

Annual Review

2016 - 17



General Manager's Report

As the new General Manager of UniBank, and having worked in financial services for many years in banking, funds management, superannuation and health insurance and seen first-hand some of the challenges in this ever-changing and competitive industry, I am extremely optimistic about what the future holds for our Bank and our members.

The aim of the merger with Teachers Mutual Bank Limited in 2015 was to secure a successful and sustainable future as part of an organisation with strong values and member focus.

Over the course of the 2016-2017 financial year, our first full financial year since the merger, we have seen this aim become a reality, delivering an ever-increasing list of benefits to the organisation and to members. The launch of our new brand has better positioned UniBank for sustainable growth and will play a major role in our future success.

Membership growth has been very promising over the year and continues to build, proving that the banking solutions we offer are not only competitive but also relevant to the member groups that we support. This is further endorsed by the ongoing growth of our loan and deposit portfolios, strengthened by the launch of UniBank home loans to our national mortgage broker network.

We've continued our ongoing engagement with Universities over the year, and as proof of our commitment to the sector we have recently expanded our Business Relationship team into Victoria to enhance our support in that state. Further expansion into NSW is also being planned.

UniBank will continue our focus on being an innovative, future focused organisation and we look forward to the delivery of further enhancements that will provide better banking experiences for members, building on our recently launched mobile app and mobile wallet applications.

We thank all members for your continued support as we look toward another exciting year ahead.

Mike Lanzing
General Manager

Delivering for our members

UniBank has worked diligently to deliver a number of new benefits to members over the last year, all designed to help meet our promise of providing exceptional lifetime banking experiences for the staff, students and graduates of Australian Universities and their families.

Mobile Wallet

As part of our commitment to being an innovative and future focused organisation, UniBank members can now use a mobile wallet¹ as a new easy way to make secure purchases using mobile devices. It's easy to use and simple to set up by loading an eligible UniBank Visa Debit or Visa Credit card to your device via the appropriate application.

UniBank now offers Android Pay², Apple Pay³ and Samsung Pay⁴.

- We launched the first of our mobile wallet options, Android Pay², to members in August 2016.
- The second of our mobile wallet options, Apple Pay³, was launched to members in November 2016.
- We have recently launched the third of our mobile wallet options, Samsung Pay⁴, to members in June 2017.

Solar Panels and LED lighting in UniBank Nedlands Office

The Banks' strategy is to achieve carbon neutral buildings by installing solar power, LEDs and using carbon offsets. In October 2016, we completed the installation of Solar Panels and LED lighting at the UniBank office in Nedlands, WA. In the first year, solar is generating 56% of our electricity, and greenhouse gas emissions are zero.

Mobile App

Further proof of our commitment to continual enhancements to our products and services was the launch of our very first Mobile Banking App⁵ in December 2016.

Our new app provides a great banking experience for members to access their money on the go, including convenient and easy to use features such as Touch ID/fingerprint log in, a view of selected account balances without having to log in, the ability to change your card PIN, and easy reporting and blocking of cards if they are lost, stolen or damaged. Members can easily place a temporary block on a card through the app if you happen to misplace one, and then just as easily remove the block when you find it.

Expanded Telephone Contact Hours

In order to better service the needs of our growing national membership base, our telephone contact hours were expanded in April 2017. UniBank members can now call **1800 864 864** anytime between 8am to 7pm, weekdays and 9am to 3pm Saturday local time from anywhere in Australia to speak to one of our friendly staff.

Online Application Forms

We recently launched new online application forms for new membership, credit card, home loan and personal loan applications. Released in June, these new online forms provide a convenient and easy way for members and potential members to join, open accounts and apply for products, while also helping to minimise the use of paper across the business.

Facebook

UniBank is now on Facebook! As a future focused organisation, we understand that social media is a widely used channel of communication for many people today, young and old, and will continue to develop. As a result in June 2017 we launched our first foray into social media with a new UniBank Facebook page.

Members are encouraged to visit our Facebook page at [facebook.com/unibankau](https://www.facebook.com/unibankau) (and please 'like' and 'follow' us) – providing another avenue for members to keep informed of our products, services and special offers, to communicate with us, and to know more about what is happening at the Bank.

Brand Relaunch

Following the merger with Teachers Mutual Bank Ltd, a comprehensive research project was undertaken to help the Bank build a greater understanding of the market opportunity available to UniBank in the Australian University sector.

The findings identified that a repositioning of the UniBank brand would better support UniBank for sustainable growth for the mutual benefit of our members. Development of a new brand style was supported by further market and customer research over 2016 and 2017, resulting in our exciting new look which was launched in June.

