



Pictured left to right: Andrew Kearnan (Chair) and Anthony Hughes (CEO).

Chair and CEO's letter to Members

Dear Member,

For nearly 60 years, our bank has proudly provided a positive, member-owned alternative to the major banks. While our membership started with teachers, it has expanded over time to include healthcare and emergency service professionals and their families. As we've grown, we've honoured our heritage and our enduring commitment to reinvesting profits for the benefit of our members, their professions and communities.

Now, it's time for us to take another important step forward. Our proposed Merger with Australian Mutual Bank Ltd will enable us to continue being a bold alternative in the Australian banking sector, while remaining small enough to keep the personalised service that we know our members love.

Over the years, we have completed a number of mergers with other mutual banks. This has made us stronger and enabled us to share our way of banking with more professions and more Australians. Today, Teachers Mutual Bank Limited operates the retail brands:

Teachers Mutual Bank, Health Professionals Bank, Firefighters Mutual Bank, and UniBank.

This rich merger experience gives us a deep understanding of the importance of shared values and aligned ambitions when selecting a merger partner. Australian Mutual Bank Ltd is an excellent partner that brings financial strength while sharing a similar heritage, values, and most importantly, a focus on putting members first.

Why merge with Australian Mutual Bank Ltd?

Established in 1953 to serve employees in the transport sector, and later the local government and energy sectors, Australian Mutual Bank Ltd has a strong history of supporting the professions and communities it serves and is 100% member-owned. Just like us, Australian Mutual Bank Ltd reinvests its profits into its bank and its communities.

While both our banks are financially strong, banking has changed significantly in recent years. Today, there is increasing regulation, more complexity, and growing consumer demand for enhanced digital offerings and security. The Boards of both our banks are aware of the common challenges faced by member-owned banks and the significant investment required to keep pace with rapidly evolving technology, cybersecurity, and member expectations. These challenges have driven significant consolidation across our sector, and in recent years, eight of the largest mutual banks have merged or announced their intentions to merge.

Although Australian Mutual Bank Ltd is comparatively a smaller bank, it will bring significant capital to the Merged Bank, which will enable us to stay ahead of these challenges while retaining the service and day-to-day banking experience you know and value.

The Board has reviewed a range of partners and strategic options and believes that merging with Australian Mutual Bank Ltd is in the best interest of our members. This is a strategic decision that will make us even stronger and better equipped to meet the challenges ahead while holding true to our values and our history.

By joining forces, our Merged Bank will be more resilient and better placed to continue delivering the best value, support and service to you, our members. As a member-owned bank, you are always our priority.

Our commitment to you, our members

- **Lower fees and more value.** You'll benefit from a broader range of competitive financial products and services—plus savings from lower fees.
- **Improved Australian-based customer service.** With contact centre teams based in Sydney, Perth, and across Australia, we'll continue to offer and deliver the great, award-winning service you know and trust.
- **Familiar brands.** Upon merging, the Teachers Mutual Bank, Health Professionals Bank, Firefighters Mutual Bank, UniBank and Australian Mutual Bank brands will operate alongside each other.
- **More branches.** There'll be no branch closures due to the Merger. Post-Merger, you'll have access to nearly double the number of branches, with locations from both banks available to all members.
- **100% member-owned.** We'll remain 100% member-owned, meaning our profits are reinvested into our organisation for the benefit of members and their communities.
- **More investment in smarter, safer banking.** We'll invest more in digital and mobile banking, boost customer support, and strengthen investment against scams, fraud, and cyber threats.
- **No change to account or banking details.** There'll be no change to how you do your banking. Your member number, account numbers, BSB and payment arrangements will remain the same.
- **Banking for good.** We are committed to retaining our B Corp Certification and will continue to honour the industries of education, health and emergency services through a range of programs and development opportunities.



Honouring our past as we look to the future

With our aligned member-first approach and our enduring commitment to support those professions and communities that support us, both Teachers Mutual Bank Limited and Australian Mutual Bank Ltd have a deep understanding of our members' professions and, over the decades, have built loyal member bases that span generations.

By combining our strengths, we will have increased scale and greater resources to continue delivering the service our members love. We will be better positioned to respond to changing conditions and market forces while investing more in the things that matter to you, our members.

As a Merged Bank, we will build on our strengths to offer:

- A broader range of competitive products and services—plus savings from even lower fees.
- Access to almost double the number of branches post-Merger.
- Improved Australian-based customer service with contact centre teams in Sydney, Perth, and across Australia.
- More investment in smarter, safer banking.

As a Merged Bank, the things you value about our bank won't change. Upon merging, there will be no change to:

- How you access your money, your account and banking details.
- Our ownership structure – we will still be 100% member-owned.
- Our focus on providing you with award-winning service.
- Our commitment to supporting our professions and our communities.

Board recommendation

Given the changes in the banking sector and member expectations, the Board believes that merging is a better strategic choice for our members compared to the alternative of remaining a standalone entity.

After a thorough assessment of merger partner options, the Board has determined that Australian Mutual Bank Ltd is an excellent merger partner because of its shared values, similar heritage and strong financial position.

The Teachers Mutual Bank Limited Directors unanimously support the Merger with Australian Mutual Bank Ltd. Each Teachers Mutual Bank Limited Board Director intends to vote in favour and recommends that members also vote in favour of the TMBL Merger Resolution. We ask that you carefully consider the information provided in this Booklet so you are ready to make an informed decision at or before the Special General Meeting in March 2026.

On behalf of the Board and Executive, we would like to thank you for your ongoing support and for choosing to bank with us. Both Teachers Mutual Bank Limited and Australian Mutual Bank Ltd have earned reputations for delivering competitive financial products and supporting our communities. This Merger will put us in an excellent position to keep delivering this into the future, and I hope you'll join us in voting in favour of this opportunity.

Thank you for helping shape our future as a strong, resilient member-owned bank.

Andrew Kearnan

Andrew Kearnan
Chair

Anthony Hughes

Anthony Hughes
CEO