

Each member entitled to vote has one vote. Joint members entitled to vote have only one vote.

#### *Attendance*

There will not be a physical venue for members to attend the 2021 AGM. Directors and senior management of Newcastle Permanent will conduct the meeting from 307 King Street Newcastle West NSW 2302, if possible, with other members and interested parties to attend the meeting online. Members and interested parties are encouraged to participate in the AGM online, which will allow them to view a live webcast, ask questions and vote.

#### Attendance online

To participate in Newcastle Permanent's AGM online, members can log in to the meeting from their computer or mobile device, by entering the following URL in their browser: **<https://web.lumiagm.com/302347118>**. Members should use the latest versions of Chrome, Safari, Edge or Firefox as their browser to log in to the meeting.

Once members have selected one of the options above, they will need the following information to participate in the AGM in real-time:

1. their Newcastle Permanent customer number. If you need assistance locating your customer number, please call Newcastle Permanent on 13 19 87; and
2. their postcode registered to their membership if they are an Australian member. Overseas members should refer to the Online Meeting Guide (link below) for their country code details.

By participating in the meeting online members will be able to:

- watch and hear the proceedings of the meeting and view meeting slides;
- submit questions at the appropriate time whilst the meeting is in progress;
- if preferred, ask a question verbally using the audio option; and
- vote during the meeting.

Please note that only members entitled to vote in accordance with the requirements under the Constitution may vote online and only once they have been verified through the online log in process.

It may not be possible to respond to all questions raised during the meeting.

Online registration will open at 11.00 am (AEST) on Friday 12 November 2021.

Further information regarding participating in the AGM online is detailed in the AGM Online Meeting Guide and our Frequently Asked Questions available on Newcastle Permanent's website [www.newcastlepermanent.com.au/agm](http://www.newcastlepermanent.com.au/agm)

#### All resolutions will be by poll

The Chair intends to call a poll on each of the resolutions set out in this Notice of AGM.

#### Technical difficulties

Technical difficulties may arise during the course of the AGM. The Chair has discretion as to whether and how the meeting should proceed in the event that a technical difficulty arises. In exercising his discretion, the Chair will have regard to the number of members impacted and the extent to which participation in the business of the meeting is affected.

Where he considers it appropriate, the Chair may continue to hold the meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions.

For those members who are unable to attend this year's AGM, we are pleased to offer members with the opportunity to lodge a direct vote or appoint a proxy.

### 2. Voting and proxies

#### *Corporations*

In order to vote at the AGM, a corporation which is a member, must appoint a person to act as its representative, or must appoint a proxy. The appointment of a representative must comply with section 250D of the Corporations Act.

By logging into the AGM you warrant that you have been appointed as a corporate representative by the directors of that company to act on its behalf.

#### *Direct voting*

Direct voting allows members to lodge their votes directly with Newcastle Permanent as an alternative to voting at the AGM in person or by proxy.

A member entitled to attend and vote at the AGM is entitled to cast their vote directly with Newcastle Permanent by lodging a valid notice of their voting intention prior to the AGM.

A Voting Form is enclosed for those members who wish to exercise their right to vote by direct vote. Members may also lodge a direct vote online by visiting **[www.investorvote.com.au/npbs](http://www.investorvote.com.au/npbs)** and following the instructions. To lodge your vote online you will require your customer number and postcode. In submitting your direct vote online, your direct vote will be taken to have been signed or authorised by you.

Newcastle Permanent has rules to govern the form, method and timing of giving a direct vote for it to be valid.

By submitting a direct vote members agree to be bound by Newcastle Permanent's direct voting rules. The direct voting rules are available from [newcastlepermanent.com.au/vote](http://newcastlepermanent.com.au/vote).

If you need help with submitting your direct vote online, please visit your local branch or contact us on 13 19 87.

#### *Proxy voting*

A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on their behalf.

A proxy need not be a member of Newcastle Permanent.

A member (if any) who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

A Voting Form is enclosed for those members who wish to exercise their right to vote by proxy.

Members may also appoint a proxy online by visiting [www.investorvote.com.au/npbs](http://www.investorvote.com.au/npbs) and following the instructions. To appoint a proxy online you will require your customer number and postcode. In appointing your proxy online, your appointment will be taken to have been signed or authorised by you.

Appointed proxies can receive their online meeting login details by contacting Computershare Investor Services on **+61 3 9415 4024** during the online registration period which will open 1 hour before the start of the meeting. Further details are available in the AGM Online Meeting Guide and our Frequently Asked Questions available at [www.newcastlepermanent.com.au/agm](http://www.newcastlepermanent.com.au/agm)

You can direct your proxy how to vote using the Voting Form. If you do not give any directions, your proxy can decide how to vote. If you have directed your proxy how to vote using the Voting Form or online, the proxy need not vote on a show of hands. However, any vote your proxy exercises on your behalf must be as you have directed.

