





Acknowledgement of Country

At Bank Australia we respectfully acknowledge the Traditional Owners of all the lands on which we live and work, and we pay our respects to Elders past and present. We recognise their continued connection to the land, waters and culture and we acknowledge their sovereignty has never been ceded. Our head office is located on the land of the Wurundjeri people of the Kulin Nation.

We share a belief with our customers that money can be used to create a world where people and the planet thrive.

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Welcome

This report demonstrates how we have worked to achieve the best possible outcomes for our customers and remained true to our purpose during the 2024 financial year.

We report on the material issues and activities that matter most to our customers, our employees and other key stakeholders.

By reading this report, we hope you'll get a clear picture of our performance and impact for the period 1 July 2023 to 30 June 2024. You'll find information and stories about:

- how we supported our customers and employees to thrive
- how we created positive impact for our communities
- our contribution towards a healthier planet
- our governance and financial performance.

If you have any thoughts or queries on this report that you'd like to share, please email us on mail@bankaust.com.au or call us on 132 888 (+61 3 9854 4666).

2024 in numbers



Total assets

\$11.7
billion

(\$10.5 billion in 2023)



Net profit after tax

\$26.8
million

(\$52.3 million in 2023)



Impact assets

19.1% (\$2.2 billion)

(17.0%, \$1.8 billion in 2023)



Employee engagement

66%

(70% in 2023)



Greenhouse gas emissions from residential mortgages

-17%

(reduction in intensity
from our 2021 base year)



Our customers

192,261

(186,863 in 2023)



Customer satisfaction

88.2%

(88.6% in 2023)

Message from Steve, our Chair, and Damien, our Managing Director

Welcome to our 2024 Impact Report. On behalf of the Bank Australia Board and our whole team, thank you for being a valued customer of our bank.

Each year we look forward to sharing our Impact Report and providing an overview of our positive impact for the financial year. We hope you enjoy reading the report and that it gives you a good understanding of how we support our customers and continue to deliver on our purpose.

This year we're proud of what we've achieved on behalf of our customers. We also recognise it has been a challenging year, with stubborn inflation and the many interest rate rises of 2023 contributing to cost of living pressures for many Australians. Supporting our customers through this period has been our priority while also acting on our clean money promise to deliver positive impact and investing in our transformation program for our future.

Growing our customer numbers and celebrating our successes

More than 17,000 new customers joined Bank Australia this year, growing our total customer base by 2.9% to 192,261. We know many customers join us because of our commitment to clean money and they form part of our socially aware target market. This trend has continued with 51.9% of our customer base now from this target market, representing 57.2% of total banking value.

We received 4 wins at the Mozo People's Choice Awards including Outstanding Customer Satisfaction, Excellent Customer Service, Highly Trusted and Most Recommended. We were also named in Forbes World's Best Banks list at number 2 in Australia.

Financial performance

This year we saw multiple challenges across the banking industry following on from the previous year's unprecedented consecutive interest rate rises.

We achieved strong asset growth of \$1.2 billion (an increase of 11.6%), taking total assets to \$11.7 billion. We also achieved strong growth in home loans and deposits, growing at 14.9% and 8.5% respectively, both well above budget targets.

Our net profit after tax was \$26.8 million, down from \$52.3 million in 2023. The reduction in profit was driven by downward pressure on net interest margin as a result of strong competition for deposits across the banking sector, an increase in our wholesale borrowing requirements and the repayment of the Term Funding Facility received from the Reserve Bank of Australia in 2020 and 2021. Our cost base also increased, in particular technology licensing costs in line with our digital investment strategy and employee expenses.

The contribution to our impact fund this year was 2% of our net profit after tax and a total of \$0.5 million, which was lower than usual due to the challenging economic environment. While this is a decrease on previous years it remains our intent to again reach a 4% contribution when economic conditions allow.

We would like to thank all our employees for their efforts this year in supporting our customers and delivering positive impact on their behalf.

As we look to the year ahead, we are confident that our rigorous risk management approach and our well-funded balance sheet puts us in a good position to remain a strong and sustainable bank in the future.



Making positive change for people and the planet

Our commitment to clean money means we focus our lending and investment in areas that avoid causing harm to people and the planet. This extends to our activity under our impact fund and our priority impact areas. We support projects that create a positive impact for people and the planet and some of our activity this year included:

- providing 12 organisations with grants of nearly \$200,000 towards their community projects through our customer community grants program
- launching our Electrify Your Home pilot to help a cohort of eligible home loan customers get their homes off gas
- supporting the call for a Voice to Parliament as part of realising the full Uluru Statement from the Heart
- conducting 4 employee conservation reserve trips with more than 67 staff
- significantly increasing funding for Specialist Disability Accommodation to provide accessible and tailored housing for people with disability.

Launching new impact strategies

We see genuine recognition and respect for First Nations people as a fundamental responsibility for Bank Australia, and we're committed to using our voice to stand with and support Aboriginal and Torres Strait Islander people in their fight for self-determination.

During National Reconciliation Week we launched our First Nations Recognition and Respect strategy. The strategy sets out 3 core actions that focus on building relationships, partnerships and trust with First Nations people and organisations.

We also presented our first bank-wide nature and biodiversity strategy that sets out our vision of working towards a 2030 where nature is protected and recovering. We will contribute to a nature positive future through our products and services, demonstrating leadership and building awareness and engagement. Board members and executives had the opportunity to visit the conservation reserve.

We also continued to work towards achieving our commitment to net zero emissions by 2035 and this year developed our net zero roadmap to guide how we will achieve our target.





Bringing purpose-driven banking to more Australians

Bank Australia has a long history of mergers, joining together 73 credit unions and co-operatives since 1957 to become the bank we are today.

We announced an important milestone in our journey as we progress a proposed merger with Qudos Bank. We see the chance to bring the two banks together as an opportunity to accelerate the growth of two financially strong customer-owned banks and increase the reach of our purpose-driven banking to more Australians. Qudos Bank shares our strong focus on supporting customers and their communities to thrive. Qudos Bank's vision of a sustainable future aligns closely with ours and a successful merger would provide even greater ability to create impact on behalf of our customers. We will seek regulatory approval ahead of asking customers of both banks to vote on the proposed merger in 2025.

We were also pleased to merge with a small credit union, Lithuanian Co-Operative Credit Society 'Talka' Limited and support their members during a transition period. The current market environment is becoming challenging for smaller credit unions and mutual banks and the level of regulatory compliance is increasing in complexity. Consolidation in the customer-owned sector has been constant as smaller entities have merged into larger ones, and we anticipate that this will continue to play out in future.

Supporting customers and protecting them from scams

Fraud and scams continue to be prevalent in Australia with more sophisticated approaches being seen. Protecting our customers is always a top priority and we implemented new systems and processes to identify and monitor threats. We also prioritise customer education and have an extensive communications program to help protect our customers.

Our focus has also been on helping customers adjust to the high interest rate environment, particularly borrowers moving from fixed rate to variable rate home loans. While our responsible lending approach has the intention of preventing situations where our customers find themselves under financial pressures, we have seen a small increase in customers who have needed financial hardship assistance with the current cost of living pressures.

Changes to the board

We'd like to take the opportunity to thank and farewell Judith Downes who stepped down in November 2023 after 11 years as a Director and 9 years as Chair. Judith has been a strong advocate for the work and principles that underpin the co-operative and mutual model and has guided the organisation through a period of

profound change and growth. We wish Judith all the best on her future endeavours.

After 3 years on the board, we are pleased to share that Steve Ferguson was appointed Chair in November 2023 and we look forward to working together and carrying forward the values and vision that are at the heart of Bank Australia.

Exciting opportunities in the year ahead

Progressing our proposed merger with Qudos Bank is a key focus for the year ahead. The merger is an exciting opportunity to bring together our two banks. Our strong values alignment, commitment to customer ownership and a vision for a sustainable future means we can extend our purpose-driven banking to even more Australians. We look forward to sharing our progress and a detailed information pack before asking customers to vote in 2025.

Alongside this, our priorities for the year ahead are to:

- continue to enhance our digital experience for customers and our employees
- progress our First Nations Recognition and Respect strategy and nature and biodiversity strategy to deliver on our impact areas
- implement our net zero roadmap
- continue growing our impact assets
- uplift our scam and fraud monitoring capabilities and increase education to protect customers
- continue to comply with all regulatory requirements.

Thank you for your support and being part of our clean money movement, together we can continue to make a positive impact for people and the planet.



Steve Ferguson,
Chair



Damien Walsh,
Managing Director



**This year we provided
12 organisations with nearly**

\$200,000

towards their community projects through our customer community grants program.



**This year we launched our
Electrify Your Home pilot
to help customers get off gas.**



Socially aware customers

The majority of new customers were from our socially aware target market, who now make up

51.9%

of our customer base and represent 57.2% of total banking value.

1. Our reporting approach



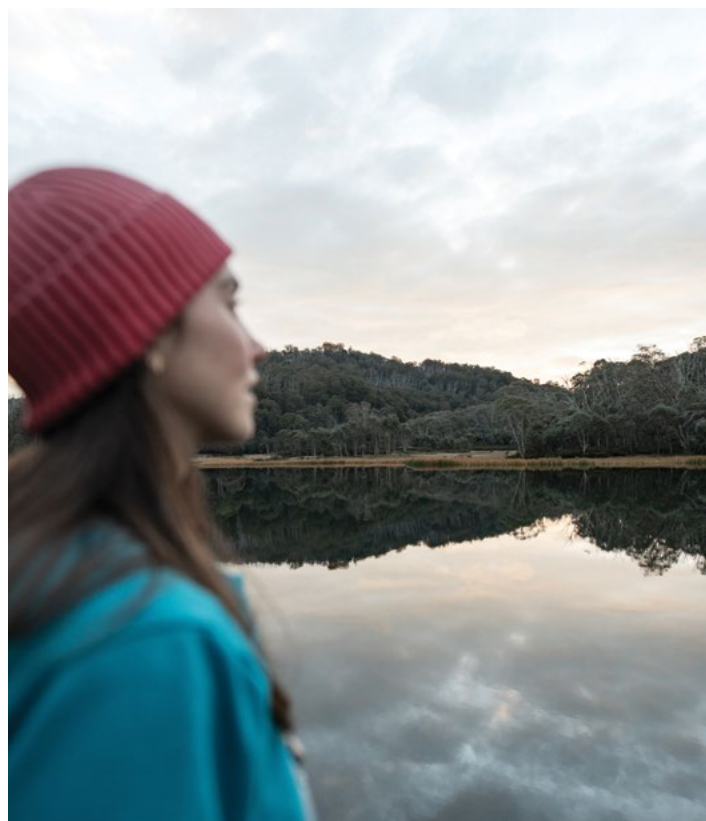
Our annual Impact Report

Our 2024 Impact Report provides an overview of our business activities and our economic, social and environmental impact for the financial year 2024 (1 July 2023 – 30 June 2024). The report documents progress and challenges, and highlights key achievements as the bank continues its journey to inspire and empower our customers to use their money to create a world where people and the planet thrive.

As a customer-owned bank, our primary audience is our customers (personal and organisational), our employees, members of the community where we operate and external stakeholders including our impact fund partners, investors, key business partners, government representatives, regulators, peers and other organisations in our sector.

This year our report was also informed by the Australian Sustainability Reporting Standards that are being developed by the Australian Accounting Standard Board (AASB). We believe it is important for Bank Australia to continue building capability to comply with new sustainability and climate standards, as well as continuing to align with components of Global Reporting Initiative (GRI). A list of the disclosures included in this report that align to GRI metrics is provided in [Appendix 9](#).

The report is about Bank Australia Limited, as well as one subsidiary that is located at our premises and part of our operations. Bank Australia holds equity investments in two companies: Data Action Pty Ltd (28.3% holding) and Cuscal Limited (10.57% holding). These companies provide core banking and payment services to Bank Australia and other financial institutions. Data Action is considered an associate where the company has significant influence, but not control, over the financial and operating policies.



