

ASX RELEASE



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REVISION TO DIVIDEND REINVESTMENT PLAN (DRP) RULES PUBLISHED

8 April 2020, Sydney: Bank of Queensland Limited (**BOQ**) today published its revised DRP Rules, which remove the 1.5% discount previously applied to shares acquired under the DRP. The Board retains a discretion to apply a discount to shares acquired under the DRP.

The revised DRP Rules reflect BOQ's previous market disclosures on 25 November 2019 and 27 February 2020 in relation to the withdrawal of the discount. A copy of the revised DRP Rules is set out in the attached document.

ENDS

Authorised for release by: The Board of Directors of Bank of Queensland Limited

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DIVIDEND REINVESTMENT PLAN

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Highlights of the Plan

Bank of Queensland Limited's Dividend Reinvestment Plan is a convenient way of increasing your holding in Bank of Queensland Limited by reinvesting all or part of your dividend in additional shares.

Features and benefits

- On each dividend payment date, the dividend on participating shares is automatically reinvested in new shares.
- Shares are issued or transferred under the Plan at the Market Price less such discount (if any) as the directors may determine from time to time and notify to ASX (rounded to the nearest cent). If after this calculation there is a residual balance, that balance will be carried forward (without interest) and added to your next dividend for the purpose of calculating the number of shares you secure under the DRP at that time. These shares are issued or transferred to you free of brokerage, commission, and (under existing legislation) stamp duty costs. (With respect to stamp duty costs however, see clause 6.2 of the terms and conditions).
- The Bank pays the administrative costs associated with each issue or transfer of shares under the Plan.
- Shares issued or transferred under the Plan rank equally in all respects with existing shares.
- Participating in the Plan is optional. You may join the Plan, vary your participation or withdraw from it at any time.
- A Plan Statement providing details of your participation is sent to you after each dividend payment.
- You will receive a statement from the Issuer Sponsor (or other appropriate organisation) which will confirm the issue of shares under the Plan.

Joining the Plan

To join the Dividend Reinvestment Plan all you have to do is complete and sign the application form and return it to the Share Registry. To be effective for a dividend payment date, the application form must be received by 5.00pm on the first business day following the Record Date for that dividend.

An application form is included in your new shareholder pack, or you can obtain one by phoning Link Market Services on 1800 779 639.

Operation of the Plan

Details of the Dividend Reinvestment Plan are set out in the terms and conditions commencing on page six.

Eligibility

The following shareholders may participate in the Plan in accordance with the terms and conditions:

- all shareholders who have a registered address in Australia;
- certain shareholders who are domiciled in the United States of America, as determined by the directors of the Bank in their absolute discretion; and
- shareholders who have a registered address in such other countries as the directors of the Bank may approve from time to time.

Participation

Participation is entirely at the option of the shareholder.

Before deciding to participate or to vary your level of participation or withdraw from the Plan, you should consider the Bank's latest financial statements. If necessary you should consult your financial adviser.

Participants have the following options:

- **Full Participation**
The dividend on all fully-paid ordinary shares held by the shareholder is reinvested in new shares; or
- **Partial Participation**
The dividend on a number of shares as specified by the shareholder is reinvested in new shares. The dividend on the remaining (non-participating) shares will be paid as directed by the shareholder.

In the case of full participation, shares issued or transferred under the Plan will be added to the shares already participating in the Plan.

In the case of partial participation, shares issued or transferred under the Plan are eligible for participation at the shareholder's discretion on lodgement of an appropriate Notice of Variation.

Variation to level of participation or withdrawal from the Plan

You may vary your level of participation or withdraw from the Plan at any time by completing a Notice of Variation, and returning it to the Share Registry. If you withdraw from the Plan any balance in your Plan account is forfeited and may be retained by the Bank or donated by the Bank to a charitable cause of its choice. A Notice of Variation is included in your new shareholder pack, or you can obtain one by phoning Link Market Services on 1800 779 639. Subject to it being received before 5.00pm on the first business day following the Record Date, the Notice will be effective from the next dividend payment.

Ranking for dividend

Shares issued or transferred under the Plan will rank equally in every respect with existing issued fully-paid ordinary shares and will participate in all cash dividends declared after the date of issue.

Issue or transfer price

Each share issued or transferred under the Plan will be issued or transferred under the Plan at the Market Price less such discount (if any) as the directors may determine from time to time and notify to ASX (rounded to the nearest cent).

Shares issued or transferred under the Plan will be fully-paid. If, after this calculation there is a residual balance, that balance will be carried forward (without interest) and added to your next dividend for the purpose of calculating the number of shares you secure under the DRP at that time.

Cost of participation

The Bank will meet the administrative costs of the Plan. No brokerage, commission or (under existing legislation) stamp duty will be payable by participants on shares issued or transferred under the Plan.