You can see our new branding reflected across UniBank including our branch offices, website, internet banking, mobile app, promotional materials, brochures, statements and on our member eNewsletter, Money Matters. We hope you like it as much as we do.

The Banks' strategy is to achieve carbon neutral buildings by installing solar power, LEDs and using carbon offsets.



Our People

The UniBank team continues to work hard providing an outstanding level of personalised service to members, and there have been a number of positive changes in the past 12 months.

Appointment of new General Manager

We welcomed our new General Manager, Mike Lanzing, to UniBank in April 2017.

Mike is based out of the Bank's head office in Homebush, NSW and makes regular visits to the UniBank teams in WA and Victoria. He is committed to the delivery of exceptional lifetime banking experiences to members while driving the continued growth and success of UniBank, including expanding the brand nationally.

Expanded Business Relationship and Mobile Lending team

As part of our ongoing commitment to the university sector across Australia, this year we expanded our Business Relationship team into Victoria to enhance our support in that state.

Fiona Lock commenced in February 2017 and over the year has introduced UniBank to a growing number of university stakeholders in Victoria and identified numerous opportunities to provide support to the sector.

The Bank also now has two Mobile Lenders available to service members in Western Australia, with another to be added in Victoria later in the year.

Training and Development

The UniBank team has continued to develop their skills over the year to help us better service members, including successful completion of formal programs and online training.

One of our Lending Managers, Cara Mansfield, was selected to be part of a group of high-potential staff who have been working on special projects for the Bank.

Volunteering & Fundraising

In March 2017, a group of UniBank employees donated one day of their time to volunteer at the Cancer Council of WA, where the group assisted with the production of mail packs to help the Cancer Council promote their annual Biggest Morning Tea event.

Also in March, a group of employees from the Bank including UniBank's Marketing Communications Specialist, Lingee So, had the opportunity to travel to Cambodia as part of the Bank's sponsorship of Credit Union Foundation Australia (CUFA). The Bank's sponsorship goes towards supporting children's education, small business development, and also promotes the value of banking and saving to these communities.

And if that wasn't enough, UniBank also participated in charity fundraising activities over the year including most recently in July 2017 to raise much needed funds for children's burns units in major hospitals in NSW and WA.



The Bank's sponsorship of CUFA goes towards supporting children's education and small business development in Cambodia.



Awards and Achievements

Sustainability is one of our core values. We strive to create a better future for our members and the community through investing in ethical and sustainable business practices. We lead by example as can be seen in the awards and accomplishments that the Bank has achieved over the year.

A World's Most Ethical Company, again

In March 2017, the Bank was for the 4th year in a row named as a 'World's Most Ethical Company' by the Ethisphere Institute⁶, a global leader in defining and advancing the standards of ethical business practices. The recognition includes both Teachers Mutual Bank and UniBank for 2016 and 2017.

"We are proud to be named one of the World's Most Ethical Companies – it's a very high standard to meet." said Mike Lanzing, General Manager of UniBank. "To be one of only three banks recognised as a World's Most Ethical Company tells us we are achieving our aim of setting the standard for ethical practices in banking."

Pioneering Ethical Investment

This year the Bank issued a \$100 million ethical bond – an Australian banking first. It is the first certified ethical investment⁷ wholesale cash product in Australia, and the first based on fossil fuel lending and investing exclusion.

A Leader in Community Investment

Our community investment is 5.4% of pre-tax profits, as measured by the London Benchmarking Group⁸. This is 10 times the Au&NZ average, 17 times the Au&NZ finance/insurance sector average, and 5 times the international average.

Global Alliance for Banking on Values

In 2017, the Bank joined the Global Alliance for Banking on Values⁹ (GABV), an international network of 39 member banks dedicated to working collaboratively to expand and develop sustainable, values-based banking practices around the world.

The Future

With the new financial year well underway, we can look back over the previous 12 months and be extremely proud of all that we have achieved for the organisation and for members.

For the year ahead there are a number of initiatives planned and some already underway to help improve the banking experience for members and support UniBank's growth.

We will further expand the Business Relationship and Mobile Lending team into other states to provide support to members of the university sector nationally.

There will be a number of product enhancements and new product launches to ensure that we remain competitive and relevant.

We'll continue to engage with key stakeholders across the university sector to identify opportunities where UniBank can engage with staff, students and graduates through support of events, awards and other initiatives.

And very importantly our digital banking platforms will be continually reviewed and enhanced throughout the year ahead to ensure our members receive the best banking experiences possible.

This includes participating in the New Payments Platform (supporting real-time payments), which the banking sector has been developing for a number of years. This will start to transform the way members can pay friends and family, businesses and government agencies. The initial phase is on track to launch in early 2018, with other services to follow soon after.