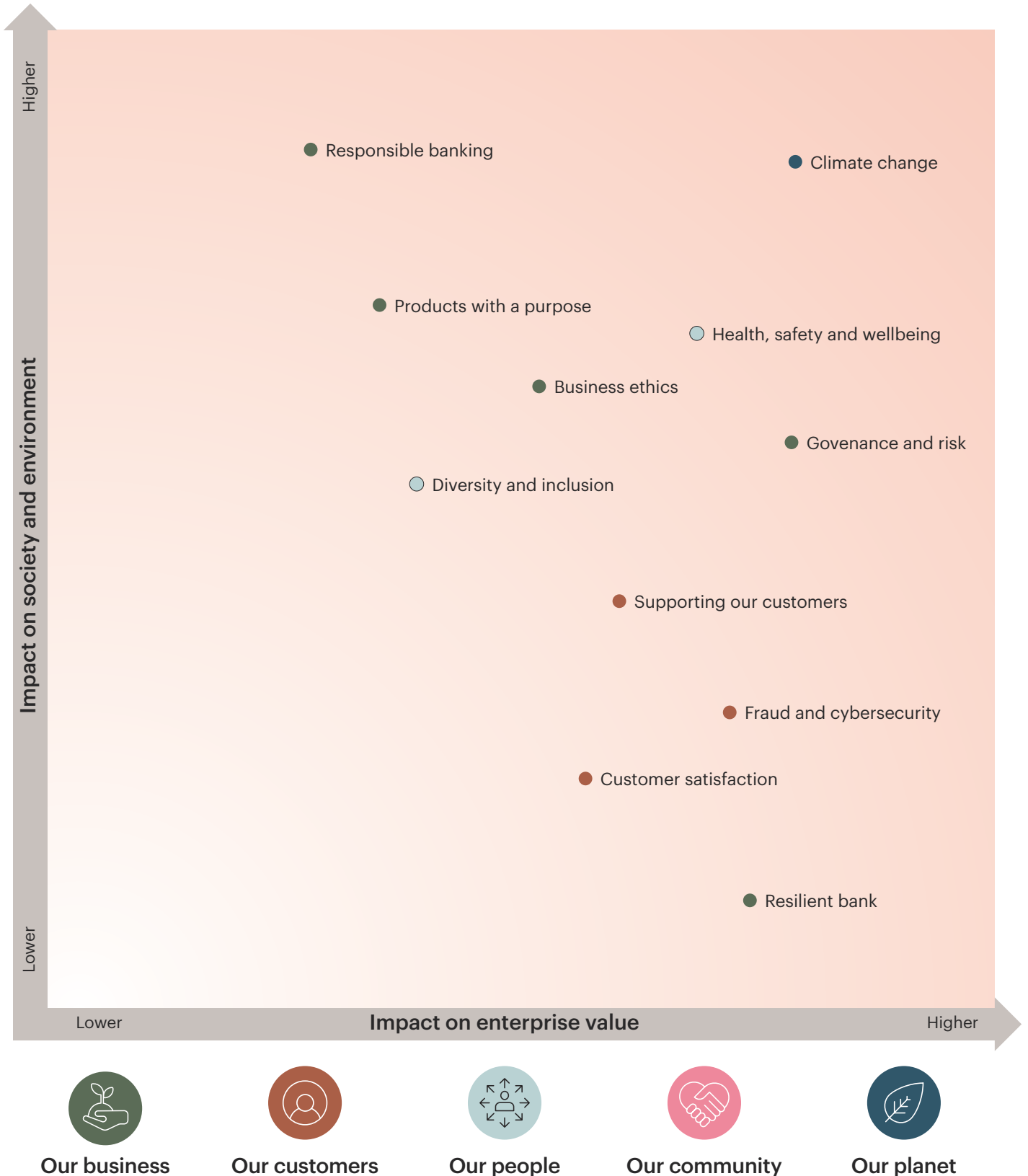
Our materiality process

Bank Australia runs materiality assessments every year to make sure our annual impact report includes the issues that matter the most to our business, our customers and other key stakeholders. These are the issues that can positively or negatively affect economic, environmental and social value for our customers, other stakeholders, society at large and the bank during the reporting period.







This year we adopted a double materiality approach to identify our most significant impacts on society and the environment, and the issues that impact our business and our ability to create value in the short, medium and long term. Our materiality approach includes the following steps.



Using this process, we identified the following material topics:



These 11 material topics were used to inform the content of this report. The table below provides details of how each material topic is addressed in this report, relevant information related to these topics and location of these disclosures in the report.

Climate change		
Implementing our climate action strategy, including our target to reach net zero emissions by 2035, alongside our other goals of climate justice and developing climate positive products and services.	<p> Relevant information / metric</p> <p>Operational and financed emissions scope 1, 2 & 3</p> <p>Net zero roadmap</p> <p>Climate action strategy</p>	
	<p> Section / page</p> <p>Our planet / Our climate action Page 80 →</p> <hr/> <p>Appendix 6: Climate action Page 112 →</p>	
	<hr/>	
	<hr/>	
Governance and risk management		
Governance structures and leadership that set clear expectations related to our purpose and strategy, and behave in line with our values. Managing events that disrupt our business and taking a prudent approach to risk management and compliance.	<p> Relevant information / metric</p> <p>Evidence of a strong risk culture (KPI)</p> <p>Compliance with risk appetite statements (RAS) (KPI)</p> <p>Meets all legal, regulatory and prudential requirements (KPI)</p>	
	<p> Section / page</p> <p>Our business / Governance and risk management Page 29 →</p> <hr/> <p>Financial Report / Risk management section See Report →</p> <hr/> <p>Appendix 1: How we're governed Page 98 →</p> <hr/> <p>Our business / Measuring our progress Page 24 →</p>	
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Health, safety and wellbeing		
Creating a workplace with fair employment practices and a safe and healthy environment that promotes staff wellbeing.	<p> Relevant information / metric</p> <p>Occupational Health and Safety (OHS) incidents and injuries affecting staff</p> <p>OHS hazards, incidents and injuries affecting customers</p> <p>Days lost to injury</p>	
	<p> Section / page</p> <p>Our people / Health and safety section Page 64 →</p> <hr/> <p>Appendix 3: Our people and culture Page 105 →</p>	
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Responsible banking

Using the business of banking to create a positive impact through the people, businesses and projects that we lend to and invest in.

Relevant information / metric

Impact assets as a % of total assets (KPI)

[Responsible banking policy](#)

Section / page

Our business / What we do Page 19 →

Our customers / Responsible banking Page 45 →

Our customers / Impact finance Page 49 →

Our business / Measuring our progress Page 24 →

Business conduct and ethics

Operating ethically and transparently, showing accountability and being a purpose-driven organisation for the wellbeing of our customers and employees.

Relevant information / metric

[Customer Owned Banking Code of Practice](#)

[Banking Code of Practice](#)

[Responsible banking policy](#)

Section / page

Our customers / Codes of Practice Page 57 →

Our people / Business conduct and ethics Page 66 →

Our business / Here's how it works Page 19 →

Supporting our customers

Supporting our customers to use their money to create a world where people and the planet thrive, offering fair and competitive rates and fees and supporting our customers with their financial wellbeing.

Relevant information / metric

Customer satisfaction (KPI)

Net Promoter Score (NPS) (KPI)

Section / page

Our customers / Providing financial wellbeing and hardship support Page 39 →

Our customers / Keeping our rates and fees competitive for customers Page 38 →

Our customers / Putting our customers first section Page 31 →

Our business / Measuring our progress Page 24 →

Products with a purpose

Offering products that do good for the planet and people (e.g. Clean Energy Home Loan for green homes and upgrades and low emissions car loans).

Relevant information / metric

Impact assets as a % of total assets (KPI)

B Corporation accreditation score (KPI)

[Responsible banking policy](#)

Section / page

Our business / Our strategy, purpose and values Page 21 →

Our customers / Responsible banking Page 45 →

Our customers / Helping customers live more sustainably Page 47 →

Our business / Measuring our progress Page 24 →

Fraud and cybersecurity

Preventing fraud and cybersecurity events through investments in technology, monitoring, building staff capability, increasing customer awareness and providing customer support when needed.

Relevant information / metric

Total number of scams

Number of incidents

Section / page

Our customers / Prioritising fraud and scam support Page 35 →

Diversity and inclusion

Creating an environment that is inclusive and supportive of different groups of individuals, including people of different races, ethnicities, religions, abilities, genders and sexual orientations.

Relevant information / metric

Gender equality in our team

Gender pay gap in remuneration

[First Nations Recognition and Respect strategy](#)

Section / page

Supporting our people section Page 62 →

Our community / A step towards First Nations Recognition and Respect Page 74 →

Appendix 3: Our people and culture Page 105 →

Resilient bank

A financially resilient bank with strong governance and leadership, which is true to its purpose and invests in the capability and wellbeing of its staff.

Relevant information / metric

Total assets: \$11.7 billion (\$10.5 billion in 2023)

Loan growth: 14.9% (9.6% in 2023)

Deposit growth: 8.5% (4.7% in 2023)

Net profit after tax: \$26.8 million (\$52.3 million in 2023)

Customer-owned reserves: \$712 million (\$702 million in 2023)

Costs as a percentage of income: 81.7% (66.2% in 2023)

Capital adequacy ratio (capital held against risk weighted assets): 16.3% (17.7% in 2023)

Total liquidity as a percentage of on balance sheet liabilities: 14.8% (15.4% in 2023)

Loans 30 days or more in arrears as percentage of total loan portfolio: 0.3% (0.3% in 2023)

Section / page

[Our business / Our 2024 financials](#) Page 25 →

[Appendix 1: How we're governed](#) Page 98 →

[Financial Report](#) See Report →



Assurance

Every year we engage an independent auditor to review our impact report as part of our commitment to transparency. Involving an independent third party also improves confidence for our Board, leadership team, staff, customers and readers over the integrity of the disclosed information.

EY has performed limited assurance over our materiality process, our scope 1, 2 and 3 emissions, including selected financed emissions (scope 3 from the mortgage and commercial real-estate portfolio) and a selection of 8 non-financial disclosures in the impact report. A copy of EY's independent limited assurance report is in [Appendix 8](#).

Reporting suite

Bank Australia produces a suite of reports to meet requirements of a wide range of stakeholders. These reports complement each other and aim to provide a transparent and meaningful disclosure to our key stakeholders across a range of topics.

<p>Annual Impact Reports</p> <p>See reports ————></p>	<p>Annual Financial Reports</p> <p>See reports ————></p>	<p>Modern Slavery Statements</p> <p>See statement ————></p>
		
<p>Tax Transparency Reports</p> <p>See report ————></p>	<p>Gender Pay Gap Employer Statement</p> <p>See report ————></p>	
		

2. Our business



Our business

Here's how it works

How we're set up

Bank Australia Limited (ACN 087 651 607) is a 100% customer-owned bank with each customer owning one share in the bank.

We're a mutually owned Authorised Deposit-taking Institution (ADI) and an unlisted public company.

How we operate

We are governed by a Board of Directors who are all based in Australia.

Our day-to-day operations are led by an executive team and carried out by our 613 employees.

We serve more than 192,000 customers, on whose behalf we manage \$11.7 billion in assets (at 30 June 2024).

We are primarily a retail bank, with a growing commercial impact lending portfolio.

Our [responsible banking policy](#) guides how we invest our customers' money and how we support social and environmental issues.

What we do

We accept deposits from and lend money to customers to help them achieve their goals.

We offer depositors fair and competitive interest rates on their savings, and through our responsible banking policy we are clear on what we do and don't fund.

We lend our borrowers money to buy homes and cars, to make renovations, and for a range of other purposes. We currently have \$8.9 billion in home loans that have helped thousands of customers buy their own homes or investment properties.

Our impact asset portfolio includes \$2.2 billion in assets that create positive impact for people and the planet.

What customer-owned banking means

Australian customer-owned or mutual banks evolved from the credit union movement and are guided by the [International Cooperative Principles](#). Customer-owned banks exist to benefit their customers, not to deliver profits to external investors.

As bank owners, our customers share in the prosperity that we create. We create value for our customers through the impact we make, competitive rates and fees and service improvements. We retain most of the profit we make as capital to ensure the bank remains strong and use a portion to create positive social and environmental change through the Bank Australia impact fund.

As owners of the bank, each customer has an equal vote in the governance of their bank (see [page 98](#)), including electing Directors and approving total Director remuneration.

We listen to our customers through a range of mechanisms, such as the Annual General Meeting, complaints and compliments, social media, customer research and involvement in our communications and campaigns.



Our strategy, purpose and values

We remain focused on our purpose and aspiration for 2025

Our purpose and aspiration drive all aspects of the bank's activities.

To meet our aspiration of being Australia's most trusted bank and a leading purpose-driven business, we are focused on being:

- a good bank with strong commercial foundations, people, technology and capabilities needed to support our customers
- a force for good to increase the positive impact we have on people and the planet through the business of banking.

Purpose

To inspire and empower our customers to use their money to create a world where people and the planet thrive.

Aspiration

To be Australia's most trusted bank and leading purpose-driven business.

Brand

We are the bank Australia needs.

Values

We live up to our values that have been developed in partnership with customers and staff.



Honesty and Integrity



Care and Empathy



Belonging and Community



Future and Generational Thinking



Authenticity and Transparency

Our strategy

We believe that banking can be a force for good, and there is a significant and growing opportunity for us to champion responsible, values-based banking.

As a purpose-led bank, we provide socially aware people and values-aligned organisations with banking products and services that meet their needs and generate positive impact on people and the planet on their behalf.

We engage with our customers primarily through our digital channels (app and internet banking) which are supported by our network of specialised employees across our branches and contact centre, and third-party brokers.

We will continue to build on our leadership position as a leading purpose-driven business by:

- supporting our customers to use their money to create a world where people and the planet thrive
- maintaining focus on our target market of socially aware people and values-aligned organisations, and continuing to build trust with our customers
- providing a simplified product and service range, which is differentiated according to its brand and focused on positive impact.

With a clear purpose to inspire and empower our customers to use their money to create a world where people and the planet thrive, Bank Australia will continue to grow as a leading purpose-driven business.



Our impact areas

Our aim as a bank is to use money as a force for good, shaping a world that we and our customers want to live in.

We have a long history of contributing to social and environmental outcomes through activities such as our impact fund and impact lending, and we regularly consult our customers about the issues they care about and want to see us take action on.

We choose to focus on 4 impact areas, these are areas that are consistently identified as top priorities for our customers when we survey them, and where we have the expertise and capabilities to act. These include:

- climate action
- affordable and accessible housing
- nature and biodiversity
- First Nations Recognition and Respect

This year we launched our new [First Nations Recognition and Respect](#) strategy, building on our journey of reconciliation since our first Reconciliation Action Plan in 2010. We also presented our first bank-wide nature and [biodiversity strategy](#) that sets out our vision of working towards a 2030 where nature is protected and recovering.

In 2024, we continued advancing our work on 4 key impact areas:



Climate action



Affordable and accessible housing



Nature and biodiversity



First Nations Recognition and Respect

Our goals and key performance indicators

Measuring our progress

Setting performance measures help develop our strategic thinking and ensure we align our actions and decision-making with our purpose and aspiration. The table below outlines our progress this year and towards our goals for 2025.

