



Association of Building Societies and Credit Unions

MEDIA RELEASE

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Credit Union, Building Society market leaders recognised

Australia's credit unions and mutual building societies today celebrated market leadership by the mutual banking sector in new ideas, sustainable futures and community ties.

Credit unions and building societies have recognised Australian Central Credit Union, Community First Credit Union and mecu for innovation, community service and sustainability at the 2007 Abacus Convention in Brisbane today.

"Credit unions and mutual building societies are true innovators, with a real focus on communities and members," said John Brogden, Chair of the industry body Abacus. "These awards are another example of mutuals leading the banks in areas that really matter to communities," said Mr Brogden.

Abacus chairman John Brogden said choosing the 2007 winners was a challenge given the range of activities across the mutual banking sector.

Community First, based in Sydney, is the **Innovator of the Year** with new ideas such as "Lisa" – a new online concierge bringing a personal face to internet banking, and doubling visits to the credit union's website since her "launch". Community First's new concept stores are introducing new approaches to retail banking.

Victorian credit union mecu receives the **Sustainability** honour. mecu has been recognised as one of the world's top 50 companies in sustainability reporting, and has covenants in place with the Victorian Government and the UN. With programs like "Land Bank" (building a carbon sink and fostering biodiversity), "green" loans with rewards for environmentally-friendly car use and home design, and a carbon-neutral commitment, mecu is setting the standard for sustainability in banking.

Australian Central, Adelaide's largest credit union, has been awarded the **Community Service** award for its community lottery. This program has raised almost \$4 million for community groups, with all proceeds raised going to participating organisations. The credit union program supports over 300 not-for-profit groups in SA and the Northern Territory, well beyond the traditional "major sponsorship" model.

"Our annual awards are an important acknowledgment and celebration of excellence in the mutual sector – credit unions and mutual building societies," said Mr Brogden.

"Our 2007 winners are smart, resourceful and resilient – mutuals making a real difference to their members and market across the country."

For more information:

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Abacus - Australian Mutuals is the industry body for credit unions and mutual building societies. We work with our 150 member institutions to promote the role of mutuals - building societies and credit unions that are owned by, and operated for, the benefit of their members. Our industry offers a different kind of banking: one that puts members first. More than four and a half million Australians are members of credit unions and building societies.

The 2007 Abacus Industry Awards

Innovation Award:

Online Greeter a Welcome Innovation for Community First Website

Sydney and Central Coast-based credit union, Community First, has won the Abacus Innovation Award for 2007, on the strength of promising a "brighter future" to its members and the introduction of "Lisa", the first online greeter in Australian financial services history.

"The Community First 'brighter future' brand and marketing repositioning strategy sought to challenge stereotypes of what a credit union is and can do," said Community First CEO, John Tancevski. "Through a program of coordinated technology, process and product innovations, Community First has been able to differentiate itself from the general banking sector."

Alongside "Lisa" (the technology innovation that has created a new experience for all visitors to www.communityfirst.com.au, with daily visits to the website doubling since "her" introduction), Community First also introduced a new concept store design to turn heads in shopping centres and challenge common ideas of "what banks look like" (Community First credit union branches are referred to as stores to promote a retail approach to sales and service). Meanwhile, newly-introduced "Green Loans" offering a low interest loan to fund broad environmental initiatives are a recent product innovation that impressed the Abacus Awards judges.

"We have a strong history of product and service innovation," said Mr Tancevski. "We intend to continue this with big plans for Lisa, the continued rollout of our concept store and ongoing product innovations that meet the changing needs and expectations of our members."

The Abacus Innovation Award celebrates innovation in new products and / or services provided by a credit union or mutual building society. It recognises the success of a new innovation as measured by member (i.e. customer) benefit, product or service take-up or financial success.

Community Award:

Community Lottery wins a Community Award for Australian Central

Adelaide-based credit union, Australian Central, has won the Abacus Community Award for 2007, thanks to its significant role in helping nearly 300 not-for-profit organisations (NFPs) in South Australia and the Northern Territory raise almost \$700,000 through the Australian Central Community Lottery.

Operating since 1984, the Australian Central Community Lottery is a self-help scheme for NFPs in South Australia and, from 2007, the Northern Territory. Since its inception the lottery has put nearly \$4 million back into the community and in 2007 was relaunched with all proceeds from the sale of tickets sold by the participating organisations now returned in full. All costs associated with the lottery are met by Australian Central.

"Australian Central has championed the Community Lottery since establishing it in 1984," said Managing Director, Peter Evers.

"It is a unique community involvement sponsorship and is one of the major community activities undertaken by our credit union. The project allows us to support many

organisations with 294 taking part in 2007, rather than taking the traditional approach of having a major 'one-off' commercial sponsorship."

The Abacus Community award is open to credit unions and mutual building societies with initiatives that promote the ethos of mutuality and the community focus shared by mutuals. To receive the Award, an entrant must be able to demonstrate the positive impact of their initiative on a local community.

Sustainability Award:

Australia's first "Land Bank" key factor in Sustainability Win for mecu

Victorian credit union, mecu, has taken the 2007 Abacus Sustainability Award, thanks to a rigorous approach to sustainability that includes a Covenant with the Victorian Government; inclusion as a signatory to the UNEP's statement by Financial Institutions on the environment and sustainable development; and leadership in a project to establish Australia's first "Land Bank".

With initiatives like the "Land Bank" (a project to purchase and revegetate land in order to build a carbon sink and create biodiversity value), mecu is demonstrating that sustainability is not a short-term project, but a way of doing business, according to CEO, Mr Phillip Doughty. "We aim to become the most respected, socially responsible financial services brand in Australia and will continue to demonstrate a comprehensive commitment to sustainability as a core element of our business strategy."

Along with economic viability, the four elements of ethics and governance, employee relationships, social impact and environmental impact form the core principles of mecu's approach to business sustainability. "We believe this gives us a clear basis of sustainable differentiation for mutually owned financial institutions and we can now more clearly articulate the business case for a values-led approach to banking," said Mr Doughty.

To the future, mecu is aiming for its operations to become carbon neutral by 2010 (efforts include installing solar panels and water harvesting technology in its head office building in Kew, Victoria); it has launched a new environmental home loan product; is working to develop an online virtual community of mecu members where people can communicate with each other on a range of sustainability-related matters; and will lead the development of the "Land Bank".

The Abacus Sustainability Award recognises sustainability initiatives launched by a credit union or mutual building society that have a positive impact and deliver direct or indirect benefits to the environment, community or institution.

For more information (including to arrange interviews with winners):

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