Sale of shares

Shares participating in the Plan, or shares issued or transferred under the Plan, may be sold by the participant at any time.

Shares participating in the Plan which are transferred by the participant will be withdrawn from the Plan automatically following the receipt of a valid transfer by the Bank.

Taxation

Under current Australian income tax legislation, the advice received by the Bank is that dividends reinvested will be treated in the same manner as if shareholders had received those dividends in cash, and that credits will be available in respect of franked amounts (if any) under existing dividend imputation arrangements. The Plan Statement issued following the payment of each dividend will show the amount of the dividend and any credit. Plan Statements should be retained as a record.

The Bank cannot take responsibility for the taxation liabilities of participants and it is suggested that you obtain professional taxation advice if required.

You are encouraged to seek advice from your tax, financial or legal adviser regarding any tax consequences that may apply to you as a result of participating in the Plan, including any tax consequences under the laws of any other jurisdiction that may apply to you.

Terms and Conditions

1. Participation in the Plan

- 1.1 Participation in the Plan is subject to the terms and conditions.
- 1.2 Participation in the Plan is optional. In deciding to participate, or to vary the level of participation, or to withdraw from the Plan, shareholders should consider the Bank's latest financial statements and, if necessary, consult their financial adviser.
- 1.3 Subject to clauses 1.4 and 1.5, the following shareholders may participate in the Plan in accordance with the terms and conditions:
 - all shareholders who have a registered address in Australia;
 - certain shareholders who are domiciled in the United States of America, as determined by the directors of the Bank in their absolute discretion; and
 - shareholders who have a registered address in such other countries as the directors of the Bank may approve from time to time.
- 1.4 Shareholders who are resident in the United States of America may be permitted to participate in the Plan by the directors in their discretion, unless there is a requirement to register or qualify the shares in the Plan under the U.S. Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States of America, or the directors otherwise determine it is not lawful or practicable or desirable to allow those shareholders to participate.
- 1.5 Where a shareholder, whose registered address is in a country or place other than Australia, wishes to participate in the Plan, the directors may, before making any issue of shares, require that shareholder to produce evidence to satisfy the directors that participation in the Plan by that shareholder or the issue of shares to that shareholder pursuant to the Plan does not contravene either the laws of Australia or the laws of the country or place shown as the registered address of the shareholder.

2. Application to participate

- 2.1 A shareholder who is eligible to participate in the Plan may apply to the Bank to participate by completing and duly signing an application form in accordance with the terms and conditions.
- 2.2 Where a shareholder has more than one allocated shareholding on the Share Register, the shareholder must complete a separate application form for each allocated holding.
- 2.3 An application by joint holders of shares must be signed by all shareholders.
- 2.4 An application by a company must be signed in accordance with the company's Constitution, or as permitted by the Corporations Act, or under a power of attorney.

3. Degree of participation

- 3.1 Participation in the Plan may be full or partial.
- 3.2 In the case of full participation, all shares registered in the participant's name from time to time, including, without limitation, shares issued or transferred under the Plan, bonus shares and shares issued to the participant pursuant to a rights issue, will be subject to the Plan.
- 3.3 In the case of partial participation, only the number of shares specified by the participant in the application form, or in any subsequent notice under clause 71, will be subject to the Plan.
- 3.4 A shareholder eligible to participate in the Plan shall specify on the application form the degree of participation by either:
 - (a) placing a tick in the box marked full participation; or
 - (b) by specifying the number of shares to be subject to the Plan.
- 3.5 If an application form received by the Bank does not indicate the degree of participation it shall be deemed to be an application for full participation.
- 3.6 Where the number of shares registered in the name of a participant at a Record Date is less than the number of shares specified by the participant, all those shares registered in the name of the participant will be subject to the Plan.

4. Operation of the Plan

- 4.1 A shareholder, by applying to participate in the Plan, shall be deemed:
 - 4.1.1 to have directed the Bank to apply the cash dividend that is available for payment in relation to the participating shares (less Withholding Tax if applicable) as payment for shares to be issued or transferred pursuant to the terms and conditions;
 - 4.1.2 to have authorised the Bank on behalf of the shareholder to subscribe for shares in accordance with the terms and conditions; and
 - 4.1.3 to have agreed to be bound by the Constitution of the Bank in respect of all shares issued or transferred under the Plan.
- 4.2 The Bank, in its complete discretion, will determine with respect to the operation of the Plan for any dividend, whether to issue new shares or to cause the transfer of existing shares to a Participant, or to apply a combination of both options, to satisfy the obligations of the Bank under the Plan. If the Bank determines to cause the transfer of shares to participants, those shares may be acquired in such manner as the Bank considers appropriate.
- 4.3 The Bank will in respect of each dividend payable to a participant:
 - 4.3.1 determine the amount of dividend payable to the participant in respect of participating shares, less (where applicable) the Withholding Tax in respect of that dividend;
 - 4.3.2 determine the maximum number of shares, priced in accordance with the provisions of the Plan, which could be acquired by using the amount determined under clause 4.3.1 plus the amount, if any, of the balance of the participant's Plan account, and if this results in a fractional entitlement to a share, the amount of the dividend relating to that fractional entitlement will be carried forward to the participant's Plan account, without interest, to be applied towards the calculation under this clause at the time of the next dividend payment.
 - 4.3.3 on behalf of and in the name of the participant subscribe for that number of additional shares; and
 - 4.3.4 issue or cause to be transferred that number of shares to the participant.