Measures	Key performance indicator	2024 target	2024 actual	Status	2025 ¹ target
Customer	Customer satisfaction	>85%	88.2%	●	≥90%
	Net Promoter Score (relationship) ²	>+42	+12.1	●	+50
Impact	B Corporation accreditation score ³	>120	116.2	●	n/a
	Impact assets as a % of total assets	>18%	19.1%	●	>20%
	% target market customers (new)	≥60%	54.9%	●	≥55%
	Trust based on the Roy Morgan Risk index	Top performing bank	Top performing bank	●	n/a
People	Employee engagement	Top quartile	Top quartile	●	Top quartile
	Assets / Full-time equivalent	≥19.0m	20.4m	●	≥19.5m
	Voluntary employee turnover	Range 10-15%	10.3%	●	10-15%
Risk	Evidence of a strong risk culture	Achieved	Achieved	●	To achieve KPI
	Compliance with all material aspects of the risk appetite statements (RAS)	Achieved	Achieved	●	To achieve KPI
	Meets all legal, regulatory and prudential requirements	Achieved	Achieved	●	To achieve KPI
Finance	Cost to income ratio (CTI) – year forecast	≤75%	82%	●	≤75% ⁴
	Deliver key budget targets:				
	• Lending	Achieved	Achieved	●	To achieve KPI
	• Deposits	Achieved	Achieved	●	
	• Capital ratio	Achieved	Not achieved	●	
	• Net interest margin	Achieved	Not achieved	●	
• Profit	Achieved	Not achieved	●		

● Achieved ● Not achieved

1 KPIs and targets have been reviewed and as a result some KPIs have been retired, revised or added. The full set of FY25 targets will be reported on in the 2025 Impact Report.

2 Further information on our NPS result can be found on [page 34](#).

3 B Corporation accreditation score is valid for 3 years. Bank Australia recertified in December 2023.

4 Excluding costs of proposed merger.

Our 2024 financials



Total assets

\$11.7 billion

(\$10.5 billion in 2023)



Net profit after tax

\$26.8 million

(\$52.3 million in 2023)



Deposit growth

8.5%

(4.7% in 2023)



Loan growth

14.9%

(9.6% in 2023)



Total impact assets

\$2.2 billion

(\$1.8 billion in 2023)



Customer-owned reserves

\$712 million

(\$702 million in 2023)



Costs as a percentage of income

81.7%

(66.2% in 2023)



Capital adequacy ratio (capital held against risk weighted assets)

16.3%

(17.7% in 2023)



Total liquidity as a percentage of on balance sheet liabilities

14.8%

(15.4% in 2023)



Loans 30 days or more in arrears as percentage of total loan portfolio

0.3%

(0.3% in 2023)

Our financial performance

After reaching \$10 billion in assets last year, 2024 presented competing challenges across the banking industry. This year, we achieved strong asset growth of \$1.2 billion (an increase of 11.6%), taking total assets to \$11.7 billion.

Coming off the back of a year with unprecedented consecutive interest rate rises we saw demand for home loans remain strong, particularly as a large cohort of customers were coming off their fixed rate home loans. As a result, loan growth was 14.9%, well above budgeted growth of 10.2%, and about 3 times that of the wider banking system.

Growth in deposits was also positive and up on the previous year, with growth of 8.5%, and in line with our budgeted 6%. We continue to see strong competition for customer deposits among banks as they look to attract new customers.

We welcomed 17,381 new customers to our bank, a steady increase from last year. Pleasingly, 54.9% of new customers were from our socially aware target market. Our customer owners' funds grew to \$712 million, up from \$702 million in 2023.

Our net profit after tax was \$26.8 million, down from \$52.3 million in 2023. The reduction in profit was driven by downward pressure on net interest margin as a result of strong competition for deposits across the banking sector, an increase in our wholesale borrowing requirements and the repayment of the Term Funding Facility received from the Reserve Bank of Australia



in 2020 and 2021. Our cost base also increased, in particular technology licensing costs in line with our digital investment strategy and employee expenses.

We contributed \$0.5 million to our impact fund which goes towards projects, partnerships and programs that support people and the planet, as well as managing our conservation reserve. Given the challenging economic environment, this was 2% of our net profit after tax, a decrease on previous years. Our commitment to customers is to commit up to 4% of net profit after tax to the impact fund, however the challenging circumstances in 2024 have resulted in a contribution of 2% this year. It remains our intent to reach the 4% contribution when conditions allow. You can read more about our impact fund on [page 71](#).

We have also made significant investment in our transformation program of work including our loan origination system, contact centre uplift and digital platforms. Our investments in our people, technology and partners are important for the future so we can continue to better serve our customers and our community.

Our well-funded balance sheet and prudent approach to risk management remains our focus to ensure our bank remains sustainable into the future. We are excited at the prospect of the Qudos Bank merger and the opportunity it brings to help drive scale benefits, including greater capacity to invest in banking and technology improvements.

For more information on our financial performance, please refer to our 2024 Financial Report using the QR code below.



In 2024 we achieved strong asset growth of

\$1.2 billion

taking our total assets to \$11.7 billion.



17,381

new customers joined our bank in 2024.



Our customer owners' funds grew to

\$712 million

up from \$702 million in 2023.

Merger activity

Bank Australia and Qudos Bank share a long and proud history through their credit union origins. Both banks recognise the value of cooperative principles to create real benefit and positive impact for customers over many years.

In May 2024 we jointly announced that we would seek regulatory and customer approval for a proposed merger following an initial due diligence phase. By bringing Bank Australia and Qudos Bank together, we would create one of Australia's largest customer-owned banks supporting 300,000 customers with total assets exceeding \$17 billion and served by almost 900 employees.

A merged entity would benefit customers through increased scale and greater ability to invest in enhanced products, services and digital banking technology. It would also create an even stronger and enduring bank that continues to support its customers and the broader community well into the future.



If regulatory approval is received, customers will be asked to vote on the proposed merger in 2025. Ahead of such a vote, customers will be provided a detailed information pack to assist their decision-making on the merger.

We were also pleased to welcome 681 customers from Lithuanian Co-Operative Credit Society 'Talka' Limited to Bank Australia in April 2024. The current market environment is becoming increasingly difficult for smaller credit unions and mutual banks to operate, and regulatory compliance obligations are increasing in complexity. The combination of these factors led Talka to undertake a process to identify a merger partner to ensure the best outcome for its members and we were selected as a suitable partner to offer a strong banking partner to Talka members.

Governance and risk management

Good corporate governance and sound risk management practices are a fundamental part of the culture and our business. We are a mutual entity in accordance with section 51M of the Corporations Act 2001, a public unlisted company limited by shares, an APRA regulated authorised deposit-taking institution and governed by a Board of Directors.

The Board is accountable to our customers who own Bank Australia. Customers elect the majority of non-Executive Directors to the Board and vote on issues at our Annual General Meeting. Additional information about our governance structure, aspects of our corporate governance framework and risk management practices are provided in [Appendix 1](#).

Risk management is a critical element of Bank Australia's corporate governance. Risks arising from our operations are monitored and managed through our risk management framework. Our risk management framework enables the Board, executive team and our people to consider risk in decision-making supporting the achievement of our goals and the delivery of our strategy.

The Board of Directors has overall responsibility for establishing and overseeing our risk management framework and has established the Risk Committee, which provides an objective oversight of the implementation and on-going operations of the risk management framework. The risk management framework is underpinned by our risk management policy, the risk appetite statement and risk management strategy.

The Risk Committee monitors risk performance by using a series of key risk indicators (KRIs) that establish risk tolerance levels across each risk category (below). KRIs nearing or breaching tolerance levels are reported to the Risk Committee by management who provide context and remediation plans to ensure KRIs, and associated risk are managed by our governance structure.

Strategic risk category	Strategic risk	Credit risk	Financial risk	Governance risk	Operational risk
Risk event category	<ul style="list-style-type: none"> • Reputation • Purpose • Business planning • Sustainable growth • Climate 	<ul style="list-style-type: none"> • Large or concentration exposures • Loan default • Commercial loan default • Liquid investment default 	<ul style="list-style-type: none"> • Liquidity • Capital • Market 	<ul style="list-style-type: none"> • Corporate governance • Regulation & legislation • Risk management • Culture 	<ul style="list-style-type: none"> • Cyber • Business disruption • Physical asset damage • Processing, execution & delivery • Products, services & disclosure • Project management • Employment practices & workplace safety • Data • Financial governance • Financial crime

Information about our risk management framework, material risks and risk governance structure is provided in our 2024 Annual Financial Report, [section 16. Risk management](#).

3. Our customers



Putting our customers first

Our aspiration is to be the most trusted bank in Australia. Because we're owned by our customers, not investors, we're able to focus on their needs and creating positive impact on their behalf.

Enhancing customer experience

As a customer-owned bank we put our customers at the centre of our decision-making. In November we welcomed our first Chief Customer Officer Steve Odgers to lead the newly formed Customer Division. Steve has responsibility and oversight of our customer service, including retail distribution, retail operations as well as deposit, payments, insurance products and fraud.

We made strong progress in our contact centre uplift program, focused on equipping customer-facing teams with modern technology to serve our customers better. Thanks to the new cloud-based telephony system, employees can serve customers more efficiently, with new dashboards and data capabilities which update in real-time. This technology investment lays the foundation for improvements in functionality over the next couple of years, including the measured introduction of some aspects of artificial intelligence to help our people serve customers better.

We also made progress on our loan origination system to provide customers with a better experience when they apply for new loans. In addition, we implemented a new digital customer onboarding experience to help customers identify themselves more easily and detect fraudulent activity before accounts are opened, preventing identity theft. The new process includes a full biometric check and is a faster, more secure experience for our customers with fewer identity documents required and less manual input.

In addition to our new technology, we have also focused on reducing call wait times in other ways, with a different approach to recruitment and retention, including hiring more casual staff to better meet demand. Our new premises in Traralgon and Brisbane also provide a bright, modern and comfortable working environment for our people.

Our average time to answer calls reached 6 minutes 1 second, up from 5 minutes 19 seconds for the year prior. However, we are pleased to note that customer call wait times reduced in the second half of the year with the time customers are waiting for their calls to be answered now significantly better.

As the volume of customers using digital channels for their banking continued to increase, we focused on responding to enquiries received via email as promptly as possible. In 2024, the average time taken to do this was 2.5 days down from 3.0 days in the prior year.

We will continue working hard to ensure we are available for our customers when they need us and we're delivering a high standard of service.

Case study

Updating our presence in the Latrobe Valley

Providing engaging spaces for customers to visit us across our branch network is important to us. We were pleased to relocate the Moe branch to a new, modern space with enhanced facilities and technology. This includes a new ATM and customer internet kiosk, which provides access to a computer for those customers without internet access to do their banking online with the support of a Bank Australia staff member. These upgrades have been well received by the local community and our team enjoy their bright new location.

Moe Customer Service Manager Maximiliano de Souza said "I am proud to be part of the Moe branch team. The new and modern space enhances our customer experience and we're thrilled to provide a welcoming environment where banking meets comfort and convenience, ensuring every visit is a positive experience for our customers. Our team is delighted to be part of this exciting change and fostering stronger connections with the local communities we serve."

Ensuring that our people have modern, safe and comfortable spaces to work in is a priority, including for the just over a quarter of Bank Australia employees who work in the Latrobe Valley.

The Traralgon office, which includes a fully refurbished contact centre and operations centre brings these premises into line with those in Melbourne, Sydney, Canberra, Bendigo, Ballarat and Moe to support our growing customer base across the country.

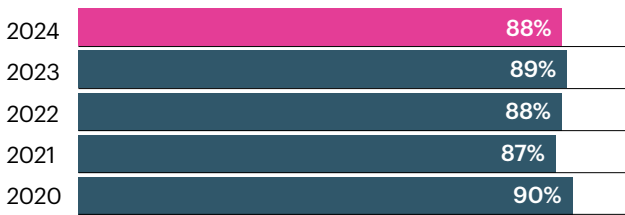
Located on the lands of the Gunaikurnai people, a special event was held to mark the opening of our Traralgon site, with local councillors and partners invited to attend to hear about our plans for the future and how we can continue to work closely with local communities.

We have a long history in the Latrobe Valley since the 1960s and look forward to continuing to serve our customers across Gippsland into the future.





Customer satisfaction



In 2024 we continued to achieve a strong customer satisfaction score of 88.2%. Retention rates, indicating customers’ intent to continue banking with Bank Australia, were also strong at a mean score of 8.52 (up from 8.48 in 2023). Overall, 45% of customers said they would recommend us to their family or friends, which is slightly down on the previous year.

Through Product Review, the consumer-led online platform, we can gain insight into our customers’ experiences, and in 2024 our product review score has remained strong at 4.6. This score is among the best performing financial institutions actively reviewed on the site.

We won a number of awards this year

Bank Australia achieved 4 wins at this year’s Mozo People’s Choice Awards. The awards recognise companies with the highest customer satisfaction levels, best services, and a range of other qualities. Our wins included Outstanding Customer Satisfaction, Excellent Customer Service, Highly Trusted and Most Recommended.

We were also ranked second in Australia in Forbes World’s Best Banks list. These awards are voted on by consumers by asking participants to rate banks’ trustworthiness, terms and conditions (fees and rates), customer service, digital services and quality of financial advice.

Building the Bank Australia community

In 2024 we continued to grow our customer base, now with 192,261 customers. Through our communications and advocacy, we raised awareness about our approach to ethical banking and responsible investment. This has helped us continue to attract customers from our socially aware target market, with 54.9% of new customers from this target market. Our retention of target market customers also remains high, with a slight increase to 51.9% of our total customer base.

