

The best of two. To benefit you.

**People's
Choice**

Banking for life



2022 Annual General Meeting

**Vote 'yes' to approve the merger between
People's Choice and Heritage**

It's easy to have your say. Appoint a proxy at
votingservices.com.au/peopleschoice

or complete and return a Proxy Appointment
Form or attend and vote at the Meeting:

Wednesday 16 November 2022 at 3.00pm ACDT
at Pullman Adelaide, 16 Hindmarsh Square,
Adelaide and online.

Collective strength. Mutual benefit.



Our upcoming Annual General Meeting offers you a rare opportunity to create a stronger, more sustainable member-owned banking organisation for hundreds of thousands of Australians – for today and tomorrow.

By voting ‘yes’ to the merger with Heritage – a proudly member-owned banking organisation just like People’s Choice – we will retain what’s important to you while delivering more for you through better products, services, digital capabilities and competitive pricing.

Why merge... and why Heritage?

While People’s Choice is a strong, successful banking organisation, financial institutions like us that are smaller than the major banks are facing increasing pressures from rising competition, the growing need to invest in technology to meet members’ expectations, and greater regulatory requirements and costs.

Growth through the merger will help on every front, and there is no better partner for us than Heritage. Not only are we alike in size, we also share very similar values, goals and an absolute member focus. This will be a true merger of equals, where we bring the best of the two organisations together to benefit you.

We will remain proudly member-owned

Should members approve the merger, we will create Australia’s leading member-owned banking organisation: large enough to challenge the major banks, while still small enough to remain absolutely focused on you, our members. We will remain 100% member-owned.

The merger will benefit members

Members will benefit from one of Australia’s largest member-owned branch networks, a wider range of award-winning, competitively-priced products and services, the removal of a number of fees and charges, contemporary, secure digital banking backed by ongoing investment, and increased investment in community and environmental support.

Both organisations have undertaken a thorough due diligence program to ensure the merger is

in members’ best interests. The Australian Government’s key banking regulator, APRA, has also approved for the merger to progress to a member vote.

The directors of People’s Choice unanimously recommend that you vote ‘yes’ to the merger

We strongly encourage you to read the Member Information Booklet referred to in this pack, which contains important information about the proposed merger and will help you decide how to vote, and take advantage of this opportunity to vote ‘yes’.

People’s Choice exists for one reason: to support you to achieve your financial goals. The merger with Heritage will allow us to do that even better.

Michael Cameron
Chairman

Steve Laidlaw
Chief Executive Officer
& Managing Director

It’s easy to make your vote count

Eligible members can have their say on the merger by:

1. Appointing a proxy online at votingservices.com.au/peopleschoice or
2. Completing a Proxy Appointment Form and returning it following the instructions provided on the form or
3. Attending the Annual General Meeting in person or online.

All proxy appointments must be received by 3.00pm ACDT on Monday 14 November 2022.

How the merger will benefit you

The merger between People's Choice and Heritage will provide the scale required to ensure you continue to benefit from competitive financial products, personalised customer service and contemporary, secure banking technology – all with the care that only a strong, sustainable, member-owned banking organisation can provide.



We'll remain true to our origins

We have *always* existed to serve our members and we have *always* been 100% member-owned. And both will remain true through the merger with Heritage.

People's Choice is the result of more than a dozen mergers with like-minded member-owned banking organisations since our foundation over 70 years ago. Joining forces with Heritage is another example of our ongoing evolution. But growth won't change who we are and what we believe in.

One of Australia's largest member-owned branch networks – almost trebling to 95 sites.

Contemporary, secure digital banking, backed by ongoing investment to meet members' evolving needs.

A minimum of \$50 million over five years in community support and environmental initiatives to benefit your community and future generations.

Local knowledge, employment and investment from our permanent, dual head offices in Adelaide and Toowoomba.

We will remain 100% member-owned and committed to members.

We will retain our branches, with no closures due to the merger.

We will maintain permanent, dual head offices in Adelaide and Toowoomba.

A wider range of award-winning, competitively-priced products and services.

A number of fees and charges will be removed.

Better SME business banking, credit cards and payments options.

Commitment to Saturday trading in selected branches.

Our Australian contact centre will expand your support to 24 hours a day, 7 days a week.

A successful member-owned banking organisation, committed to mutuality and members.

You will continue to be served by the same friendly employees.

Jobs are safe, with no redundancies below Executive level due to the merger.

We will have equal Board and Executive representation from People's Choice and Heritage.

You can support the merger today by appointing your proxy at votingservices.com.au/peopleschoice or completing your Proxy Appointment Form.

Heritage is the ideal partner

People's Choice and Heritage share a common purpose and values – including an absolute commitment to our members, remaining member-owned and delivering superior customer service.