- 4.4 The price for shares issued or transferred under the Plan (subject to clause 4.3.2) will be an amount that is the Market Price less such discount (if any) as the directors may determine from time to time and notify to ASX (rounded to the nearest cent).

The price for shares issued or transferred under the Plan will be determined by the Bank or some other person nominated by the Bank by reference to information the Bank approves for the purpose from time to time. A determination by the Bank, or other person nominated by the Bank, will be binding on all shareholders.

- 4.5 Shares issued under the Plan shall be issued at the issue price and credited as fully-paid.
- 4.6 Any amount held by the Bank in a participant's Plan account may only be utilised in accordance with clauses 4.3.2, 7.2 or 7.3. The amount is not a deposit liability of the Bank and no interest is payable by the Bank on that amount. If this Plan is suspended, any amount in a Plan account may be held by the Bank until the Plan is re-activated.

5. Issues and transfers under the Plan

- 5.1 Shares issued under the Plan will rank equally in all respects with existing shares in the Bank.
- 5.2 If the Bank's Share Register consists of one or more branch registries in addition to its principal register then shares issued or transferred to a participant under the Plan will be registered on the same principal register or branch register on which the participant's participating shares are registered at the relevant date of issue or the date of transfer (whichever is applicable).

6. Cost to participants

- 6.1 No brokerage, commission or other transaction costs will be payable by a participant in respect of shares issued or transferred under the Plan.
- 6.2 In the event that at the date of any issue or transfer stamp duty is payable in Queensland in respect of the issue or transfer, the amount of such stamp duty shall be paid by the participant to whom the shares are issued or transferred under the Plan.
- 6.3 The Bank shall pay all the administrative costs of the Plan.

7. Variation and termination of participation

- 7.1 Subject to part 10, a participant may at any time give notice to the Bank:
 - 7.1.1 increasing or decreasing the number of participating shares; or
 - 7.1.2 terminating participation in the Plan.
- 7.2 Subject to part 10, where a participant dies, or becomes bankrupt or goes into liquidation, participation in the Plan, and the participation of any joint shareholder, will be terminated upon receipt by the Bank of notice of death, termination, or liquidation as the case may be.
- 7.3 Where participation in the Plan is terminated, any balance in the participant's Plan account is forfeited. The Bank may, in its discretion, retain that amount or use those funds to make a donation to a charitable organisation chosen by the Bank.

8. Alteration or termination of participation where no notice is given

- 8.1 Where a participant disposes of part of the shares held and does not otherwise give notice:
 - 8.1.1 if the number of shares disposed of is less than the number of shares not subject to the Plan held by that participant, then the shares disposed of will be deemed to be non-participating shares; and
 - 8.1.2 if the number of shares disposed of is greater than the number of shares not subject to the Plan held by the participant, then the shares disposed of will be deemed to be all the shares of the participant not subject to the Plan, plus such additional number of participating shares as may be necessary to aggregate the total number of shares disposed of.
- 8.2 Where a participant disposes of all shares without giving the Bank notice of termination of participation in the Plan, the participant will be deemed to have given notice to terminate participation in the Plan on the last date on which the Bank registered a transfer or instrument of disposal of the shares.

9. Plan Statement

- 9.1 The Bank will from time to time in accordance with this part 9 send to each participant a Plan Statement providing, at the relevant date, full details of the participant's transactions pursuant to the Plan.
- 9.2 The Bank shall send a Plan Statement to each participant at the time that it sends any dividend advice to shareholders.

10. Applications and notices

- 10.1 Applications and notices for the purposes of the Plan shall be in writing in such form and lodged at such place as the Bank may from time to time require.
- 10.2 Applications and notices (other than notices of death, bankruptcy or liquidation) in respect of shares registered in joint names shall be signed by all registered holders of those shares.
- 10.3 Subject to the terms and conditions, applications and notices shall take effect on and from the date on which they are received by the Bank provided that:
- 10.3.1 an application to participate in the Plan is not effective until it has been accepted by the Bank; and
- 10.3.2 applications and notices, including notices of death, bankruptcy or liquidation, received by the Bank after 5.00p.m. on the business day following a Record Date will not be effective in relation to the dividend determined on that Record Date, but will be effective for subsequent dividends.