If your proxy has two or more appointments that specify different ways to vote and your proxy is not a member, the proxy is not allowed to vote on a show of hands, but may vote on a poll.

If your proxy is the Chair and you do not give any direction on how to vote, the Chair will exercise your vote in favour of the resolution. If you do not want this to occur, you must place a tick in those boxes on the Voting Form or online indicating how you wish to vote on each of the resolutions.

#### *Signing*

The Voting Form must be signed by the member or on the member's behalf under an appropriate authority (such as Power of Attorney). It need not be witnessed.

If the member is a corporation, the Voting Form must be signed under the common seal of the company, or by two directors, or one director and the company secretary, or by a sole director/secretary, or by an authorised representative or attorney. If the corporation has a sole director/secretary, or has appointed an authorised representative or attorney, it must state this fact on the Voting Form.

If signed by an attorney or authorised representative, the authority under which the Voting Form is signed (or a certified copy of it) must be provided to Newcastle Permanent with the Voting Form.

#### *Counting of direct votes and proxies*

**If you have lodged a direct vote, and then you attend the AGM, your attendance will cancel your direct vote.**

Similarly, if you appoint a proxy and then attend the AGM, the proxy's authority to speak and vote on your behalf is suspended while you are present at the meeting.

A direct vote will take priority over the appointment of a proxy.

Direct votes and proxy votes will be counted on a poll.

The Chair's decision as to the validity of a direct vote or proxy is conclusive.

#### *Timing*

For the direct vote or proxy to be valid, your Voting Form (and any original authority or certified copy of it) must be received by Newcastle Permanent, or you must complete the online voting process, before:

**12 noon on Wednesday 10 November 2021**

All references to time in this Notice and the Voting Form are to Australian Eastern Daylight Time (AEDT).

Please see the Voting Form for details of the ways in which you may lodge your Voting Form, which include online, by mail or by fax.

## Explanatory Notes

### 1. Financial Report and related reports

The *Corporations Act* requires the Financial Report, the Directors' Report and the Independent Auditor's Report to be received and considered at the AGM.

Neither the *Corporations Act* nor the Constitution of Newcastle Permanent require members to vote on such Reports. However, members will be given a reasonable opportunity to raise questions or make comments on the Reports and on the business and operations of Newcastle Permanent at the AGM.

The Financial Report for consideration at the AGM will be the full financial report. Members who have requested a financial report will be sent a copy in the mail or by email. Any member wishing to receive a copy of the full financial report and the related reports should contact Newcastle Permanent's registered office and a copy will be sent without charge. A copy of the full financial report is also available at [www.newcastlepermanent.com.au/performance](http://www.newcastlepermanent.com.au/performance)

### 2. Election and Re-election of Directors

Article 8.3 of the Constitution requires that in the current circumstances, two of the Directors must retire from office at the 2021 AGM. Article 8.4 provides that the retiring Directors are eligible for re-election. Article 8.5 provides that the retiring Directors must be those who have been in office the longest period since they were last elected.

The Directors that satisfy this criterion are Samantha Jane Martin-Williams and Jeffrey Ronald Eather.

#### 2.1 Jeffrey Ronald Eather

Jeff Eather has been a Director of Newcastle Permanent since 21 May 2013 and is the current Chair of the Board, having held that position since 28 October 2016.

Mr Eather is also the Chair of Newcastle Permanent's Corporate Governance & Nominations Committee and a member of the Risk and Remuneration & People Committees. He has been assessed by the Board as an independent Director.

#### *Experience and qualifications*

Mr Eather is a qualified accountant with strong governance credentials and hands-on business experience, having overseen some of Newcastle's leading corporations including in his former role as CEO of NBN Television. Mr Eather holds a Bachelor of Commerce from the University of Newcastle, and is a Certified Practising Accountant, a Fellow of the Governance Institute of Australia and a Member of the Australian Institute of Company Directors.

#### *Other Directorships*

Mr Eather is the Managing Director of The Callaghan Institute and was formerly Chairman of the University of Newcastle Foundation and Deputy Chairman of Hunter Water Corporation.

#### *Board assessment*

Mr Eather has agreed to stand for re-election to the Board. The Directors have assessed that Mr Eather has a diverse range of skills and experience that contribute to the Board's collective skill requirements and it is in the interests of Newcastle Permanent to retain those skills on the Board.

#### 2.1 Samantha Jane Martin-Williams

Samantha Martin-Williams has been a Director of Newcastle Permanent since 20 February 2012.

Ms Martin-Williams is the Chair of Newcastle Permanent's Remuneration & People Committee and a member of the Risk and Corporate Governance & Nominations Committees and has been assessed by the Board as an independent Director.

