

Merger of Unity Bank and G&C Mutual Bank

Embargoed for Release at 3.00 pm, Tuesday, 25 June 2019

On behalf of our respective Boards, we are very pleased to announce that G&C Mutual Bank (G&C) and Unity Bank (Unity) will be joining forces next year. G&C and Unity have a long history of working together cooperatively and sharing resources to build a stronger and more sustainable mutual banking alternative. A merger between our two organisations will deliver further benefits to members, while harnessing our shared values and our absolute commitment to providing fair, ethical and competitively-priced banking services.

After several months of confidential discussions, the Boards of Unity and G&C have now signed a Memorandum of Understanding (MOU) which sets out an agreed timetable under which the two organisations plan to merge next year. The merger provides an exciting opportunity to combine the strengths and proud histories of the two organisations and to offer improved products and services to our combined membership base.

The merger will create one of Australia's largest nationally-operating mutual banks with projected assets as at the merger date of around \$2.5 billion, a network of 35 branches and a full suite of digital payment services (including real time Osko payment facilities). The increased scale and cost synergies from the merger will allow the merged organisation to fund further innovative products and community support initiatives.

The merger is great news for Unity and G&C staff, as all employees will be offered a role in the merged organisation and will have the added benefit of improved career and development opportunities.

Further details about the merger and the implementation timetable will be communicated to members over the coming months. Key points to note are summarised in the attached Q&A and include:

- ✓ Subject to the required regulatory and member approvals, we anticipate completing the merger by September next year.
- ✓ The Board of the merged organisation will comprise an equal number of Directors from the Unity Board and the G&C Board.
- ✓ All trading names currently used by G&C and Unity will be retained in the period immediately following the merger, with the intention that Unity Bank will become, over time, the merged organisation's predominant trading name.
- ✓ There will be no change to the pricing or features of products held prior to the merger by G&C and Unity members.



Mick Doleman
Board Chair, Unity Bank



Julian Kennelly
Board Chair, G&C Mutual Bank

About Unity Bank

Unity Bank commenced operations in 1970 as the Maritime Workers Credit Union to serve maritime workers and their families, and over the last 10 years has further evolved merging with 8 other credit unions with a mixture of community and industrial members. It currently has 40,000 members with an asset base of \$1.2 billion and 28 branches across Australia. Unity has developed meaningful partnerships with Industry Super Funds and regionally based Local Councils and Universities that have led to several innovations including Australia's first experimental technology hub based in Bathurst.

About G&C Mutual Bank

G&C Mutual Bank was established 60 years ago and has since grown to be one of Australia's strongest member-owned financial institutions. From its humble origins as the Public Works Department Credit Union servicing public sector employees, G&C's business has evolved through the course of 18 mergers and several name changes. G&C now provides a comprehensive and award-winning range of financial services throughout metropolitan and regional markets. Following a lengthy member consultation process, G&C commenced trading as G&C Mutual Bank in December 2014.