

Notice of Annual General Meeting 2023

Unity Bank Limited ABN 11 087 650 315

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The Annual General Meeting (AGM) of Unity Bank Limited will be held on 29 November 2023 at 3pm at the Ground Floor Training Rooms, 365 Sussex Street Sydney NSW 2000.

AGENDA

1. To answer any questions relating to the minutes of the Annual General Meeting held on 30 November 2022.
2. To receive for the financial year ended 30 June 2023 the Directors' Report, Financial Statements and the Auditor's Report.
3. To consider, and if thought fit, to pass the following resolutions relating to a director appointment*:
 - a) *That Mick Doleman be re-appointed as a director until the end of the 2026 AGM.*
 - b) *That Garry Keane be re-appointed as a director until the end of the 2026 AGM.**Mick Doleman and Garry Keane retire as directors by rotation and have offered themselves for re-appointment. As there are no other candidates the election process is discontinued and members will vote on the re-appointments of Mick Doleman and Garry Keane.
4. To consider and, if thought fit, to pass the following resolution relating to Director remuneration:

That for the purposes of Rule 17.1(1) of the Bank's Constitution the maximum aggregate annual remuneration of directors be set at:

 - *\$700,000 for the financial year ending 30 June 2024;*
 - *for each subsequent financial year:*
 - *if there is a net increase in the Consumer Price Index over the 12 months to the March quarter in the previous financial year - the amount set for the previous financial year increased by the same percentage as the percentage increase in Consumer Price Index during that 12-month period;*
 - *if there is no net increase in Consumer Price Index over the 12 months to the March quarter in the previous financial year - the amount set for the previous financial year, where Consumer Price Index means the Consumer Price Index (weighted average of 8 capital cities) as published by the Australian Bureau of Statistics.*

Additional information on item 4 is included in the Explanatory Notes to this Notice.

By Order of the Board

Anita Schut
Company Secretary

20 October 2023

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UNITY BANK ANNUAL REPORT

Annual Reports are available to all members from 20 October 2023 via our website www.unitybank.com.au. Alternatively, if you wish to have a copy mailed to your address please contact our Call Centre on 1300 36 2000.

WHY YOU SHOULD ATTEND

Unity Bank is a member-owned organisation. As a shareholder, you are encouraged to attend the Annual General Meeting to hear about the past year's performance and listen to plans for the future. Attending also gives you an opportunity to have your say and vote, where required, on any matter on the Agenda. It also allows you to participate in the governance of the Bank and ask the auditor questions about the audit process and the contents of the auditor's report. Please ensure we have your current email address so that you receive any updates regarding this year's meeting.

PROXIES

You can appoint a proxy to attend and vote at the meeting on your behalf. Your proxy does not have to be a member of the Bank. You can obtain a Proxy form by phoning our Call Centre on 1300 362 000 or downloading it from our website at www.unitybank.com.au. To be valid, your completed Proxy form must reach the Bank no later than 48 hours before the Annual General Meeting.

DIRECTOR NOMINATIONS - CANDIDATE SUMMARY 2023



Mick Doleman (current Director)

Mick has held the position of Chair of the Unity Bank Board since 2010 and was a former Deputy National Secretary of the MUA. Mick has also held positions on many maritime industry boards.



Garry Keane (current Director)

Garry is the former MUA Deputy National Presiding Officer and SNSW Branch Secretary. Garry has had a 49 year association with Unity Bank and has been a director since 2011.

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Appendix 1

UNITY BANK LIMITED ANNUAL GENERAL MEETING EXPLANATORY NOTES

Agenda Item 4. Director Remuneration

This resolution will increase the maximum aggregate remuneration that can be paid to directors for each financial year commencing with the financial year ending 30 June 2024. The maximum aggregate remuneration is the total amount of money that can be shared between all the directors. There are currently eight directors on the Board.

For the financial year ending 30 June 2024 the maximum aggregate remuneration will increase to \$700,000, from the previously approved amount of \$450,000 applicable to the financial year ending 30 June 2023. For each subsequent financial year, the maximum aggregate remuneration will automatically increase by the percentage increase in the Consumer Price Index (CPI) over the 12 months to the March quarter in the previous financial year. If the CPI decreases or stays the same over those 12 months, then the maximum aggregate remuneration will remain the same as the previous financial year.

This increase in the director remuneration pool takes into consideration the regulatory demands, workload and skills required of a director in today's environment and also better aligns Unity Bank with mutual banking sector benchmark director salaries. Each year we utilise the McGuirk Mutual Financial Board Remuneration Survey to analyse director remuneration trends and to compare us against other similarly sized mutuals. Our current director fees are at 76% of the median market rate and are close to the bottom 25th quartile within the 2023 McGuirk Survey* which means that, left unadjusted, our director fees would be substantially falling further behind market rates.

The Board does not intend to utilise the full pool increase within the first year but these changes will allow for future increases in remuneration and/or the ability to add additional directors should the Board wish.

* 2023 McGuirk Mutual Financial Board Remuneration Survey COB Results — Director Gross Revenue \$40m-\$80m.