Heritage's company structure is essentially the same as ours. It is a member-owned organisation that does not have shareholders who expect the payment of dividends. Profits are reinvested into the business for the benefit of members and their communities.

There is no better partner for People's Choice than Heritage. Together, we will be stronger, more secure and capable of providing more for our members.

Proudly member-owned since 1875.

Similar size as People's Choice in members, employees and assets.

Complementary strengths and shared values.

Based in Toowoomba, Queensland, with branches in Queensland and New South Wales.

Loyal to its members and its communities, just like People's Choice.

A unique pairing of equals.

The directors of People's Choice unanimously recommend that you vote 'yes' to the merger.

Possible reasons to not support the merger

Whilst the directors of People's Choice unanimously support the merger, possible reasons to not support the merger are:

People's Choice could continue as is, but with a reduced ability to invest in products, services and technology compared with the merged organisation.

People's Choice could merge with a different organisation, however, we don't consider that another partner will complement us as well as Heritage.

The proposed merger ensures that the merged organisation will continue as a mutual (i.e. member-owned) as the People's Choice directors are of the unanimous view that maintaining this structure is in the best interests of members. As the merged organisation will remain member-owned, those members who do not think that People's Choice should remain a member-owned organisation may wish to vote 'no'.

How to find out more

Detailed information about the proposed merger, the resolution and the effects of the passing of the resolution are set out in the Member Information Booklet which is available to you on our website at peopleschoice.com.au/merger

You should read this booklet carefully before making a decision as to how to vote on the merger resolution.

A copy of the Member Information Booklet can be obtained from any People's Choice branch or can be requested by emailing companysecretary@peopleschoice.com.au or calling 13 11 82.

You can also email companysecretary@peopleschoice.com.au if you have any other questions.

Notice of Annual General Meeting

Australian Central Credit Union Ltd
ACN 087 651 125

The 2022 Annual General Meeting (**Meeting**) of members of Australian Central Credit Union Ltd trading as People's Choice Credit Union (**People's Choice**) will be held on Wednesday 16 November 2022 at 3.00pm Australian Central Daylight Time.

The Meeting will be held at Pullman Adelaide, 16 Hindmarsh Square, Adelaide, South Australia and virtually via the Computershare online platform at meetnow.global/MRCA4DL. Members will be able to participate, ask questions relevant to the business of the Meeting and vote on the resolution to be considered during the Meeting either in person or virtually.

People's Choice strongly encourages members to participate via the online platform as opposed to attending in person. Members can watch the Meeting and submit questions relevant to the business of the Meeting via a computer or mobile/tablet device with internet access.

Important notice regarding attendance and the COVID-19 pandemic

In the event that COVID-19 restrictions are in place at the time of the Meeting that prohibit attendance at the physical location of the Meeting, members will not be permitted to attend the Meeting in person and those wishing to attend will be required to do so via the online platform.

People's Choice will inform members through its website and social media as soon as is practicable in advance of the Meeting if attendance in person will be restricted or prohibited.

AGENDA

Ordinary Business

1. Chairman and Managing Director Presentations
2. Financial Reports

To receive and consider the Financial Report of Australian Central Credit Union Ltd and its controlled entities, and the Reports of the Directors and Auditor for the financial year ended 30 June 2022.

3. Director Election Result

To note the appointment of Mr John Patton as a Director of Australian Central Credit Union Ltd.

Special Business

4. Proposed Merger of People's Choice and Heritage Bank

To consider and, if thought fit, approve the following special resolution:

"That the members of Australian Central Credit Union Ltd ACN 087 651 125 approve the total transfer of the business of Heritage Bank Limited ACN 087 652 024 to Australian Central Credit Union Ltd pursuant to the Financial Sector (Transfer and Restructure) Act 1999 (Cth) to take effect on 1 March 2023 or on such other date as the Australian Prudential Regulatory Authority determines."

To be carried, the proposed special resolution must be passed by at least 75% of the votes cast by members entitled to vote on the resolution at the Meeting.

Please refer to the Directors' Explanatory Statement concerning Agenda Items 2, 3 and 4 and to the Member Information Booklet in relation to Agenda Item 4.

BY ORDER OF THE BOARD

Taryn Shearn

Chief Legal Officer & Company Secretary
24 October 2022

DIRECTORS' EXPLANATORY STATEMENT

Item 2 – Financial Reports

The *Corporations Act 2001* (Cth) (**Corporations Act**) requires that members consider the annual Financial Report, the Directors' Report and the Independent Audit Report of People's Choice. There is no requirement in either the Corporations Act or the People's Choice Constitution for members to approve these reports. Members will be given a reasonable opportunity at the Meeting to ask questions and make comments on these reports.

