MINUTES OF THE SEVENTY-FIRST ANNUAL GENERAL MEETING OF SHAREHOLDERS OF LABORATORIES CREDIT UNION LTD
HELD ON WEDNEDAY, 19 NOVEMBER 2025 AT 6:00PM
HELD ON-LINE (VIA THE VERO PORTAL VIDEO CONFERENCE)

OPENING:

Chair Gordana Papic welcomed all members and guests to the 71st Annual General Meeting of Laboratories Credit Union, acknowledging the traditional custodians of the land.

The Chair reminded the meeting attendees that the meeting materials distributed with the Notice of Meeting including the minutes of the 70th Annual General Meeting, the Director's Report, Financial Report, and Auditor's Report for the financial year 2024-25. She noted that all materials had been made available to members within the prescribed notice period and that the Annual Report would also be published on the LCU website following its adoption later in the meeting. The Chair outlined the agenda and confirmed that members would be invited to ask questions throughout the meeting. Pre-submitted questions had been received and would be addressed at the relevant points in the agenda.

PRESENT:

The Chair confirmed a quorum was present and formally declared the meeting open. She noted that there were 30 attendees via video conference, with 31 proxies held by the Chair.

The Chair welcomed Tari Makanda, External Auditor from Grant Thornton and Helen Lorigan, Chief Executive Officer.

The Chair then introduced the Directors in attendance:

- John Stephens (Chair of the Board Audit Committee)
- Allison Smart (Deputy Chair)
- Frank Benito de Valle (Director)
- Tony Murphy (Chair of the Board Risk Committee)
- Scott Martin (Chair of the IT Committee)
- Special guest, Scott Dargan.

The Chair thanked all Directors for their commitment and support over the past year.

APOLOGIES:

There were no apologies.

PREVIOUS MINUTES:

The Chair proposed the motion:

"That *the minutes of the 70th Annual General Meeting be adopted"*

The motion

was moved by:	L. Harris
seconded by:	F. Benito de Valle

After reviewing the votes, the Chair declared the motion was CARRIED.

CHAIR REPORT, DIRECTOR REPORT AND FINANCIAL STATEMENTS:

The Chair expressed her pride in presenting the Annual Report for the financial year ending 30 June 2025, describing the year as one of strong progress and resilience. She highlighted LCU's ongoing commitment to member-owned banking, community values, and meeting the evolving needs of members through competitive products, improved services, and careful financial management.

The Chair acknowledged the challenges of rising IT, regulatory, and compliance costs, and emphasised that LCU continued to invest in digital banking capability and scalable, secure systems to support long-term sustainability. Despite sector-wide pressures, including interest rate uncertainty and shifting consumer expectations, LCU's lean structure and member-centric focus enabled it to maintain competitive product offerings, particularly in home lending.

The Chair noted LCU's significant community contributions, including the awarding of 350 tertiary scholarships, bringing total support to over $314,000 since its inception in 1990. She also highlighted ongoing sponsorship of programs such as the Australian Institute of Physics, the Royal Australian Chemical Institute, The Frontiers of Science Forum, and the CSIRO Alumni Scholarships in Physics.

The Chair outlined strategic priorities for financial year 2026, including IT security and education programs (with a focus on scams and fraud awareness), expanding product relevance, growing LCU's asset base, strengthening distribution channels, and implementing the required AML/CTF reforms by 31 March 2026. The Chair also noted the launch of the Board Associate Program to support future governance capability, with applications now closed and shortlisted candidates currently being interviewed.

The Chair concluded by thanking LCU's members, staff and community partners for their continued trust and support, noting that their engagement underpins the organisation's success.

CEO'S ADDRESS ON FINANCIAL REPORT

The CEO then addressed the meeting to discuss LCU's financial and operating performance for the 2024-25 financial year. She noted that the year was influenced by multiple cash rate reductions and moderating inflation environment, alongside strong housing finance activity from both investors and first home buyers.

LCU delivered a strong financial result, with net surplus increasing from $799,535 in 2024 to $1,547,595 in 2025, and members' total capital growing to $19 million. The return on assets improved to 0.49%, while the capital adequacy ratio remained strong at 18.98%, and the net interest margin increased to 2.38%. Loan growth of 26.4% and retail deposit growth of 9.45% reflected strong member confidence, with total assets rising to $313 million.

The CEO highlighted operational achievements, including continued investment in secure and user-friendly digital banking platforms, implementation of CPS 230, and enhancements to risk, liquidity, and fraud prevention frameworks. She also noted LCU's efforts to expand its distribution channels through broker partnerships and strategic alliances, and the extensive training and professional development undertaken by staff to support high-quality member service.

The CEO concluded by thanking members for their continued trust and acknowledging the dedication and professionalism of staff and Directors in delivering these results.

AUDITOR' S REPORT:

The Chair welcomed the external auditor, Tari Makanda, Partner in Audit and Assurance at Grant Thornton, who was in attendance to address any questions regarding the audit. Members were reminded that any questions on the reports could be submitted via the Q&A section of the Vero Meeting portal and would be read during the meeting.