#### *Experience and qualifications*

Ms Martin-Williams has over 25 years of diverse business experience in complex and highly regulated industries, including financial services, education, health, resources and logistics. She provides deep strategy, governance and risk culture advice to companies facing disruption. Samantha is a former CEO where she led significant organisational reform, diversification and transformation. She has degrees in Business, Industrial Relations and Commercial Law and has studied at Harvard Business School and INSEAD. She is a Fellow of the Australian Institute of Company Directors, a recognised member of the Chartered Institute of Transport and Logistics and a conjoint lecturer at the University of Newcastle. She is a former Telstra Business Woman of the Year.

#### *Other Directorships*

Ms Martin-Williams is currently a Director of Newcastle Airport Pty Ltd, Greater Newcastle Aerotropolis Pty Ltd and the Supply Chain and Logistics Association of Australia. She also serves on the Salvation Army Newcastle Advisory Board, and the MBA Advisory Board of the University of Newcastle.

#### *Board assessment*

Ms Martin-Williams has agreed to stand for re-election to the Board. The Directors have assessed that Ms Martin-Williams has a diverse range of skills and experience that contribute to the Board's collective skill requirements and it is in the interests of Newcastle Permanent to retain those skills on the Board.

#### **Board recommendation**

The Board unanimously recommends to the members that they vote in favour of each of the resolutions to re-elect Mr Eather and Ms Martin-Williams respectively as Directors of Newcastle Permanent.

### 3. Amendments to Newcastle Permanent's Constitution to permit issuance of mutual capital instruments (MCIs)

#### *Background*

In 2019, Federal Parliament passed new legislation that formally recognised mutual entities, such as Newcastle Permanent. The *Treasury Laws Amendment (Mutual Reforms) Act 2019* (Cth) (**Mutual Reforms**) commenced on 6 April 2019. The Mutual Reforms amended the *Corporations Act 2001* (Cth) (**Corporations Act**) to, among other things:

- introduce the concept of a “mutual entity” into the Corporations Act (being a company in which each member has no more than one vote for each capacity in which the person is a member);
- expressly permit mutual entities (including Newcastle Permanent) registered as public companies under the Corporations Act to issue equity capital without risking their mutual structure or status; and
- provide a standard process to allow eligible mutual entities to amend their constitutions to take advantage of the reforms (the **Special Procedure**). This special procedure is only available until 6 April 2022.

The Mutual Reforms enable eligible mutual entities such as Newcastle Permanent to raise funds through the issuance of mutual capital instruments (**MCIs**), a bespoke new capital instrument for mutual entities. This would allow Newcastle Permanent to raise money through the issuance of shares, instead of relying solely on debt or retained earnings from profits or compromising Newcastle Permanent's mutual status.

The ability to raise additional funds by issuing MCIs removes a significant barrier to investment, innovation, growth and competition in the sector. Mutual entities, such as Newcastle Permanent, could issue MCIs to provide greater value to Newcastle Permanent's members, invest in more products and services and advance the other mutual objectives of Newcastle Permanent.

As Newcastle Permanent is a “mutual entity” that can become an “MCI mutual entity” for the purposes of the Corporations Act, it can issue MCIs if it amends its Constitution to enable this.

The proposed amendments would enable Newcastle Permanent to issue MCIs in future if the Board of Directors considers it necessary or desirable to do so, while protecting Newcastle Permanent's mutual status. If Newcastle Permanent decides to issue MCIs, Newcastle Permanent will remain a mutual entity, because holders of MCIs will have limited rights and if holders of MCIs are given voting rights, they would only be entitled to one vote at general meetings, regardless of the number of MCIs they hold. A demutualisation will not be triggered either by making the proposed amendments or by issuing MCIs.

For further detail, please refer to the copy of the Constitution marked to show the proposed changes to it available at [www.newcastlepermanent.com.au/agm](http://www.newcastlepermanent.com.au/agm)

In addition, please refer to the outline of proposed amendments below and to the guide with further information regarding MCIs available at [www.newcastlepermanent.com.au/agm](http://www.newcastlepermanent.com.au/agm), which explains the key features of MCIs, and the impact that an issuance of MCIs may have on members of Newcastle Permanent.

#### *Proposed Amendments*

The “MCI amendment resolution” being proposed to Newcastle Permanent members at the 2021 AGM is a special resolution. A special resolution is a resolution which must be passed by 75% of members (or proxies) who are present at the meeting and eligible to vote. Valid direct votes lodged in respect of the resolution will also count towards the special resolution, provided a poll is called. The purposes for which the special resolution is being proposed are to:

- a. include a statement that Newcastle Permanent is intended to be an “MCI mutual entity” for the purposes of the Corporations Act;
- b. provide for Newcastle Permanent to issue MCIs (which would be subject to any necessary regulatory approvals and board approval);
- c. provide for the rights and obligations attached to MCIs; and
- d. make changes that are incidental or ancillary to the purposes specified above (for example, to include references to MCIs in provisions throughout the Constitution which relate to shares, where relevant).