A Thank You to Members

There have been many changes at UniBank over the last 12 months as we continually improve and evolve to ensure we are providing exceptional lifetime banking experiences for you, our valued members.

From our humble beginnings in 1964 until today, we never forget that it's our members who benefit from our financial performance. That's why we will continue to collaborate with members and universities to ensure our decisions are backed by research and wisdom and help you achieve lifelong financial wellbeing.

We appreciate your ongoing support which has allowed us to grow and maintain our commitment to improving the lives of the staff, student and graduates of Australian Universities and their families.

Thank you.

Want to know more?
Visit **unibank.com.au**
or call **1800 864 864**

UniBank
Know more

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- 1. Mobile Wallet.** You should consider whether this service is appropriate for you before acquiring it. Terms and conditions apply to the use of Mobile Wallet and are available on our website. Access to the system is subject to availability and maintenance. We do not charge a fee to allow you to use your Visa card via your Mobile Wallet. Internet data charges may be incurred through your mobile service provider - check with your Internet Service Provider for more details.
- 2. Android Pay.** You should consider whether this service is appropriate for you before acquiring it. Terms and conditions apply to the use of Android PayTM and Teachers Mutual Bank Mobile Wallet and are available on our website. Smart phone must be NFC (Near Field Communication) enabled and running KitKat 4.4 and above. Access to the system is subject to availability and maintenance. We do not charge a fee to allow you to use your Visa card in Android PayTM. Internet data charges may be incurred through your mobile service provider - check with your Internet Service Provider for more details. Android, Android PayTM and Android logo are trademarks of Google Inc.
- 3. Apple Pay.** You should consider whether this service is appropriate for you before acquiring it. Terms and conditions apply to the use of Apple Pay and Teachers Mutual Bank Mobile Wallet and are available on our website. Access to the system is subject to availability and maintenance. We do not charge a fee to allow you to use your Visa card in Apple PayTM. Internet data charges may be incurred through your mobile service provider - check with your Internet Service Provider for more details. Apple, the Apple logo, Apple Pay, Apple Watch, iPad and iPhone are trademarks of Apple Inc., registered in the U.S. and other countries. Apple Pay works with iPhone 6 and later in stores, apps and websites in Safari; with Apple Watch in stores and apps, with iPad Pro, iPad Air 2 and iPad mini 3 and later in apps and websites; and with Mac in Safari with an Apple Pay enabled iPhone 6 or later or Apple Watch. For a list of compatible Apple Pay devices, see <https://support.apple.com/da-dk/km207105>
- 4. Samsung Pay.** You should consider whether this service is appropriate for you before acquiring it. Terms and conditions apply to the use of Samsung Pay and Teachers Mutual Bank Mobile Wallet and are available on our website. Access to the system is subject to availability and maintenance. We do not charge a fee to allow you to use your Visa card in Samsung Pay. Internet data charges may be incurred through your mobile service provider - check with your Internet Service Provider for more details. For more information and a list of compatible Samsung Pay devices visit tmbank.com.au/Samsung-pay.
- 5. Mobile Banking.** You should consider whether this service is appropriate for you before acquiring it. For additional information on security please refer to our Security Guide for electronic transactions available online. Access is subject to availability and maintenance. We test mobile banking to ensure compatibility with the majority of popular devices used by members but cannot guarantee that it will be compatible with all devices and operating systems. We do not charge you for accessing your accounts using your mobile. Internet data charges and call charges may be incurred through your mobile service provider - check with your internet service provider or mobile phone service provider for more details. A 3G or Wi-Fi connection is needed for the mobile banking and map features.
- 6. The Ethisphere Institute** is a global leader in defining and advancing the standards of ethical business practice. The World's Most Ethical Company assessment is based upon the Ethisphere Institute's Ethics Quotient (EQ) framework and honours superior achievements in transparency, integrity, ethics and compliance. The 2016 and 2017 awards include UniBank. UniBank is a division of Teachers Mutual Bank Ltd, a World's Most Ethical Company. www.ethisphere.com
- 7. Teachers Mutual Bank Limited's \$500m Debt Issuance Programme** for wholesale investors has been certified by The Responsible Investment Association Australasia (RIAA) according to the strict operational and disclosure practices required under the Responsible Investment Certification Program. www.responsibleinvestment.org
- 8. The London Benchmarking Group (LBG)** is the global standard for measuring and benchmarking corporate community investment. The LBG model provides a comprehensive and consistent set of measures to determine an organisation's contribution to the community, including cash, time, in-kind donations, and management costs. www.lbg-australia.com
- 9. The Global Alliance for Banking on Values** is an independent network of banks using finance to deliver sustainable economic, social and environmental development. www.gabv.org

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