

**PEOPLE'S CHOICE CREDIT UNION**  
**2021 ANNUAL GENERAL MEETING**  
**MANAGING DIRECTOR'S ADDRESS**



Thank you, Michael, and good afternoon everyone.

Let me start by echoing our Chairman's recognition of our employees and their tremendous contribution over the past financial year.

Simply put – our people are the most important part of our organisation in supporting our members.

The commitment shown by our employees in providing quality banking services to our members – while embracing new technologies, new organisational structures, and new ways of working – has been outstanding.

All of that work is, of course, to benefit members – today and into the future.



### Helping you achieve your financial goals

- 6,000 members bought a house
- 2,000 loans for first homes
- 5,600 members bought a car, took a holiday or carried out renovations



So, I'm very pleased to report that during 2020/21, People's Choice provided more than 6,000 loans for members to buy a house. This includes more than 2,000 loans for people purchasing their first home – a key moment in their lives.

We helped more than 5,600 members with personal loans for a range of reasons – to buy a car, enjoy a well-deserved holiday or carry out renovations.

We assisted thousands more with financial advice and insurance, and provided hundreds of thousands of members across the country with transaction and savings accounts, credit and debit cards and day-to-day banking services.

In the 21st century, none of that can happen without a comprehensive suite of digital technology.



### Investing in a first-class banking experience

- New customer management and telephony technology
- Updated website
- Launched Everyday Living digital transaction account
- Invested in Lending & Advice Centres



During the year we continued our multi-year investment to enhance our technology and member experience, a crucial commitment driven by consumers' increasing expectations of a first-class digital banking experience.

We made significant progress on the design and introduction of new customer relationship management and telephony technology. This new software and supporting systems will significantly improve our ability to help members faster and more efficiently.

We updated our website to provide members with new features including improved calculators, an enhanced 'locate us' tool, as well as visitor personalisation where the site remembers the needs and preferences of each user to provide a tailored, quicker interaction.

We also introduced a new digital-access only transaction account. Called Everyday Living, the account has been designed, in conjunction with members, to meet the expectations of busy people operating in the modern world.

Deliberately simple, the account offers unlimited transactions, access to fee-free ATMs and no monthly administration costs.

Recognising that not all our members have digital access, we have also made available a similar traditional account which is also fee-free.

We increased our presence in Adelaide's eastern suburb of Norwood, opening our new Lending & Advice Centre in the heart of The Parade. This new centre provides an ideal location for members to speak to our specialists about home loans, personal loans and insurance. ATMs and Internet Banking booths inside also allow members to carry out their day-to-day transactions quickly and conveniently.

Our Norwood Lending & Advice Centre joins similar facilities at Seaford and Northpark in Adelaide, as well as Darwin – to tailor our service to members to help them meet their financial goals.

The year was not without hard decisions.

We closed our Eastland, Fountain Gate and Highpoint branches in Melbourne, and Gungahlin and Tuggeranong in the ACT.

With so many of our members in these areas embracing online banking, phone banking and mobile home lenders, fewer and fewer people were using these branches – sometimes only a few people a day.

Affected employees were offered alternative roles with People's Choice.

Last week, we announced our decision to sell our financial planning business. After a comprehensive process, supported by external specialists, the sales agreement with the highly respected Fiducian Group has been finalised.

In recent years, the provision of financial advice has become increasingly complex and specialised, making a sale to a specialist firm the best option for our financial planning members as well as the overall organisation.

This was not a decision we took lightly, and throughout the sale process the wellbeing of our financial planning members and employees were the key consideration.

Fiducian will be offering roles to almost all of the People's Choice financial planning team. The few who are not offered a role with Fiducian will be supported to find another suitable role.

The full transfer to Fiducian is expected to be completed by February 2022 and we will keep financial planning members informed about this transition.



### Supporting our people

- Valuable insights from Engagement & Culture Survey
- 'Work from Anywhere' approach a success



As I said at the start of my address, none of this would have been possible without our 900 employees going well above expectations to support our members.

During the year we received valuable insights into areas where we, as a business, can improve to better assist our people to succeed.

These came through a major Engagement & Culture Survey. The more than 700 responses and 2,500 individual comments have already generated positive change and we're committed to making further improvements in the months ahead.

Our people are crucial, and we have an absolute responsibility to work together and care for each other's wellbeing, especially as COVID-19 continues to be a threat.

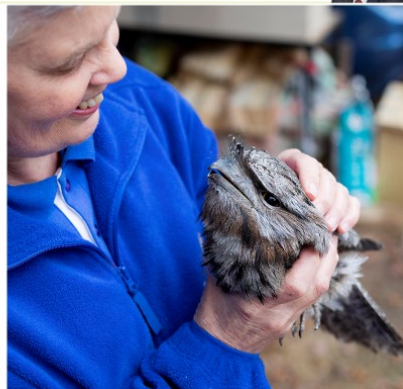
In that regard, our 'Work from Anywhere' philosophy again proved successful across the year, with the organisation supporting head office employees in their decision to either work from home or our Adelaide headquarters.

I would particularly like to thank our member-facing employees, who continued to support our members with their day-to-day banking while maintaining a safe environment for all.



### Making a difference in the community

- Generated \$2.3 million for the community
- 5% of pre-tax profit contributed to community – 8 times average
- Community Lottery raised \$800,000 for 730 not-for-profits
- Partnered with 85 local community groups and events



As a mutual, People's Choice will always have a strong community focus and once again our contribution during the year far exceeded national averages.

Through our suite of fundraising, giving and sponsorship programs, I am proud to report we contributed over 5% of our pre-tax profit to corporate community investment in 2020/21. This

is eight times the average contribution made by major Australian companies, according to the monitoring group Giving Large.

The People's Choice Community Lottery – which remains a significant fundraising source for community organisations around Australia – was conducted fully online for the first time, to eliminate the risks associated with buying and selling physical tickets.

More than 730 not-for-profit organisations such as sporting clubs, schools, charities, and volunteer groups participated, raising more than \$800,000 for a wide range of worthy causes – from medical research and animal rescue to sporting equipment and community organisations.

\$65,000 was raised for Cancer Council SA alone, while \$40,000 was collected for HeartKids SA/NT – in addition to the \$10,000 we donated to help HeartKids employ staff in the Northern Territory.

Our sponsorships of the Western Bulldogs AFL team, Adelaide Strikers women's and men's Big Bash League teams and Norwood SANFL club all contribute enormously to the community life surrounding those teams while also building our profile, and in turn our membership.

At a local level, we partnered with 85 community organisations and events across our areas of operation.

In total, we generated \$2.3 million for the communities where our members and employees live and work. But these community-focused activities cannot be measured in dollars alone – they make a real and immediate difference to the health and happiness of a huge number of people across Australia.

We were also pleased that during the year our head office building, at 50 Flinders Street, retained its 6 Star Energy rating and 6 Star Indoor Environment rating. Indeed, our Indoor Environment rating of 97% is the highest of any building assessed under the National Australian Built Environment Rating System.



Across a year marked by intense competition, record low interest rates and ongoing COVID-19 disruptions, People's Choice has finished 2020/21 on a strong footing and is well positioned for further success – as merger discussions with Heritage continue.

I'd like to finish by thanking everyone involved – the Board, my Executive team, and our employees – for the professionalism and commitment they have shown in supporting our members this year.

And most important of all, thank you to you, our members, for your continuing support and membership.

Thank you.