

Tugun and District Finances Limited

Mission Statement

Background

The directors of Tugun and District Finance Limited intend to submit an application for certification as a social enterprise with Social Traders Ltd (ABN 42 132 665 804) (**Social Traders**). Social Traders are the pioneers of social enterprise procurement in Australia and is Australia's only social enterprise¹ certifying body.

The mission statement set out below has been prepared to support Tugun and District Finance Limited's application with Social Traders and is presented to shareholders for approval.

Commitment to social purpose

1. In seeking certification with Social Traders, commits to the following mission statement (**Mission Statement**):

“Tugun and District Finance Limited's mission is to be a substantial, sustainable community-built business that contributes to community prosperity.”

2. As a franchisee of Bendigo and Adelaide Bank Limited, Tugun and District Finance Limited is committed to returning profits generated from the operation of its Community Bank branch to local communities. The directors consider that the Mission Statement aligns with Tugun and District Finance Limited's Environmental, Social and Governance aspirations and its continued commitment to local communities.

Dividends and distributions

3. In seeking certification with Social Traders, Tugun and District Finance Limited commits to the following dividends and distributions statement:

“While Tugun and District Finance Limited operates as a social enterprise and maintains its certification with Social Traders, in distributing dividends in any 12-month period, the distribution for the period must not exceed an amount equivalent to or more than the verified public or community benefit (which is accepted by Social Traders) and/or otherwise must meet the relevant certification criteria of Social Traders.”

4. The above statement supports Tugun and District Finance Limited's commitment to returning profits to local communities, whilst acknowledging the ongoing support and contributions from shareholders. The directors consider that this commitment provides a fair and balanced approach to local communities and to shareholders.

Changes to this Mission Statement

5. In seeking certification with Social Traders, Tugun and District Finance Limited agrees that this Mission Statement may only be amended or repudiated as follows:

“Any change to or repudiation of this Mission Statement requires the passing of a special resolution by shareholders.”

6. Once certification with Social Traders has been obtained, any changes to this Mission Statement may result in Tugun and District Finance Limited's loss of certification by Social Traders. Accordingly, this Mission Statement may only be amended or repudiated by a special resolution.

¹ For the purposes of this Mission Statement, a social enterprise means an entity that is recognised by Social Traders as a 'Social Enterprise' under its certification criteria. A Community Bank company that does not have such certification from Social Traders is not a social enterprise.