11. Stock Exchange listing

- 11.1 The Bank will apply promptly for shares issued under the Plan to be listed for quotation on the Australian Securities Exchange.

12. Directors' powers in relation to the modification or termination of the Plan

- 12.1 The directors may from time to time as they think fit set a limit on the aggregate amount of dividend which may be reinvested by shareholders under the Plan and may vary that limit at any time.
- 12.2 The directors may determine administrative procedures to be followed in respect of the implementation of the Plan and may vary those procedures.

- 12.3 The directors may at any time modify, vary or amend the Plan and such modification, variation or amendment shall take effect on the date on which notice of the same is announced to the Australian Securities Exchange and posted on the Bank's website.
- 12.4 The directors may suspend the operation of the Plan from time to time for any period and suspension shall take effect immediately upon the directors giving notice of same to shareholders.
- 12.5 The directors may terminate the Plan after first giving 3 months notice to shareholders. The termination of the Plan shall take effect at the expiration of that period of 3 months.
- 12.6 The accidental omission to give to an individual shareholder notice of modification, variation, amendment, suspension or termination of the Plan, or the non-receipt of such notice by a shareholder shall not invalidate the modification, variation, amendment, suspension or termination of the Plan.
- 12.7 A notice of suspension of the Plan under clause 12.4 and a notice of termination of the Plan under clause 12.5 may be given by announcement to the Australian Securities Exchange and posting the announcement on the Bank's website.

13. Taxation

- 13.1 The Bank makes no representations or warranties in respect of, and accepts no liability for, the liability of participants to pay income tax in respect of any issue or transfer of shares under the Plan, payment or other transaction pursuant to the Plan.

14. General

- 14.1 The Plan, its operation and the terms and conditions shall be governed by the laws of Queensland.
- 14.2 The Bank may waive strict compliance with any of the provisions of the terms and conditions at its discretion.
- 14.3 Participants shall be bound by the terms and conditions as they exist from time to time.

15. Definitions and interpretation

- 15.1 When used in these terms and conditions, the words listed below shall, unless the context otherwise requires, have the meanings assigned to them:

- 15.1.1 "the Bank" means Bank of Queensland Limited;

- 15.1.2 “business day” means a day which is a business day under the ASX Listing Rules.
- 15.1.3 “directors” means the directors for the time being of the Bank;
- 15.1.4 “Market Price” means the arithmetic average, rounded to four decimal places, of the daily volume weighted average price of:
- all shares sold in the ordinary course of trading on the ASX automated trading system; and
 - where shares are sold on trading platforms of Australian licensed financial markets operated by persons other than ASX, all shares sold in the ordinary course of trading on such of those trading platforms determined by the Board, from time to time, during the 10 trading day period commencing on the second trading day after the Record Date in respect of the relevant dividend.
- For the avoidance of doubt, the calculation of the daily volume weighted average price shall not include transactions which are:
- (a) transactions defined in the ASX Market Rules as “special”;
 - (b) crossings prior to the commencement of the open session state on a trading day;
 - (c) crossings during overnight trading;
 - (d) any overseas trades or trades pursuant to the exercise of options over shares;
 - (e) any overnight crossings; or
 - (f) other trades that the Board determines are not fairly reflective of natural supply and demand.
- 15.1.5 “participant” means a shareholder whose application to participate in the Plan has been accepted by the Bank;
- 15.1.6 “participating shares” means shares which are subject to the terms and conditions of the Plan;
- 15.1.7 “the Plan” means Bank of Queensland Limited’s Dividend Reinvestment Plan and the terms and conditions relating thereto;
- 15.1.8 “Plan Statement” means a Plan Statement which complies with clause 9.1;
- 15.1.9 “Record Date” means a date which the Bank nominates for the purpose of determining entitlements to the payment of a dividend;

- 15.1.10 “registered address” means the address of a shareholder as shown in the Share Register;
- 15.1.11 “share” means an ordinary fully-paid share in the capital of the Bank;
- 15.1.12 “shareholder” means a person who is registered for the time being as a shareholder on the Share Register;
- 15.1.13 “Share Register” means the Register of Members kept by the Bank pursuant to the Corporations Act;
- 15.1.14 “Share Registry” means Link Market Services or the Bank’s Share Registry from time to time;
- 15.1.15 “terms and conditions” means all the terms and condition set out in parts 1-15 (both inclusive) herein with such modifications, variations and amendments as are effected from time to time.
- 15.1.16 “trading day” means a day which is a trading day under the ASX Listing Rules.
- 15.2 Words importing the singular shall include the plural and vice versa; words importing any gender shall include other genders; “person” includes a corporation.

Disclaimer

The shares issued or transferred pursuant to the Plan have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended or the securities laws of any state or other jurisdiction of the United States.

Issue Date: 8 April 2020

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