Item of Business 3 contains the proposed MCI amendment resolution for Newcastle Permanent's Constitution. A copy of the Constitution showing the proposed changes to it is available at [www.newcastlepermanent.com.au/agm](http://www.newcastlepermanent.com.au/agm)

#### *Recommendation*

The Board unanimously recommends that members **vote in favour** of the resolution.

**If you have any questions about the changes, please contact us on 13 19 87.**

**YOUR VOTE IS IMPORTANT**

For your vote to be valid it must be received by 12:00pm (AEDT) on Wednesday 10 November 2021.

## Voting Form

### 1. How to Vote on Items of Business

**VOTE DIRECTLY**

Mark either the For, Against or Abstain box opposite each item of business. Your vote will be invalid on an item if you do not mark any box OR you mark more than one box for that item.

**APPOINTMENT OF PROXY**

Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose. If you mark more than one box on an item your vote will be invalid on that item.

A proxy need not be a member of Newcastle Permanent.

**SIGNING INSTRUCTIONS FOR POSTAL FORMS**

The member must sign. If the member is a corporation, the Voting Form must be signed under the common seal of the company, or by two directors, or one director and the company secretary, or by a sole director/secretary, or by an authorised representative or attorney. If the corporation has a sole director/secretary, or has appointed an authorised representative or attorney, it must state this fact on the Voting Form. If signed by an attorney or authorised representative, the authority under which the Voting Form is signed (or a certified copy of it) must be provided with the Voting Form.

**Lodge your Form:****Online:**

Lodge your vote online at  
[www.investorvote.com.au/npbs](http://www.investorvote.com.au/npbs)

To lodge your vote online you will require your customer number and postcode.

If you need assistance locating your customer number, please call Newcastle Permanent on 13 19 87.

**By Mail:**

Computershare Investor Services  
Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

**By Fax:**

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia

## Voting Form

Please mark  to indicate your directions

**Step 1** Indicate How Your Vote Will Be Cast *Select one option only.*

At the Annual General Meeting of Newcastle Permanent Building Society Limited to be held virtually at [web.lumiagm.com/302347118](http://web.lumiagm.com/302347118) (for members) and at 307 King Street, Newcastle West NSW 2302 (for Directors and some senior management if circumstances allow, otherwise online) on Friday 12 November 2021 at 12 noon (AEDT) and at any adjournment or postponement of that meeting, I being a member of Newcastle Permanent Building Society Limited direct the following:

**A Vote Directly**

Record my vote strictly in accordance with the directions in Step 2.

**PLEASE NOTE:** A Direct Vote will take priority over the appointment of a Proxy. For a valid Direct Vote to be recorded you must mark FOR, AGAINST, or ABSTAIN on each item.

OR

**B Appoint a proxy to vote on your behalf**

I hereby appoint:

The Chair of the Meeting

OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chair of the Meeting. Do not insert your own name(s).

or failing the person named, or if no person is named, the Chair of the Meeting, as my proxy to vote in accordance with the following directions (or if no directions have been given, as the proxy or the Chair sees fit).

I **acknowledge** and **agree** that, if I nominate the Chair as my proxy and do not give a direction to vote on a resolution, the Chair will exercise my vote in favour of that resolution.

**PLEASE NOTE:** Your proxy need not be a member; if your proxy is not the Chair, then he or she can only act as proxy for two other members; the Chair may act as proxy for an unlimited number of members.

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**Step 2** Items of Business

Mark the box corresponding to your direct vote, or how you want to direct your proxy to vote.

**PLEASE NOTE:** If you have appointed a proxy and you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf and your votes will not be counted in computing the required majority. If you are directly voting and you mark the **Abstain** box for an item, it will be treated as though no vote has been cast on that item and no vote will be counted in computing the required majority.

Ordinary resolutions		FOR	AGAINST	ABSTAIN
2.1	That Jeffrey Ronald Eather, being a Director retiring pursuant to Articles 8.3 and 8.5 of the Constitution, be re-elected as Director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.2	That Samantha Jane Martin-Williams, being a Director retiring pursuant to Articles 8.3 and 8.5 of the Constitution, be re-elected as a Director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special Resolution		FOR	AGAINST	ABSTAIN
3	That Newcastle Permanent's Constitution be modified to allow Newcastle Permanent to issue mutual capital instruments (MCIs) in accordance with the Corporations Act, by making the amendments contained in the copy of Newcastle Permanent's Constitution marked to show the proposed changes which has been tabled at the Annual General Meeting and signed by the Chair for the purposes of identification.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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**Step 3** Signature of Member, Attorney, Authorised Officer(s) or representatives

*This section must be completed.*

Member, Attorney, Authorised Officer(s) or representatives

Account number

Date

Member name

Member address