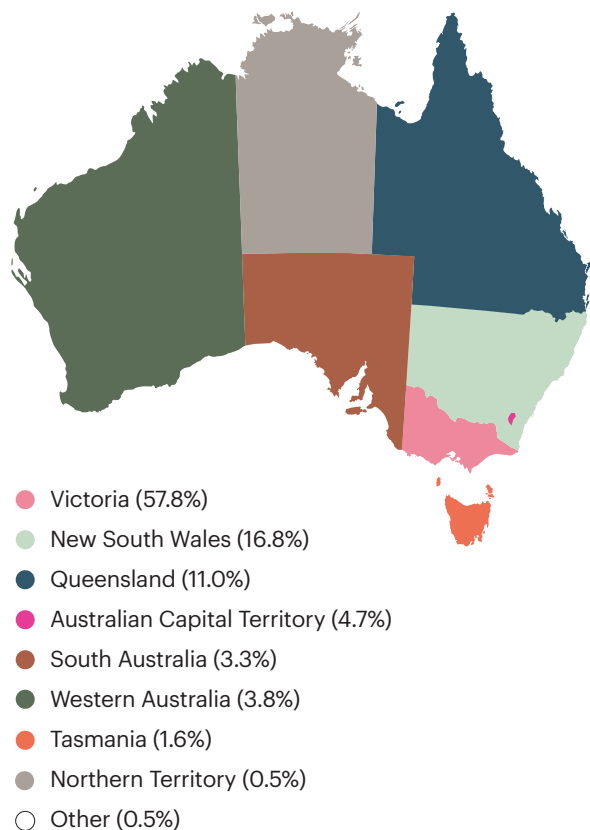
While customer satisfaction remained high at 88.2%, our Net Promoter Score (NPS) result declined to +12 in 2024, down from +38.4 in 2023. NPS is measured through an annual survey of a representative sample of customers and asks customers how likely they are to recommend our bank to friends or family. While this year's survey showed that 45% of customers would recommend Bank Australia to others, there was an increase in the number of people who responded that they were unlikely to recommend us. Our result also reflects a broader decline in overall banking sector NPS, which declined to -3.8 in June 2024 according to Roy Morgan Research Single Source data.

Our NPS survey highlighted issues including loan processing delays, the removal of cheques and telephone banking, and technology outages which adversely impacted our services, and contact centre call wait times as contributing to the lower NPS result in 2024. Ensuring that we address the reasons behind this decline is important, and will be a focus in 2025. We know that borrowers have had a difficult time with multiple rate increases this year driven by inflationary pressures. Customer intention to keep their home loan with us increased from a mean of 7.19 to 7.76.

The average age of our customer base stayed the same at 49, while the average age of new customers rose from 38 to 42. This may have been influenced by new customers seeking out our home loan and term deposit products.

We know younger generations are looking for purpose-driven businesses that align with their personal values and we are working to enhance our product and digital banking offering to meet the needs of prospective customers.

Customer locations, 2024





Prioritising fraud and scam support

We understand the significant adverse impact fraud and scams can have on our customers. Scammers are targeting people across Australia, including our customers, more frequently than ever in increasingly sophisticated ways. Over the past year, we've prioritised keeping our customers safe from scammers and we have responded to increased scam activity by helping equip our customers with increased education and tools to protect themselves.

We continued to raise awareness about common and emerging scams and fraud schemes, and what customers should look out for. When notifying customers about scams and fraud we take a multi-channel approach across internet banking, banking app notifications, emails, web alerts, and social media posts. Read more about our Valentine's Day scams awareness campaign on [page 37](#).

Monitoring and protecting our customers' money is vital, and we have invested in new technology and capability to ensure we have a strong approach to this work. We invested in scams awareness training for our employees, signed up to the industry cooperative program sharing information on scams and scammers, increasing our team's ability to immediately recognise, act on and escalate concerns about potential fraud and scam activity. We're pleased that our consistent communications and monitoring program has led to a decrease in reported scam events over this past year.

We have launched a new anti-money laundering platform that improves our ability to prevent money laundering, criminal and terrorist financing, and block mule accounts that are used to transfer the proceeds of fraud and scams.

The total number of scams experienced by our customers this year dropped to 567 (from 668 in 2023). Customers were impacted by 3,634 incidents of card fraud (up from 2,857 in 2023) and 733 incidents of digital fraud (up from 506 in 2023). The value for both these types of fraud was less than in 2023. While the total value in money lost to scams did increase year on year, this was largely due to a single investment scam.

Over the past year Bank Australia joined the Scam Safe Accord led by the Australian Banking Association (ABA) and the Customer Owned Banking Association (COBA). The Accord puts added pressure on scammers by implementing 6 priority initiatives that make banking safer for Australian consumers. The initiatives include intended expansion of technology to confirm the validity of payees before funds are released, increased warnings and deliberate delays for higher risk payments, and strengthened intelligence and data sharing across the sector.

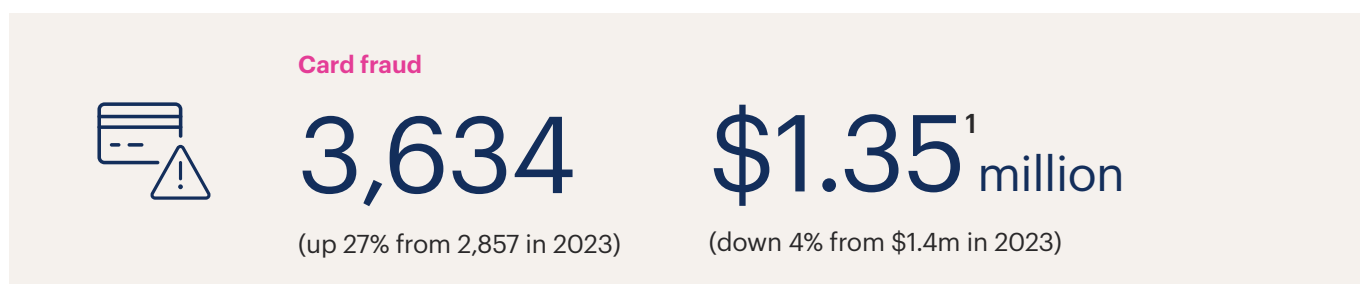
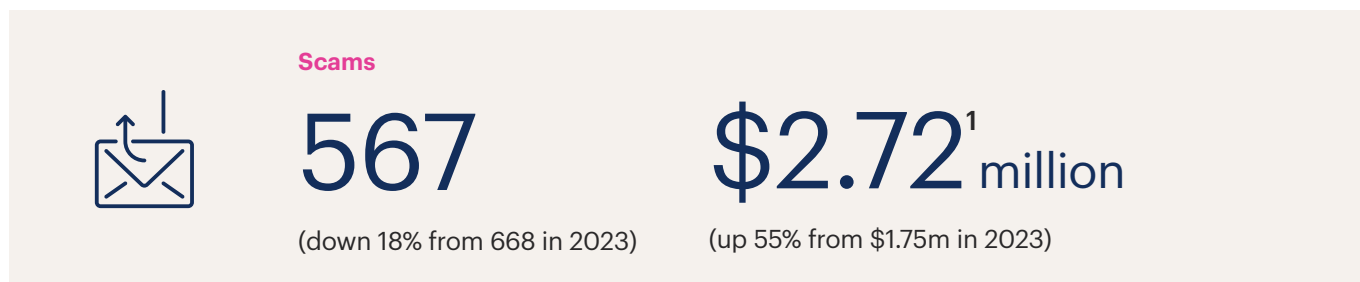
Other actions we've taken to help our customers avoid becoming the victim of fraud or scams include:

- monitored trends and identified new types of fraud scams to protect customers
- implemented a policy limiting transfers to cryptocurrency exchanges to \$10,000 per month
- published regular fraud and scam alerts and campaigns including our Scams Awareness Week campaign across channels

- improved our fraud monitoring activities, including implementing a new transaction and customer screening monitoring platform
- worked closely with industry and government bodies as part of the new Scam Safe Accord which sets out proactive steps across the industry to protect customers.

In 2025 we will:

- continue to implement fraud mitigation systems and technology so we can learn, act and quickly resolve issues
- identify emerging threats and develop action plans to protect customers
- look at new ways to focus on customer and employee education and fraud awareness
- continue our work partnering with the broader banking sector to identify scams.



¹ The value is the reported loss, in some cases the bank is able to recover some of the value.

Case study

Romance scams and protecting our customers

Scammers are contacting people across Australia more frequently than ever, and we know we need to do everything we can to support, educate and protect our customers. Over the past year, we've developed more than 60 pieces of communication content for our customers, which has decreased scam and fraud incidents.

Unfortunately, one of the most prevalent times of the year for scams is Valentine's Day. These days, meeting a romantic partner on an app or online is very common. Although not everyone we come across on the internet has our best interests at heart. Australians of all age groups are falling for romance or relationship scams and are being tricked into handing over money or assets.

Bank Australia senior analyst Tara Potts said while it can be challenging, there are a number of ways to help identify red flags of a romance or relationship scam.

Despite many people having a profile online, there are opportunities to identify that a person may not be who they say they are. "Someone asking for money is the biggest red flag, but the first thing to look out for is a person's online presence."

"The number one thing I say to customers is not to transfer money to someone that you haven't met in person."

While the scams and fraud environment changes frequently, Bank Australia is committed to continuing to monitor and educate customers on how to best protect themselves.

Met someone online? They may not be *who they say they are.*

Romance and friendship scammers might start out asking for money or want to give you investment advice. They may ask you to lie and will try and isolate you from friends and family. There's **never** a reason to lie to your bank. **Always** be honest, we're here to help you.

Stay safe and visit bankaust.com.au/scams



Keeping our rates and fees competitive for customers

As a customer-owned bank, we don't prioritise profit for its own sake. Instead the profit we make protects the long term financial sustainability of our bank and enables Bank Australia to be a force for good. We extend this approach to our pricing and always aim to ensure our banking products are competitive in the market.

Throughout the course of the year, our focus has been on helping our customers adjust to the high interest rate environment, particularly borrowers moving from fixed rate to variable rate home loans. We have also tried to help customers to save what they can by providing competitive savings and term deposit rates.

In March we announced some changes to our fees to take effect from 1 July 2024, which included the removal of the monthly \$5 fee for everyday access accounts to make it as easy as possible for our customers to bank with us.



We're committed to offering responsible products

Our customers expect to be supported by everyday banking products with features and financial outcomes that contribute to a more sustainable future for people and the planet.

This is the reason we:



- offer a family pause to provide families with the option to pause their home loan repayments for 3 months and an eco pause to give customers the option to redirect funds for environmental home upgrades with our home loans
- offer a range of Clean Energy Home Loan options
- offer discounted pricing for customers purchasing low emissions vehicles



- invest money into impact assets and other loans in a responsible way.

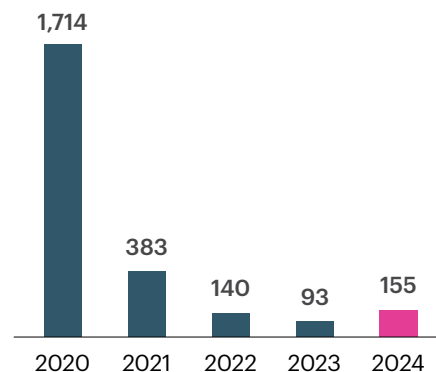


Providing financial wellbeing and hardship support

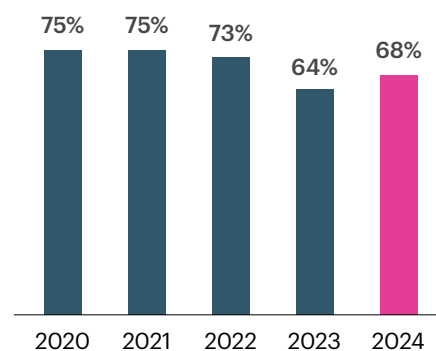
Our approach to responsible lending aims to prevent situations where our customers find themselves under financial stress. But circumstances are always subject to change, and that’s why we have services in place for customers who encounter financial difficulty.

In 2024, we provided financial hardship assistance for customers with 155 loan accounts, up from the previous year’s 93 accounts. Our assistance included options such as loan repayment pauses or temporary adjusted repayment amounts. While the numbers are still relatively small, the impact of the current economic environment including multiple mortgage interest rate rises and cost of living pressures contributed to this year’s increase. Common causes of hardship were unemployment, underemployment, time to sell and serviceability which is when customers are coming out of hardship.

Loans varied due to hardship



Customer satisfaction with overall financial situation¹



¹ Bank Australia worked with research agency Forethought to measure customer satisfaction with overall financial situation.

Our priority is to equip employees with the training and tools they need to help customers navigate these challenges. The customer support and recovery team assisted 23 customers with loan restructures during the year, for \$6.7m in loans. Restructuring assistance included reduced repayments, loan term extensions and arrears capitalisation. In 2024, loan arrears greater than 30 days stayed the same at 0.3% of all loans.

Our employees receive training in how to assist customers experiencing vulnerability and hardship, including connecting them with appropriate resources via our referral program with Uniting Vic. Tas. We also actively implement the best practice approach recommended by the Australian Securities and Investment Commission (ASIC).

Our customers' wellbeing is always paramount and in 2025 we will continue evaluating and uplifting our approach to hardship and vulnerability. This will include:

- reviewing our written customer communications to identify the most appropriate language, including trigger warnings for distressing correspondence
- integrating our customer relationship management database to provide personalised customer service experiences
- continued training and development for our specialised hardship team.



Hearing from our customers

As a customer-owned bank ensuring we have an accessible and efficient complaints process is important. Listening to and responding to concerns and complaints from our customers helps improve how we communicate with our customers and the products and services we offer.

