

CHAIR ADDRESS – 2024 ANNUAL GENERAL MEETING

Tuesday, 3 December 2024, Brisbane: In accordance with ASX Listing Rule 3.13.3, following is the address to be given by Warwick Negus, Chair of Bank of Queensland Limited, at the Bank's 2024 Annual General Meeting (**AGM**). The webcast of the AGM can be viewed at <https://meetings.linkgroup.com/agm/BOQAGM24/register>

The Chair's address should be read in conjunction with BOQ's 2024 Annual General Meeting presentation (available at www.boq.com.au).

2024 has been a momentous year for your bank, as we marked 150 years of Bank of Queensland.

That's 150 years of serving the community, funding the growth aspirations of businesses and assisting households to achieve their home ownership and personal savings goals. As we look back on our history, we value the opportunities we have had, to make a positive impact on the lives of so many Australians.

While we celebrated our history during FY24, your Board and Management remained firmly focused on the future.

This year was critical in resetting the Group, for long term success. Our strategy of building a simpler, specialist bank that meets the evolving needs of our valued customers, provides a better people experience and strong returns for our shareholders, is well progressed. The Board is committed to this strategy, and confidence in the management team to deliver it.

The financial landscape for FY24 remained challenging with continued margin compression, high inflation, and elevated competition for deposits.

Patrick will speak to the financial results in more detail shortly, but specifically on capital, we ended the year with a CET1 ratio of 10.7%, and the Board determined to pay a fully franked dividend of 17 cents per share, being a full year dividend of 34 cents per share, which is a yield of 5.4% on the year end share price and a full year payout ratio on cash earnings of 65.4%. We were pleased to return \$250 million of capital to shareholders through dividends this year.

On the broader economic and operating context, there is no doubt consumers are feeling the impacts of higher cash rates and inflation. While the lending portfolio is continuing to show resilience, a portion of our customers are needing greater support with their borrowing, and we continue to provide that support.

Another key impact on our customers this year has been the continuing prevalence of scams, with Australians reporting more than 600 thousand scams last year. We are committed to a whole of ecosystem approach, have joined the Australian Banking Associations Scam-Safe Accord, and are uplifting defences. The landscape is ever changing, and we recognise the need to keep pace with increasing sophistication of scams.

The continued digitisation of the bank will provide greater security for our customers. The build of our end-to-end digital bank has been defence by design, so customers not only experience an easier and simpler banking experience than on the legacy platform, but it is stronger for the benefit of customers, with less reliance on manual controls.

BOQ Group

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This build is also compliant by design; and will support our organisation-wide risk culture and operational resilience project, what we call Program rQ. This is addressing the Court Enforceable Undertaking with one of our key regulators, APRA, but it also providing a platform for ongoing sustainable change in the way this bank takes and manages risk.

We agreed a Remedial Action Plan this year, and importantly, we are committed to getting the risk transformation right, we aren't rushing, we are thinking deeply and challenging ourselves and management on the design and implementation of the program, it is independently reviewed by a third party.

Similarly, the second Court Enforceable Undertaking we are subject to, with another key regulator, AUSTRAC, is being addressed by a Remedial Action Plan which was agreed this year. The program, which will uplift our compliance with Anti-Money Laundering and Counter Terrorism Financing requirements is on track and is also subject to independent review.

The Board recognises that while there is still significant work to be done, the Group is already benefiting from the improvements that have been made to date, particularly with respect to the improvements made in Board reporting. We are clearly articulating the tone from the top, the Board has deep engagement with the Executive team and senior leaders across the business, and we are pleased with the progress that has been made against the two Remedial Action Plans.

On the composition of the Board, we continue to refresh the Board in a considered manner to ensure we have the right mix of skills and experience among directors to maintain good governance.

Dr Jennifer Fagg retired from the Board last month. Jenny's experience and strategic thinking has helped shape the path forward for BOQ and we thank her for her contribution to the business.

And after more than a decade on the Board, as I advised was the intention last year, Bruce Carter retires as a Director, at the completion of today's AGM. He has made a strong and enduring contribution to discussions in the boardroom and played an important role for the business as Chair of the Risk Committee.

On behalf of the Board, we thank Bruce and Jenny for their dedication and commitment to BOQ and wish them well for the future.

We also welcomed two new faces to the board table, with the appointment of Andrew Fraser and Mary Waldron as independent Non-Executive Directors, who are up for election today.

Andrew brings a wealth of experience across government, sports, superannuation, construction and education, and notably has strong ties to Queensland.

Mary adds significant expertise in risk, audit, governance, financial, transformation and regulatory experience to the BOQ Board.

As I consider the long term challenges which impact on our people, customers and communities, I am pleased that we have achieved our commitment to the environment by sourcing 100% equivalent of electricity demands from renewable sources.

We have also recently joined the Net Zero Banking Alliance and became a signatory to UNEP FI's Principles for Responsible Banking.

On our positive impact in the community, we have been proud to continue supporting our key community partners who provide assistance and essential services to vulnerable Australians and First Nations youth.

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In collaboration with three of our community partners, Orange Sky Australia, Clontarf Foundation and Stars Foundation, our vehicle of kindness travelled 1,350 kilometres from Brisbane, to Bundaberg, to Townsville, reflecting our philosophy of meaningful community connection.

Our Reconciliation Action Plan is in its second year and a particular highlight this year was the Group's introduction of Aboriginal and Torres Strait Islander cultural leave and the further roll-out of financial literacy programs, to over 300 First Nations teenagers.

Recent media reports about a new bank levy have rightly concerned our shareholders. BOQ supports well-considered policies with thorough consultation, that will support Australians, particularly those experiencing vulnerability and their unique need for both physical branches and access to cash.

However, the proposed levy as reported is inequitable and disproportionate, affecting mid-tier and international banks, potentially hindering competition, productivity and innovation. It contrasts with the government's welcome competition and productivity initiatives.

Mid-tier banks like BOQ, already facing higher regulatory and funding costs, would be disproportionately affected, entrenching larger banks' dominance and harming consumers.

As we understand it this has not been announced as policy. We will continue to advocate for a comprehensive consultation to any proposal to support access to banking services in regional areas.

Looking ahead, we remain confident in Patrick and the management team to deliver on the strategy. The refocus on growth in the business bank, leveraging the strength of the franchise and deep relationships along with the investment into the digital bank now starting to be realised supports improved shareholder returns.

While we are starting to see the benefits of the strategy from a customer perspective, it is not yet being entirely reflected in shareholder returns. As shareholder myself, I am encouraged by recent share price performance, and confident that the decisions being made will benefit shareholders, and indeed all of our stakeholders.

Thank you for your trust in BOQ.

ENDS

Authorised for release by: The Company Secretary of Bank of Queensland