The Chair noted that the Director's Report, Financial Report, and Auditor's Report had been made available to members with the meeting invitation and would be uploaded to the LCU website following adoption.

Questions from Members

The Chair addressed pre-submitted questions from members. A member enquired about the absences of a Chair's report in the Annual Report, noting interest in LCU's community initiatives and financial metrics. The Chair confirmed that the Annual Report for 2025 included the Chair's and CEO's remarks and key financial highlights.

Another member asked about the reported $40 million increase in deposits. The CEO

explained that no special high-interest rates were offered. Growth was driven by a combination of organic member growth and strategic liability management, supporting loan book expansion.

Another question was raised about savings product rates being below market levels. The CEO advised that rates were set with careful consideration of net interest margin and market competitiveness, with regular meetings being held to adjust rates while maintaining financial sustainability.

During this question time, the Chair briefly paused the meeting after one member advised on the meeting portal that they could not hear the event. The Chair continued the meeting after receiving confirmation from other members on-line that they could hear the meeting on-line.

The Chair noted there were no questions for the auditor.

There were no further questions raised.

ADOPTION OF DIRECTOR'S REPORT, FINANCIAL REPORT AND AUDITOR'S REPORT:

The Chair proposed the resolution

> "*That the Director's Report, Financial Report and Audit Report for the year ended 30 June 2025 be adopted.*"

The resolution

was moved by: J. Stephens
seconded by: F. Benito de Valle

After reviewing votes, the Chair declared the motion to be CARRIED.

ELECTION OF DIRECTORS:

The Chair reported that three directors were to be elected in accordance with LCU's Constitution. Current directors, Allison Smart, Tony Murphy, and the Chair, Gordana Papic, had their terms ending and were eligible for re-election. As there were three nominations for three positions, election by ballot was not required. Separate resolutions confirming the appointments were put to members.

The Chair proposed a resolution

> "*That Allison Smart be elected for a further term of 3 years*"

The resolution

was moved by: F. Benito de Valle
seconded by: H. Lorigan

After reviewing the votes, the Chair declared the motion to be CARRIED.

The Chair proposed a resolution

"*That Dr. Tony Murphy be re-appointed for a further term of 3 years*"

The resolution
was moved by: S. Martin
seconded by: M. Favretti

After reviewing the votes, the Chair declared the motion to be CARRIED.

The Chair then vacated her role as Chair and asked the Deputy Chair, Allison Smart to Chair the meeting for the next resolution. The Deputy Chair accepted.

The Deputy Chair proposed the resolution:

"*That Gordana Papic be elected for a further term of 3 years*"

The resolution
was moved by: S. Martin
seconded by: H. Lorigan

After reviewing the votes, the Deputy Chair declared the motion to be CARRIED.

The Deputy Chair then stood aside, and Ms G Papic continued as Chair.

DIRECTORS' REMUNERATION:

The Chair noted the proposal to increase the total non-executive director remuneration pool to $140,900 to reflect governance demands and industry benchmarks.

The Chair proposed a resolution

"*That the Director Remuneration pool be increased to $140,900.*"

The resolution
was moved by: H. Lorigan.
seconded by: H. Bartlett

After reviewing the votes, the Chair declared the motion to be CARRIED.

GENERAL BUSINESS:

No notification of general business was received prior to the meeting. The Chair invited any comments from the floor.

There were no further comments and the Chair noted that all questions and follow-up questions put to the meeting had been addressed.

CLOSE OF MEETING

In closing, the Chair thanked her fellow Directors for their contribution to the governance of LCU over the past year and then thanked the staff for their friendly service and commitment.

She then thanked the members for their support.

There was no further discussion and the 71st Annual General Meeting was declared closed at 6:42 pm.

Signed: _____

Chair

Date: _____

Attendees of the LCU AGM 2025		
First Name	**Surname**	
GORDANA	PAPIC (Chair)	
ALLISON	SMART	
RICHARD	STEPHENS	
FRANK	BENITO DE VALLE	
ANTHONY	MURPHY	
SCOTT	MARTIN	
TARI	MAKANDA (Auditor)	Online
SCOTT	DARGAN (Guest)	
8 DIRECTORS AND EXTERNAL GUESTS		
KAZI	AAS SAMI	Online
EMMA	BROWN	Online
SUSANNE	TRAN - LOWDER	Online
JAMES	MCKID	Online
NICOLE	HEIGHWAY	Online
MARYAM	MOUSAVIAN	Online
BETTY	HO	Online
SHERVIN	TAVOOSI	Online
PETER	SHENOUDA	Online
STANBOULI	RYMONDA	Online
HELEN	LORIGAN	
SAPNA	PHATKE	Online
MARK	FAVRETTI	
HANNAH	BARTLETT	
14 LCU STAFF		
17 ONLINE MEMBERS		Online
39 TOTAL ATTENDEES		