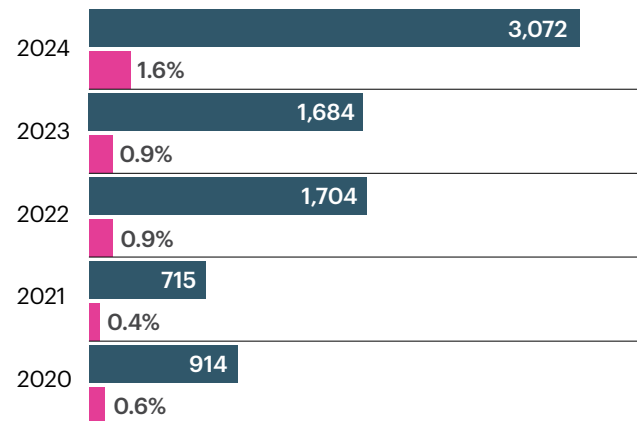
In 2024, we continued reporting on and recording complaints in accordance with regulatory requirements of ASIC. We expanded our complaints resolution team to ensure we are responding to customers in a way that is fair, timely and high quality. We know our dispute resolution and complaints process is critical to building trust with our customers.

Throughout the year we implemented a number of service changes and publicly announced our support of various environmental and social issues. In response we noted a relatively small number of customers were concerned about the early phase-out of cheques and ceasing to offer phone banking, which were both in response to low usage, reflecting changing customer preferences and behaviours. We also shared information directly with customers about the Voice to Parliament referendum and our support for the Yes campaign, which generated around 100 complaints.

These changes and activities contributed to the number of complaints we recorded this year, increasing to 3,072 compared with 1,684 in 2023. In addition to these themes there were also a number of complaints related to fee changes, a digital banking outage in February and customers who had been victims of scams.

Our total customer complaints as a percentage of total customers remained low at 1.6%, an increase from 2023 at 0.9% of total customers. Despite the higher volume of complaints this year, our teams prioritised acting quickly to address customers' complaints, with 94% of complaints being resolved in less than 21 days, up from 87% in 2023. The time frame used to measure this is in accordance with recommendations from regulatory bodies across the jurisdictions in which we operate.

Customer complaints



- Customer complaints
- Customer complaints as a share of total customers

Our considered approach to handling issues and trying to resolve customer concerns directly and effectively meant complaints referred to the Australian Financial Complaints Authority (AFCA) this year accounted for 4.0% of all complaints, down from 5.6% last year. While AFCA referrals decreased in 2024, our total number of complaints was higher than the previous year.

We anticipate complaints will reduce to lower levels in the year ahead and we are committed to continuously improving our complaints management process and systems to provide fair and efficient resolutions. We are also working to streamline and enhance the accuracy of our complaints reporting data to be better able to learn and resolve issues faster.



How our customers choose to bank with us

More customers using digital channels for their banking needs

Digital banking continues to grow in popularity as the preferred way of banking. Customers using our digital services through app, internet banking, digital wallet and PayID continued to increase significantly over the last year. Over 60% of our customers used our digital banking services via their smartphone in 2024.

It's our priority to continue to evolve our digital banking offering so that we can provide the services our customers want. We know having a strong customer service presence alongside our digital banking is important to customers, and they appreciate the ability receive support or resolve issues by speaking with a member of our team over the phone.

The majority of our customers now bank with us via digital banking, while only small portions of customers used chequing services and the self-service phone banking.

Due to the changing landscape across the banking industry, our payment provider ceasing services and increased uptake of digital banking, we made the decision this year to discontinue our cheque and self-service phone banking services.

Our team worked hard to communicate with and support customers during this period of change. We developed a range of resources and increased scam awareness support to ensure customers could confidently transition to digital banking. We also facilitated 'Getting started with digital banking' in-person sessions at our branches.

In 2023 we also announced the decision to close our Adelaide branch after assessing the long-term viability of this branch and the very limited number of customers attending the branch. The branch closed in September 2023. We continue to provide our Adelaide-based customers with the products, services and support they need via internet banking, our digital app and over the phone.

Our branch network continues to be important to customers in other communities we operate in and we continue to invest in the services that are used most by customers. We are always looking at ways to improve the products and services we offer to our customers. We note the following examples of progress during 2024:

- ensuring we have ongoing competitive rates and fees, including removing our \$5 monthly account fee
- enhancing onboarding and digital functionality on internet banking and our digital app
- using data to provide more personalised experiences, including better informing our people in branches and contact centres about our customers through improved use of data and our new customer relationship management system
- commencing planning for the next generation of our digital app in future years.

Customers using our mobile app¹

62%

(118,755, up 8% from 109,853 in 2023)

Customers using digital wallet¹

33%

(63,874, up 9% from 58,588 in 2023)

Customers using PayID²

28%

(53,804, up 9% from 48,920 in 2023)

ATM withdrawals

860,947

(down 3% from 889,305 in 2023)

In branch transactions³

103,375

(down 11% from 115,617 in 2023)

1 A revised methodology was used to better reflect active usage, 2023 data has been restated using the new methodology.

2 A revised methodology to exclude non-account holders was used, 2023 data has been restated using the new methodology previous data included some non-account holders

3 Teller transactions only

Case study

How we're supporting our customers' transition to digital banking

In recent years Bank Australia has seen more and more customers use digital banking services, including our app and internet banking.

With fewer and fewer of our customers using cheques, and the Australian Government's decision to end cheque services by 2030, Bank Australia, like many others across the industry, implemented a phase-out of cheque services from early 2024.

To support customers during this change, Bank Australia implemented a range of resources including a digital banking hub on our website, 'how-to' videos, an app guide and increased scam awareness communications. Central to the customer support program was the development of 'Getting started with digital banking' sessions, which offered personal 1-to-1 guidance for customers in our branches, including Traralgon, Ballarat, Bendigo and in Melbourne, as well as a larger online session for those unable to attend in-person.

With more than 140 customers attending and eager to learn, customers left feeling empowered and safe to do their everyday banking online into the future, without cheques.

"I loved seeing the customers leave a lot more confident than when they walked in, and now we have more customers using digital banking," said Emmanuel Dusengumuremyi, Kew Customer Service Manager.

With take home app guides, digital support, access to our branch network and contact centre teams, we will continue to support customers through change and meet their banking needs.





Responsible banking

Programs to advance accessible housing

We believe everyone is entitled to a secure and affordable home, and Bank Australia has a long history of supporting and lending to affordable and accessible housing.

We continue to participate in the Victorian Homebuyer Fund and Housing Australia's Home Guarantee Scheme which includes the First Home Guarantee, two initiatives that help low and middle income earners access affordable homes.

We also continued addressing inequities in the housing sector through our partnership with Indigenous Business Australia (IBA). By supporting First Nations households with finance for their homes, our partnership with IBA is supporting First Nations people build financial independence.

As one of the first banks to lend into the Specialist Disability Accommodation (SDA) commercial sector in Australia, we are assisting with expanding the supply of SDA homes. We do this by continuing to lend in the SDA sector to help the availability and accessibility of appropriate homes for people with disability. For individuals wishing to purchase an SDA approved home, we consider SDA funding received through the National Disability Insurance Scheme (NDIS) as income when we assess their eligibility for a home loan. This reduces barriers to home ownership for people with disability and contributes to a more just and inclusive society.



Case study

A home of their own: supporting single parent families to enter the housing market

Single mum Mary* says balancing everything that matters to her can be tough at times, but owning her own home has meant she no longer has to worry about rental increases. With assistance from the Family Home Guarantee and helpful customer service, Mary was able to purchase a home with a 2% deposit in 2023.

“I did some research into first home buyer schemes and came across the Family Home Guarantee, which is for single parents. I’m so glad I went to Bank Australia for the loan – they treated me like a person with hopes and dreams, not just another number on a page.”

After saving for many years, working extra hours in agency nursing on top of her regular job at the local hospital, Mary found herself in the position to realise two of her dreams in the same year: buying a house and taking a holiday she had dreamed of since she was a little girl.

Mary had also watched her rent steadily increase and eat into her disposable income for over a year, and felt anxious about her future financial position. She thought now was the time to be paying off her own mortgage, not someone else’s.

With her savings and her discipline, she knew she could achieve both the holiday and purchasing a home. But she needed the right supports from her broker and her bank to help make this happen.

“There was a unit I had my eye on, in a great location and just the right size for me and my daughter. Another bank told me that I needed to wait 6 months because of a back-up credit card I took out for a holiday, just in case. I had no debts, and I hadn’t even used it!”

“Bank Australia looked into this for me, going beyond just the shallow details, and they came up with a solution. It was clear that they really wanted to help me.”

Mary says their first home is exactly what she and her daughter need, close to work and school, and a comfortable place for the two of them to make memories.

*name has been changed for privacy

Helping customers live more sustainably

Our Clean Energy Home Loan products have helped finance nearly 500 green homes across Australia

Backed by an initial investment of \$120m from the Clean Energy Finance Corporation (CEFC), these home loan customers receive a reduced rate on their home loan for up to 5 years.

We know purchasing a sustainable home or making green upgrades isn't easy, and that's why we've advocated for high standards across the housing market. Our submission to the Australian Government's National Energy Performance Strategy consultation calls for rapid improvements to sustainability standards for new homes.

Reducing emissions from the homes we finance will be key to meeting our goal of net zero emissions by 2035, and we're committed to helping our customers decarbonise their homes. Over 90% of our total emissions come from our home loan portfolio, so supporting our customers to buy, build or renovate energy efficient homes has a big role to play in meeting our climate action goals and supporting our customers through the energy transition.



Case study

How Community Housing Limited is increasing access to affordable housing

A secure and affordable home is a foundation for wellbeing, particularly in a cost of living crisis. Community Housing Limited (CHL) is making affordable homes available to those in need, with support from Bank Australia's impact lending business.

Impact lending to community housing providers is part of how Bank Australia drives impact across one of our priorities, affordable and accessible housing. CHL is one of the largest not-for-profit community housing providers in Australia and manages over 11,000 properties across the country.

CHL is focused on providing housing for low and middle income earners, people with disability and people experiencing vulnerability. In some cases, CHL manages leases for social housing, while at other times the homes they own are rented or sold on the private market.

CHL's Chief Finance Officer, Gavin Potter, says the security and stability that comes with living in an affordable home is fundamental to creating a harmonious society.

"Broadly as a society we care about issues like the environment, education, health and other measures of wellbeing, but you can't even begin to address those issues if people don't have a safe and secure roof over their heads," Gavin said.

Partnering with Bank Australia has helped CHL achieve scale, and through nearly a decade of working together there have been strong relationships formed that help achieve mutual benefits and impact.

"Working with Bank Australia has really helped us expand the supply of housing to meet this significant demand," said Gavin.



Impact finance

Many of our customers join our bank because they want to know that their money is being used in a way that aligns with their values. That means knowing the funds sitting in transaction or savings accounts, or the interest they pay on loan products, are not being used to fund things that are excluded in our responsible banking policy.

We're committed to lending and investing for a positive impact. We are primarily a retail bank, with a small commercial lending portfolio, as well as an investment portfolio we use to manage our liquidity. Our [responsible banking policy](#) outlines the things we do and don't invest in, and we do

not lend to harmful industries like fossil fuels, gambling, tobacco and live animal exports. We fund everyday customers, clean energy transition and conservation as well as the disability and community housing sector.

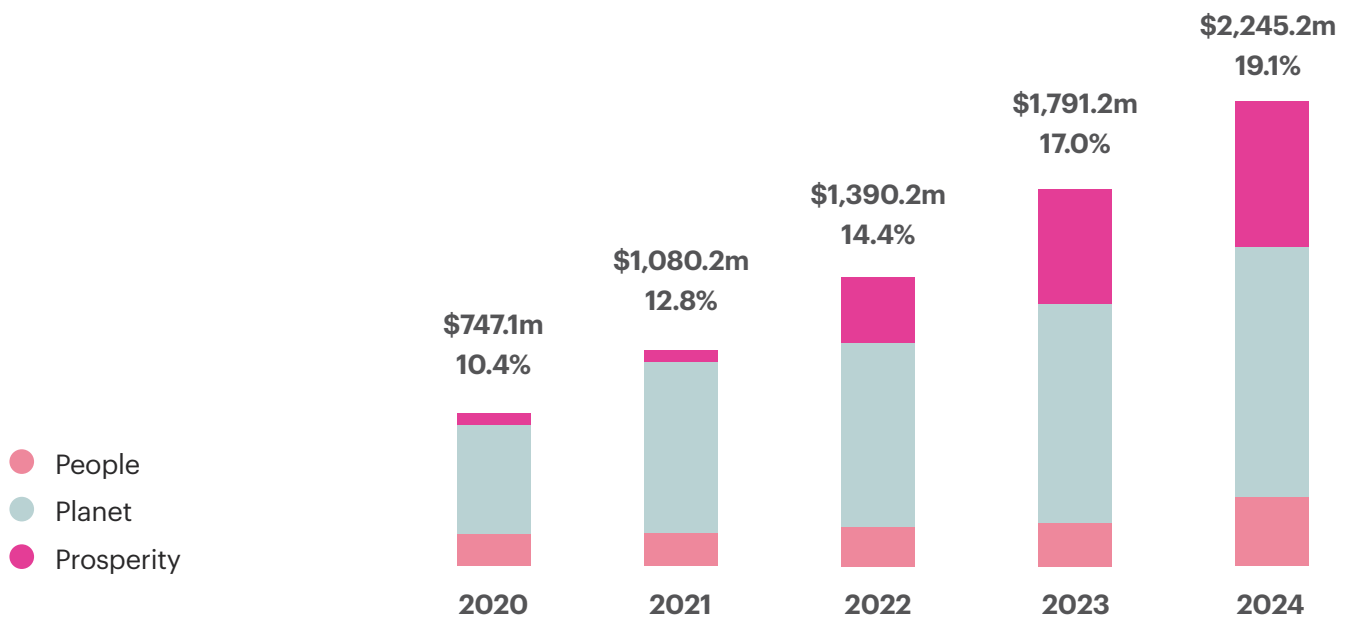
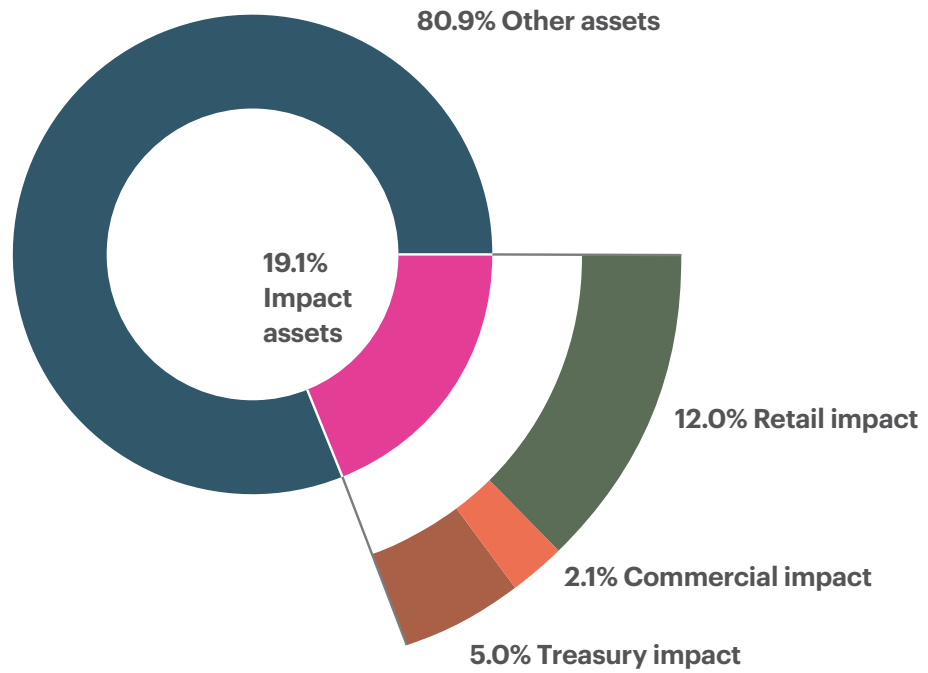
This year, our total impact assets grew to \$2.2 billion. This is an increase of \$454 million since 2023, and \$1.5 billion since 2020. At present, this represents 19.1% of our total assets.