Item 3 – Director Election Result

Mr John Patton retires from his position as a member elected director of People's Choice at the conclusion of the 2022 Meeting. Accordingly, there is one Board vacancy this year.

Nominees for the Director Election are required to undertake a Nominations Committee process to satisfy the Board that they demonstrate an ability, and that they are of appropriate fitness and propriety, to be a Director of People's Choice. Where the Board determines that a nominated person is of appropriate fitness and propriety and has the appropriate skills, knowledge and experience to be a Director of People's Choice, they will be deemed to become candidates under the Constitution and eligible to stand for election.

Mr John Patton offered himself for re-election to fill the position of member elected director with effect from the conclusion of the 2022 Meeting. No other valid nominations of members for election were received for the purposes of the Constitution. Following consideration by the Nominations Committee and the Board, Mr John Patton was determined by the Board to become a candidate. The Board resolved to endorse Mr John Patton for election.

As there is one candidate for one vacancy, in accordance with clause 10.11(2)(a) of the Constitution, Mr John Patton is declared elected as a Director of People's Choice.

Item 4 – Proposed Merger of People's Choice and Heritage Bank

The Directors of People's Choice unanimously recommend that members approve a merger of People's Choice and Heritage Bank Limited by voting in favour of the proposed special resolution, as they consider that the merger will be in the best interests of People's Choice and members.

Detailed information about the proposed merger, the resolution and the effects of the passing of the resolution are set out in the Member Information Booklet which is available on our website at peopleschoice.com.au/merger and on request. Please consider that information carefully.

How to vote

VOTING BY PROXY

Members can vote on the resolution by proxy. Any members entitled to attend the Meeting may appoint a proxy to attend the Meeting and vote on their behalf. Appointments of proxies must be received by us by 3.00pm Australian Central Daylight Time on Monday 14 November 2022.

You can lodge your Proxy Appointment Form by one of the following means:

Online:

Please visit votingservices.com.au/peopleschoice and follow the instructions.

By mail:

The Returning Officer
People's Choice Credit Union
C/- Computershare Investor Services Pty Limited
GPO Box 242, Melbourne, VIC 3001

By facsimile:

(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

VOTING BY ATTENDING THE MEETING

Participate in person

Any People's Choice member can attend the Meeting, as can anyone who has been appointed as a proxy by a People's Choice member. We recommend you arrive at least 15 minutes before the scheduled start. Seats may be limited. Please note that any COVID-19 restrictions in force on the day will be followed.

Participate online

By using the Computershare online platform, you will be able to vote and ask questions during the Meeting. We recommend members log on at least 15 minutes before the scheduled start.

To participate, go to meetnow.global/MRCA4DL (online platform) on your computer or mobile/tablet device. You will need the latest version of Chrome, Safari, Edge or Firefox.

Select 'Member', enter your member number (found on your statement and card) and select the country of your registered address. If in Australia, also enter your postcode. (Overseas residents: Enter your country code from the drop-down menu.)

If you are a proxyholder, please contact Computershare on +61 3 9415 4024 to request your unique email invitation link prior to the Meeting. To access the Meeting, click on the link in the invitation email sent to you or go to meetnow.global/MRCA4DL, select 'Invitation' and enter the code that Computershare emailed to you.

The Online Meeting Guide, which details how to connect to the online platform, vote and ask questions, can be found on our website (peopleschoice.com.au/agm).

ASK A QUESTION

Proxy Appointment Forms can be used to submit questions in writing and may be returned to People's Choice in the envelope provided prior to the Meeting. The Chairman's and Managing Director's addresses for the Meeting will be framed to cover as many of the key themes raised as possible.

If you are attending the Meeting in person, you will be able to ask a question during the Meeting. If you are participating online, you will be able to ask a question during the Meeting either verbally or in writing via the online platform.

Questions should relate to the performance of People's Choice or the items of business on the Agenda. Please do not ask questions involving individual accounts or individual account holders. These cannot be answered at the Meeting due to privacy concerns. If you attend the Meeting in person, employees in uniform will be available before and after the Meeting to answer any questions of this nature. For efficiency, the Chairman will combine questions on the same or similar topics.

TECHNICAL DIFFICULTIES

Technical difficulties may arise during the Meeting. The Chairman has discretion as to whether and how the Meeting should proceed if technical difficulties arise. In exercising his discretion, the Chairman will have regard to the number of members impacted and the extent to which participation in the business of the Meeting is affected.

Where the Chairman considers it appropriate, the Chairman may continue to hold the Meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions.

MORE INFORMATION

Please visit peopleschoice.com.au/agm for a range of additional information about the Meeting and how to participate.

