

Wholesale sector Certified Ethical Investment overview

Wholesale Certified Ethical investment products

- *June 2015* - \$500m Wholesale Debt Issuance Programme (DIP)
- *November 2018* – Increase of \$500m Wholesale Debt Issuance Programme (DIP). Programme Size now \$1 billion.
- *August 2019* - Wholesale Sector Short Term Deposits (STDs), comprised of: Negotiable Certificates of Deposit (NCDs), Wholesale term deposits, and Wholesale overnight deposits (11AM cash – at call).

This means that any wholesale investor in Teachers Mutual Bank Limited ('the Bank') is guaranteed that their investment is a Certified Ethical Investment, as follows:

- All existing holders of the Bank's wholesale term debt issued under the Bank's debt issuance programme, and,
- From 20 August 2019, all new investments in the Banks wholesale short term deposits (i.e., cash, negotiable certificates of deposit and term deposits).

RIAA Certification

STDs and the DIP have been certified as Ethical Investment by RIAA according to the strict operational and disclosure practices required under the Responsible Investment Certification Program. See www.responsibleinvestment.org for details.

Pioneering ethical investment

- The first financial institution to have its entire Wholesale debt issuance programme (DIP) ethically certified by RIAA
- The first Certified Ethical investment wholesale cash product in Australia, and the first based on fossil fuel exclusion
- The first bank to Certify Wholesale Short Term Deposits
- The first bank to Certify its Wholesale sector funding
- The only Bank offering RIAA Certified Ethical Wholesale investment products to the Australian market.

Ethical criteria

Wholesale sector STDs and the increase of \$500m to the Wholesale DIP are certified as ethical investments because these products are subject to ethical exclusion criteria that applies across 14 categories. The Bank's initial \$500m achieved Ethical Certification by the RIAA on the basis that the Bank's Policy of *'the exclusion of lending to, or investing in, large scale greenhouse gas pollution from fossil fuel exploration, extraction, production and use'*. A wholesale counterparty who purchases these short term instruments is guaranteed that their funds are not lent to these industries.

Use of proceeds

Proceeds of the Bank's wholesale funding are used to fund the Bank's balance sheet and are primarily used to fund mortgages. The Bank's balance sheet funds our four brands; Teachers Mutual Bank, Firefighters Mutual Bank, UniBank and Health Professionals Bank.

About RIAA

The Responsible Investment Association Australasia (RIAA) champions responsible investing and a sustainable financial system in Australia and New Zealand. RIAA is dedicated to ensuring capital is aligned with achieving a healthy society, environment and economy. With over 240 members managing more than \$9 trillion in assets globally, RIAA is the largest and most active network of people and organisations engaged in responsible, ethical and impact investing across Australia and New Zealand. More info: <https://responsibleinvestment.org/>

More information at www.tmb.com.au