\$2.2 billion

Impact assets

Our impact assets are a subset of our total assets and include impact retail loans, impact commercial loans, and impact treasury (green and sustainable bonds).



Examples of our impact asset portfolio include:



People

Specialist Disability Accommodation loans

We finance Specialist Disability Accommodation (SDA) developments through commercial loans and provide pathways to home ownership for people with disability through individual home loans.

Community housing loans

We finance community and affordable housing developments for people who can't access the private rental market.



Planet

Sustainable build loans

We fund developers that build sustainable properties and provide reduced rate home loans to customers with eligible homes that were built or renovated to a sustainable standard.

Green and sustainable investments

We invest in bonds and other investments to manage our liquidity. We work hard to ensure these investments are consistent with our values wherever we can, and we are an investor in green, social and sustainability bonds.



Prosperity

Affordable mortgage program loans

We lend to customers under shared equity schemes that help low and middle-income households access home ownership.

Not-for-profit loans

We lend to not-for-profit organisations to help fund the important work they do through financing new buildings and provide credit cards and working capital.

More information about our impact finance can be found in [Appendix 5](#).



Where do we focus our impact finance?

We provide lending products for individuals and collaboratively create lending solutions with businesses, organisations and projects to drive meaningful change for society and the environment. The work we support with impact lending aligns with our bank's values and is focused on delivering outcomes on areas we and our customers care about.

We have been a member of the Global Alliance for Banking on Values (GABV) since 2012 and we were GABV's first Australian member. We use the GABV Scorecard as the basis for classifying our impact assets into 3 categories based on the GABV's triple bottom line framework: people, planet and prosperity.

To arrive at our impact asset portfolio, we conduct a screening and assessment process. Our responsible banking policy guides all our lending, and our teams follow procedures to ensure we screen out any potential loans that don't comply with sectors excluded under our policy.

For the loans which meet our policy requirements, we complete a loan impact assessment, considering how the business or the project aligns to the GABV's triple bottom line framework. This applies to all new commercial impact loans, as well as for new retail impact programs.

Things we do fund



Our customers



Inclusive and community housing



Clean energy transition



Not-for-profit and for-purpose companies



Small and medium-size businesses



Other banks and government bonds

Things we don't fund



The fossil fuel industry (coal, oil and gas, fossil fuel-related industries)



The live animal export industry



Intensive animal farming



Industries using animals for cosmetic testing or harmful trade



Tobacco industry



The arms industry



Gambling

Case study

Using carbon markets to support First Nations self-determination in Kepa Kurl (Esperance), WA

Kepa Kurl is the Wudjari name for Esperance. The Wudjari people, the local Traditional Owners, are taking a novel approach to supporting First Nations reconciliation, climate action and nature recovery through a carbon farming project. They are pursuing economic opportunities through carbon markets, supported by a Bank Australia impact loan.

The Esperance Tjaltjraak Native Title Aboriginal Corporation (ETNTAC) has been recognised with native title rights and interests for nearly a decade, and in that time, they've made inroads to restoring the land to how it would have been before colonisation. They have also been exploring economic and business opportunities, including carbon farming through the creation of high quality carbon offsets.

Bank Australia's impact loan has supported ETNTAC in the purchase of a highly culturally significant and important property known as 'Shaster Downs'.

ETNTAC's carbon farming activities involve planting trees that draw down greenhouse gas emissions from the atmosphere. Carbon credits are then generated, which are sold to offset emissions from other businesses.

Carbon offsets are part of a transition in our economy, with a goal of avoiding emissions rather than offsetting. ETNTAC is careful to sell credits to values-aligned businesses and has ruled out selling credits to businesses in the fossil fuel industry.

ETNTAC's carbon farming operations now spans close to 5,000 hectares, and the recently purchased 'Shaster Downs' property is home to an existing blue gum plantation. The ETNTAC team is aiming to restore the property to resemble surrounding bushland.

"First Nations people have looked after Country for time immemorial and our knowledge and respect for the land and water runs deep. Healing Country takes



time and requires cooperation from lots of different people. Bank Australia is really proud to support this great project," said Rafe Pfitzner Milika, First Nations man and Reconciliation Strategy Manager.

The carbon farming project has created a range of economic opportunities for the local Traditional Owners, and ETNTAC employs almost entirely First Nations staff. CEO Peter Bednall says Bank Australia was a logical choice for their loan because of the shared values across both organisations.

"ETNTAC is committed to supporting the Kepa Kurl First Nations community rebuild the wealth taken from them as the lands in the Esperance region were cleared and developed into some of the most profitable broad-acre farming land in the country.

Participation in the restoration economy provides ETNTAC with the opportunity to acquire back legal title to lands on behalf of the community, but this cannot happen without access to finance."

ETNTAC has worked closely with Carbon Neutral to ensure the carbon credits they generate can be bought and sold on carbon markets and are owned by ETNTAC. Peter says the organisation is thinking carefully about what comes next for the project, and how to ensure the environmental and cultural benefits of the project remain strong.

Working with trusted partners

Mortgage brokers

Working with mortgage brokers continues to be an important part of our growth story as more customers choose to seek advice from a broker when taking out a home loan. We ensure our broker network strongly reflects our values when promoting our brand and products. Our broker relationship team works closely with our broker partners to continue to build awareness of Bank Australia's brand and to ensure the brokers are equipped to offer their clients home loan options that align with their values.

This year, we expanded our network to around 2,325 active brokers. They generated \$1.7 billion in new home loans (up from \$1 billion in 2023), which was 67% of the total loan value originated in 2024.

We apply one common commission structure across all products. Our commission payments are 0.6% plus GST (upfront commission) and 0.15% plus GST (trail commission) for brokers who are part of an aggregator, and 0.5% plus GST (upfront commission) and 0.15% plus GST (trail commission) for brokers holding their own Australian Credit License and a direct relationship with the bank.

Upfront commission payments are based on the settled value of the loan, less offset and redraw balance, and trail commission payments are assessed on the closing balance of the loan, less offset balance, each month. Trail commissions are paid for the duration of the loan.





Providing insurance for our customers

We have worked with Allianz Australia Limited to provide insurance to our customers to help meet their general insurance needs. Under our agreement, we earn a commission on sales based on the gross written premium of products our customers purchase. Allianz also provides us with a contribution towards paying the salary of a sales leader position within the bank as well as a marketing allowance to support the promotion and sales of insurance. Depending on the performance of the insurance portfolio, we receive a percentage of the underwriting profits (if any) each year.

This year we made the decision to change our insurance partner and announced that from October 2024 we will start a new 6-year partnership with Honey Insurance to provide an enhanced digital offering for our customers to meet their insurance needs. Honey's mission is to protect the assets of Australians and it is underwritten by RACQ Group.

Through the new partnership, our customers will have the choice of Bank Australia branded home, contents and motor insurance on Honey Insurance's leading digital platform.

We will work closely with both organisations to provide a smooth transition for customers and employees.

Codes of Practice

Banking Code of Practice

Bank Australia is a member of the Australian Banking Association, which represents the Australian banking industry. As a member of the ABA, we subscribe to the Banking Code of Practice.

The ABA Code sets out a range of ethical and customer focused standards and behaviours that protect and serve individual and small businesses customers, and their guarantors as defined by the code. These are underpinned by 4 core principles:

- Trust and confidence
- Integrity
- Service
- Transparency and accountability.

Customer Owned Banking Code of Practice

Bank Australia is a member of the Customer Owned Banking Association (COBA). Australia’s customer owned banks, credit unions and mutual building societies provide banking and other financial services to 4.5 million Australians and are highly regulated, safe and secure financial institutions with total assets of more than \$147 billion.

We adhere to the Customer Owned Banking Code of Practice, a set of ethical standards for customer-owned banks, credit unions and mutual building societies which focus on customer benefits, community involvement, fairer fees and quality service.



4. Our people



Engaging our people

As a growing bank, ensuring that we continue to attract and retain engaged employees aligned to our purpose and culture is critical to meeting the needs of our customers and other stakeholders.

Our annual employee engagement survey measures overall levels of engagement. 85% of our employees completed the survey in October 2023. The survey results identified an overall engagement score of 66%.

The engagement survey results showed a slight decrease of 4% points in engagement on last year. Based on our survey provider Kincentric's engagement model, our employee engagement score is above their Australian Diversified Financial Services Index which is 62%.

The results showed our employees have a positive connection to our purpose, they highly value the importance of respect at work and our focus on employee wellbeing.

While the survey highlighted many positive areas, we know there are always opportunities for improvement. Some of these include collaboration across divisions, speed of decision-making and digital enablement as a driver of productivity. We facilitated 76 team debriefs across the bank, focused on celebrating the successes and identifying specific areas of action to strengthen their engagement.

For the sixth year in a row, we were recognised as an Employer of Choice in the 2023 Australian Business Awards. The awards recognise employers across a range of industries who have strong performance in key areas such as organisational culture, training and development and health and safety.



Investing in our people

We invested in building capabilities across our organisation to ensure we can deliver on our strategy and scale up the work we do. This included recruiting for 22 new roles, which has expanded our team to 613 people (from 591 in 2023), or 575 full-time equivalent employees.

The majority of new employees joined to continue to effectively deliver business critical functions including lending, finance, IT, transformation and risk as we grow and as risk and compliance requirements increase.

We offer flexible working arrangements to support our employees to balance their personal and professional lives. Approximately 9.5% of our employees work part-time. We also have a hybrid work policy which promotes the flexibility to work from our offices for 3 common days.

In 2024 our voluntary employee turnover was 10.3% and was predominantly higher in the first 6 months of the year before levelling out in the second half which was consistent with wider market trends. Additional information about our people is provided in [Appendix 3](#).

Building leadership capability

Our leadership capability framework provides our people with the opportunity to learn more about how their leadership contributes to success at Bank Australia. The framework recognises the range of capabilities we aim to foster among leaders at different stages of their development.

We continued to deliver our leadership coaching circles with another 21 employees participating in the program, taking the total to 96 participants so far. We also ran a Leadership Masterclass series for 146 people. These programs provide a series of small group sessions to enable leaders to connect, learn and develop together and explore the role of the leader at Bank Australia. 57 people attended programs at the Australian Institute of Management.

Learning and development

Investing in our people is essential for our success as a purpose-driven bank. All new starters complete an initial suite of business-critical compliance training and we run a quarterly refresher program so employees can better balance keeping up to date with the demands of their day-to-day roles. This helped us achieve a 99.8% completion rate across all compliance modules throughout the business this year. Our compliance training includes but is not limited to cybersecurity, anti-money laundering, counter-terrorism financing, protecting vulnerable customers, disability awareness and inclusion, modern slavery and social media.

Employees completed 1,322 non-mandatory courses on Boost, our self-paced online learning platform. Content ranged from foundational communication skills to professional and leadership development and continues to be available to all our people.

This year we also delivered:

- New Starter induction training to 76 participants
- Cybersecurity training for 100% of our employees
- Indigenous Cultural Awareness for another 141 employees. 59% of our people have now attended
- Introduction to Co-operatives and Mutuals for 34 people
- Successful pilots for Respect@Work attended by 16 people, Unconscious Bias attended by 13 people and climate change education program Climate Fresk for 12 people.

In order to support our people through periods of change, we created a new intranet hub called Thrive Through Change as well as offering a Leading through Change workshop for 69 people leaders and a Reviving Resilience Program for 158 participants.

Key priorities for the year ahead include:

- Continued deployment of Indigenous Cultural Awareness and Reviving Resilience training
- Roll out of Respect@Work and Unconscious Bias training for our people leaders
- Deployment of People Experiencing Vulnerability training for our frontline employees, equipping them to support our customers most in need.

Case study

A Climate Fresk approach to building capability

When Bank Australia customer Laure Legros did a Climate Fresk workshop as part of a corporate team learning experience, she had no idea those 3 hours would change her life and career entirely. Now, she's helping spread the reach of interactive, educational workshops to empower people to make more informed climate decisions.

Climate Fresk was founded in 2015 as a climate communications tool by Cédric Ringenbach, an energy expert teaching climate science to university students. He wanted to find a way to make complex information accessible, interactive and fun for students. The program he developed soon grew to extend beyond the university, morphing into a corporate training program. Having completed the course in her tech job back 2019, Laure felt inspired and wanted to join the Climate Fresk mission.

Bank Australia has joined the businesses lining up to empower their people with knowledge about the climate crisis and the best ways to take action. A group of employees participated in a pilot program with Climate Fresk this year and engaged in activities that helped translate and simplify climate research and evidence found in complex documents, such as the Intergovernmental Panel on Climate Change (IPCC) reports.

"The cards we used in training were really great visual prompts, they helped me create associations with the facts and that meant they were easier to commit to memory" said Arj from the Financial Reporting team, one participant in the pilot.

"Each year I work on our Financial Report and that involves thinking about how we use finance to take action on climate. But this training really helped me take that from the abstract to the tangible," said Arj.



Climate Fresk is now active in more than 161 countries, and the cards used in training have been translated into over 45 languages. Globally, more than 1.6 million people have participated in training, with over 4,000 of those people in Australia.

"The session ended with having a meaningful discussion about what people can do. In my role we think about our operational emissions a lot, things like employee transport, cleaning and waste management. The training session helped me to feel hopeful and inspired, which is not how I usually feel when I think about climate change!" said Emily, from the Procurement and Infrastructure team, who also joined the training pilot.

Following such a positive response, Bank Australia will continue to roll out climate training programs to employees.



Supporting our people

A workplace culture that promotes equality, diversity and inclusion is critical for our continued growth and success. It is important that our workforce represents the varied cultures and life experiences of our customers, as well as wider society, and for our employees to champion our efforts to be a more diverse, inclusive and accessible bank.

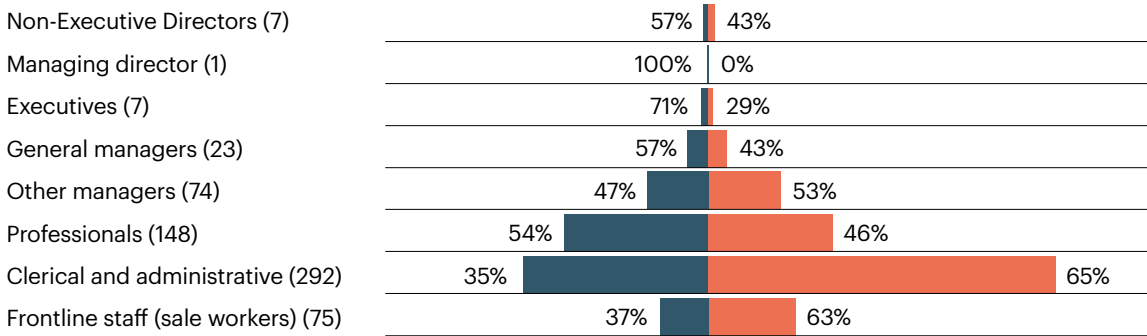
We have a number of policies, processes and services to help foster an inclusive workplace that start from the hiring process. We have statements on job postings, a hiring panel composition of women and men as well as hiring training requirements. In addition to our policies and training we have internal funding available for Employee Resource Groups such as our Run for Climate group that aims to raise awareness and funds for climate

action, and local nature and biodiversity projects, while providing an engaging space for employees to connect through running. Our employee-led GLOW Network continues to promote a diverse and inclusive work environment, through education and awareness of LGBTIQ+ matters so that all employees can bring their whole selves to work.

Gender equality in our team

In 2024, we continued to employ more female employees (340, or 55%) than male employees (273, or 45%). This is in comparison to 59% and 41% for females and males respectively in 2023.

Employee gender split, by role classification, 2024



● Male ● Female

We're committed to pay equity across our workforce and do not discriminate based on gender, background or identity. Every year, we assess for potential gender gaps in remuneration. This assessment accounts for factors such as performance, skill set and experience, tenure at the bank and differences in roles.

We also submitted an annual report to the Workplace Gender Equality Agency (WGEA) in accordance with the requirements of the Workplace Gender Equality Act 2012. Bank Australia is committed to continuing to improve our gender pay gap results by ensuring pay equity across our work force, and not discriminating based on gender, background or identity.

More information about our employees can be found in Appendix 3 on [page 105](#).

Salary packages, by gender, 2024

Role classification	Female salary package (average)	Male salary package (average)
Frontline and support staff	\$87,107	\$86,249
Middle management	\$168,650	\$172,946
Senior management	\$323,390	\$351,822

Notes:

- Includes superannuation.
- Frontline and support staff are all those employed at grade 1 and 2 (including trainees).
- Middle management are all those employed at grades 3 and 4
- Senior management are all those employed at grades 5 and 6
- Consistent with previous years, Senior management excludes the Managing Director
- Average base salary has been converted to FTE for part-time staff
- The differences between the average FTE salaries for females and males is attributable to a number of reasons relating to individual choices including years of service at the bank, level of experience and complexity of roles.

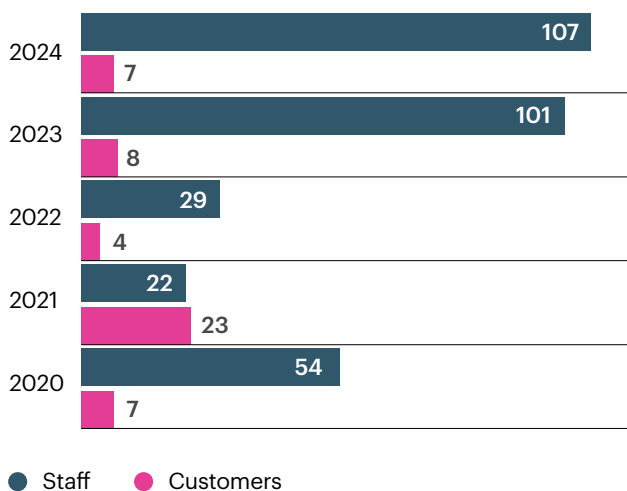
Health and safety

At Bank Australia we are committed to maintaining both safe workplaces and work practices. To support all employees we have a comprehensive Health, Safety and Wellbeing Policy. This year we have also made some changes to the Health, Safety, and Wellbeing incident submissions to make sure we're capturing all of the information we require to prevent injuries occurring.

Manager specific versions of workplace health and safety, and bullying, harassment and discrimination training was completed by 149 employees. These provide targeted learning sessions to improve employee skills and knowledge and increase our ability to provide leadership in these areas.

We had 107 reported incidents of which 74 were without injury and 33 were with an injury. An additional 7 incidents affecting customers were reported of which 2 sustained injuries. Providing a safe environment for our employees and customers is one of our highest priorities and we take incidents of any nature very seriously.

Number of hazards, incidents and injuries



We also published a Respect@Work toolkit on our intranet which provides a comprehensive framework to prevent workplace sexual discrimination by establishing guidelines to create a safe, inclusive and respectful environment for everyone. The toolkit also provides guidelines and procedures to better help our employees understand how we can take proactive action to foster a welcoming workplace and prevent harassment.

Volunteer leave

We encourage our employees to support their community by offering one day of paid volunteer leave each year.

This year we had 48 employees using their volunteer leave for opportunities through partner organisations. Some examples include spending a day with 2023 customer grant recipient Sustain the Australian Food Network in their Oakhill Food Justice Urban Farm. They helped weed garden beds, harvest produce, propagate seedlings and learned about sustainable and regenerative food production. All food grown at Oakhill Food Justice Farm is donated to food relief. You can read more about our people who volunteered at Sustain on [page 67](#).

Employees also assisted event organisers on the day at Treaty Day Out in Ballarat hosted by The First Peoples' Assembly of Victoria and with the Yes23 volunteering network to hand out pamphlets and making phone calls.

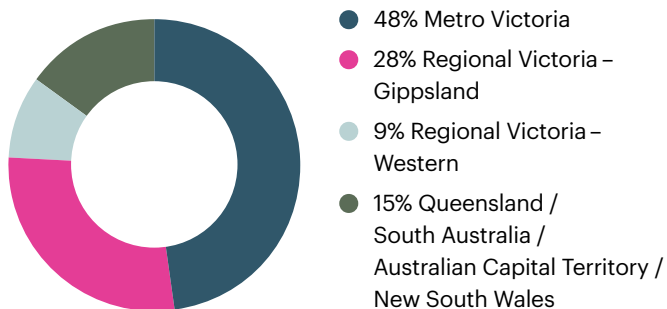
Traineeships and internships aligned to our values

We continued our financial services traineeship program, offering places for people including refugees and people seeking asylum, and people living with disability. This year we were proud to have 7 trainees join our team. This provides entry level employment opportunities that equip trainees with skills and qualifications (Certificate III in Financial Services) to seek permanent employment. Each year the bank advertises these traineeships in Melbourne, the Latrobe Valley and Bendigo.

Creating regional employment opportunities

Providing employment opportunities in regional Victoria continues to be a priority for us. We are pleased 37% of our employees work from regional Victoria, this includes our contact centre and processing centres in the Latrobe Valley, our branches and Bendigo office. We have a long history in the Latrobe Valley, with over a quarter of our workforce (28%) based there so we were delighted to open our new Traralgon office in May.

Staff by location, 2024



This year:



146

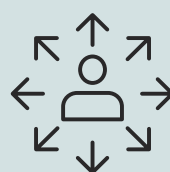
of our employees completed a Leadership Masterclass series



Employees completed

1,322

courses on Boost, our self-paced online learning platform



We continued to deliver our leadership coaching circles with

96

participants so far



Business conduct and ethics

Our approach to remuneration

We pay our people fairly for the work they do, and we don't pay bonuses or sales-based commissions to any of our employees, including executives.

We want our people to focus on acting in the best interest of our customers. This is why we don't provide financial incentives to drive sales. Instead, we pay our employees fair salaries that reflect their position, qualifications, experience and overall performance.

We continue our policy of not paying any sales-based commissions or bonuses to our executives or any other employees. We do make small discretionary recognition payments to frontline employees for their contributions to providing quality service.

We continue to see the benefits of our policy of not paying bonuses and commissions. Offering bonuses to drive sales increases the risk of unethical behaviour that may negatively impact customers.

We benchmark remuneration for the Managing Director position against independent market data. The ratio of our Managing Director's wage to the median wage at the bank in 2024 was 11.1:1. In 2023 the ratio was 11.1:1, and in 2022 it was 11.4:1. We believe this is low compared with the ratio of other private sector businesses and reflects our approach to responsible remuneration management.

This year we increased our employee superannuation contribution rate from 12% to 13% to ensure we keep ahead of the default rate (11.5%) and will continue to update this in the coming years as the default rate rises.

Transitioning from BEAR to FAR

The Banking Executive Accountability Regime (BEAR) came into effect for small to medium-sized banks on 1 July 2018. Consistent with the recommendations of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry, the BEAR increases the accountability of executives and Directors for their behaviour, decision-making and the banking cultures they oversee.

On 15 March 2024 BEAR was replaced by the Financial Accountability Regime (FAR), which imposes a strengthened responsibility and accountability framework for entities in the banking, insurance and superannuation industries and their directors and senior executives. The FAR is designed to improve the risk and governance cultures of Australia's financial institutions.

We have continued to meet our obligations under the FAR.

Case study

Volunteering to support a food forest with Sustain

Each year, Bank Australia employees can use their volunteer leave to make contributions to the community and environment in a range of ways. This year, not-for-profit and customer community grant recipient Sustain the Australian Food Network provided our team with a valuable opportunity to support food justice in Victoria.

Sustain is a “think and do” network, specialising in designing and building sustainable and healthy food systems. They work with governments, councils, and community leaders to help map local food systems, and develop evidence-based and achievable policies and programs. Bank Australia’s support through the community customer grants program helps Sustain feed 100 families per month.

A group of 27 Bank Australia employees participated in a day of food preparation and learning with Sustain in April 2024. The team went on a tour of the food forest Sustain cultivates in their Oakhill Food Justice Urban Farm. Located in Preston, the food forest is a site where food is grown and then donated to food relief initiatives. They also learned how to peel heirloom tomatoes and helped the Sustain team prepare for an upcoming community tortilla night.

On their tour of the food forest, they learned about sustainable and regenerative food production, and sampled Indigenous plants including saltbush.



“Through Sustain, colleagues and I had the opportunity to work at Oakhill Farm in Preston, where we harvested the last of their summer crops which go to food relief organisations. We were able to get our hands dirty and try something new. This experience allowed us to bond as a team but also get greater understanding of Sustain’s work and the positive impact they create for over 100 families each month.” said Dumindi.

Bank Australia will continue encouraging employees to take their volunteer leave in 2025, as a valuable part of giving back to the community and living the values of our business.

Our transformation and technology focus

In 2024 we brought together our transformation and IT teams to create a holistic Technology Division. This has given us an end-to-end view on our transformation agenda from idea inception to delivery and then run the business-as-usual activities. By bringing these two teams together, we have improved our operational processes as well as built our in-house technology capabilities, in line with our focus on continuous improvement for our employees and customers.

A highlight of the year was the strong progress made in our contact centre uplift program, a 3-year strategic program to provide customer facing teams with modern tools and systems to better support our customers. Through replacing our older legacy systems, we have established a cloud-based system for our contact centre employees to use when assisting customers. We launched our new Genesys Cloud system in May 2024 which gives our employees new dashboards and reporting capabilities to make decisions based on real time data. This will result in an improved experience for our employees, a better experience for our customers as well as an overall increase in contact centre efficiency and reduced wait times.





To continue to enhance our customer experience we implemented:

- A series of projects focused on improving our employees' access to data and uplifting our data capabilities. This includes using data effectively to create actionable insights and personalisation as part of our customer experience
- A new enterprise integration platform to integrate new and existing digital platforms, supported by a team of integration and automation specialists
- An easier process for customers to join us by using a biometric solution that makes it faster, simpler and more secure for customers
- A new anti-money laundering platform that closely monitors customer transactions and improves our capability in identifying and preventing money laundering as the financial crime landscape continues to change.

Looking to the year ahead we will continue to focus on process improvement including automation, ensuring our employees have the tools needed to better collaborate and protect customer data. We will also introduce our new marketing automation to provide more personalised and seamless customer communications. Our transformation work is underpinned by strong governance, risk management and enhanced execution capability.

5. Our community



Our impact fund

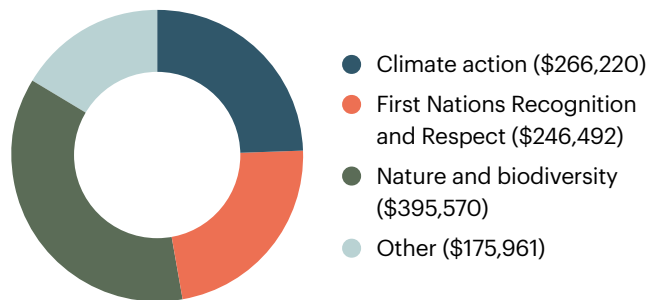
As a customer-owned bank we prioritise using our customers' money to have an impact on the areas they care about most.

Every year we allocate up to 4% of our after-tax profit into the impact fund, which invests in projects and initiatives that generate clear and measurable social and environmental outcomes.

In 2024 we supported not-for-profit partners, social enterprises and maintained our conservation reserve on Wotjobaluk Country (western Victoria). Our governance of the impact fund ensures projects and programs are prioritised in line with our values and our focus areas of climate action, nature and biodiversity, First Nations Recognition and Respect, and affordable and accessible housing.

Our impact fund also goes towards our community customer grants program, and you can read a full list of our social and environmental impact focus areas and grant recipients in Appendix 4: Bank Australia impact fund on page 107. Visit our [website](#) for more information about our grants program.

Impact fund projects by funding category, 2024



This year, we made the difficult decision to set our contribution to the impact fund at 2% of our after-tax profit, which meant our total contribution was \$0.5m. In a difficult operating environment and facing increased operating costs and reduced profits, this conservative contribution is aligned to our approach to responsible banking. We know our customers want to see us take action on priority issues for people and the planet, and it's also our duty to be responsible stewards of their money to safeguard future prosperity. It is our intent to again reach a 4% contribution when economic conditions allow.

Our conservation reserve

The Bank Australia conservation reserve is the largest impact fund project, and in 2024 we invested \$308,760 in maintaining the 4 reserve properties, which span 2,117 hectares in total. On the conservation reserve we work with partners Greening Australia, Trust for Nature, and Traditional Owners the Wotjobaluk Nations represented by the Barengi Gadjin Land Council (BGLC). You can read more about the work taking place to protect nature and biodiversity on the conservation reserve on [page 93](#).

Impact fund partnerships

In 2024 we also provided funding for several partners and programs that align with our impact priorities. These include:

- continuing our 3 year partnership with Seed Mob, Australia's first Indigenous led youth climate justice network
- donating to Australians for Indigenous Constitutional Recognition in support of the 'Yes' campaign in the lead up to the federal referendum on a Voice to Parliament
- helping local councils take climate action through our partnership with Cities Power Partnership
- continuing to support our community customer Environment Victoria's Just Transition Program in the Latrobe Valley.

Community customer grants

Our community customer grants provide funding for projects and initiatives led by organisations that bank with us. In 2024 we provided \$195,560 in grant funding to 12 community customer organisations, social enterprises and small businesses. Our grant program has provided over \$2 million in funding to 149 projects since it began in 2016.

As always, we were highly impressed by the quality of applications we received this year, and the social and environmental challenges our customers are taking action on or advocating for. To ensure we have a diverse range of perspectives and expertise involved with deciding how we allocate grants we include two customers, as well as employees and a member of the Bank Australia Board, on the selection committee for grant recipients.



In 2024 we invested

\$308,760

in maintaining the 4 properties in the Bank Australia conservation reserve.



Our customer community grants program has provided over

\$2 million

in funding to 149 projects since it began in 2016.



During the year Bank Australia maintained supply contracts with

23

B Corp accredited businesses.

Case study

Grant recipient builds possum palace

For over two decades, Barossa Wildlife Rescue (BWR) has been helping animals in need, and in 2023 Bank Australia provided this organisation with a community customer grant. Our grants program is aimed at supporting values-aligned not-for-profits, social enterprises and businesses with grants of up to \$20,000.

BWR has put their grant towards building 'possum palaces', which improve the outcomes and quality of life for possums that come into their care. Based in Lyndoch, in rural South Australia, the organisation takes in a number of different animals and helps rehabilitate them, so they can be released again into the wild.

Two decades ago, BWR started at the home of its founder, Rose Brooks. It has since grown to a network of around 50 volunteers, that collectively rescue around 800 native animals each year. On a given day, BWR could be housing tawny frogmouths, a joey kangaroo, and baby ringtail possums. BWR has helped to fill a much-needed gap in public services for injured wildlife, and they are often the first responders when people come across injured wildlife.

Most of the animals that come into their care have been orphaned or injured, and need support to reach a point where they can survive independently. Their injuries could be caused by car accidents, harm from domestic animals, and parental abandonment due to environmental stressors. The rehabilitation process at BWR can take anywhere between a few days to several months, depending on the animal's needs.

"Bank Australia aligns with our values of conservation, and we are conscious about how even small choices, like who we bank with, can have a major impact on the world around us," said Meredith, BWR's Treasurer.



"Our animals now have space to climb and explore, which will prepare them much better for release and increase their chances of survival."

BWR's team found out about Bank Australia's community customer grants through a bank email and decided to apply. With a number of ambitious projects on the go falling outside what they could fund independently, the BWR team decided the grant should be put towards a priority upgrade to their rehabilitation facilities. The possum enclosures, which they affectionately call 'possum palaces' were ripe for improvement.

These new possum palaces have full-sized doors, easy-access spots to swap out food without disturbing the animals, and were sourced from a local, family-owned business.

The Bank Australia grants program will continue to play a role in supporting organisations that have a positive impact on people and the planet in the years ahead.

A step towards First Nations Recognition and Respect

Bank Australia has a long history of supporting First Nations reconciliation and taking action to advance recognition and respect for Australia's First Peoples.

In 2010, we became the first customer-owned bank in Australia to develop a Reconciliation Action Plan (RAP), and since then we've been working with First Nations-led organisations and communities to take action on the goals we set for ourselves.

This year we were proud to announce the launch of our First Nations Recognition and Respect strategy. We see genuine recognition and respect for First Nations people as a fundamental responsibility for Bank Australia, and we're committed to using our voice to stand with and support Aboriginal and Torres Strait Islander people.

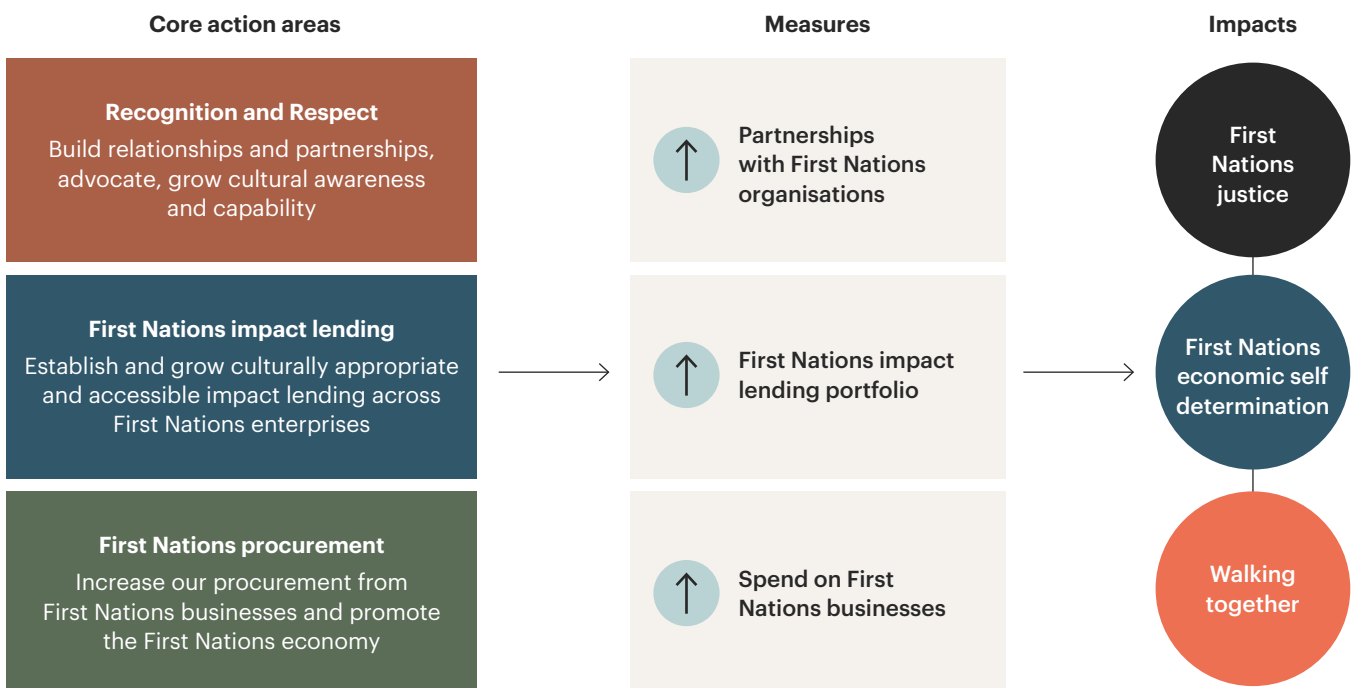
The strategy sets our vision to 2030 for working together towards First Nations justice, reconciliation and self-determination. It has 3 core action areas to achieve success and drive our impact.

This year we also advanced dialogue with Traditional Owner groups who are working on plans to buy back Country. We understand that this model contributes to land and economic justice for First Nations peoples as well as economic self-determination.

We've broadened the type of loans we fund, including a focus on enabling First Nations to heal and manage Country. Our role is to partner and engage with First Nations people, as well as build trust and credibility, to understand their aspirations, and provide supportive finance to ensure we deliver strong shared outcomes.

As part of our ongoing commitment to ensuring our employees have greater opportunities to build their own understanding and knowledge, we deliver an Indigenous Cultural Awareness training program for Bank Australia employees through our partners Indigenous Cultural Connections. Sessions are designed to be delivered in an interactive, open, safe environment.

This year, we've continued to employ a range of First Nations businesses through our supply chain. As we progress the work on the First Nations Recognition and Respect strategy, we're committed to identifying opportunities to grow our procurement base – including onboarding new suppliers in the coming months.





Case study

How Woor-Dungin is bridging the philanthropy gap with First Nations organisations

Philanthropic groups often have genuine intentions to support initiatives but can encounter challenges due to a lack of on-the-ground relationships with community organisations. Despite working hard, these organisations can struggle to identify where their support is most needed or how best to align their resources with community priorities.

Bank Australia community customer grant recipient, Woor-Dungin, plays a pivotal role in bridging this gap by establishing and nurturing relationships with First Nations community organisations. By building trust and understanding between philanthropic groups and local communities it ensures that philanthropic support is strategically aligned with the needs and aspirations of First Nations peoples.

Kirsty Sword Gusmão, CEO of Woor-Dungin said it's critical to empower Aboriginal communities to define and pursue their own development priorities.

“If philanthropists want some really transformative outcomes, they need to take this approach of allowing Aboriginal people to decide what a project looks like, how much money is needed to execute it, and how to evaluate success.”

Bank Australia is proud to support Woor-Dungin foster meaningful connections that empower First Nations groups to achieve their goals. Woor-Dungin shows that by facilitating genuine and respectful relationships it can create a meaningful impact on behalf of the community.



Case study

Supporting community resilience in the Latrobe Valley

Our target to reach net zero emissions by 2035 means we're focused on ambitious decarbonisation across our business. We're also committed to helping ensure that the transition away from fossil fuels in our economy happens in an equitable way. One element of this involves identifying ways to share the benefits of renewable energy investment, and Bank Australia has supported a range of initiatives with this focus in 2024.

The Latrobe Valley is a region that is being affected by the energy transition, and a place where Bank Australia has a long history. It's where over a quarter of our workforce is based, and we have branches in Moe and Traralgon. The Gippsland Transform Careers Expo was one event Bank Australia supported this year, where organisations were invited to share information about the opportunities the energy transition is bringing to the region, including career pathways for current students.

We also supported the Gippsland New Energy Conference, which brought together stakeholders involved in shaping the future of energy in Gippsland, including businesses, local government and educational institutions.

Additionally, in February this year we supported community events commemorating 10 years since the Hazelwood mine fire, together with Environment Victoria and Life After Coal. Each of these events involved partnerships with local organisations, and Bank Australia employees joined community members to make the events a success.

Matilda, a member of the customer service team in our Moe office, took a day of volunteer leave to participate in the event celebrating community resilience. Hosted at the newly refurbished Kernot Hall, the event featured interactive stalls, community art exhibitions and a panel discussion.

An emotional day, Matilda heard many stories of challenges faced since the fire. What each story had in common was how community members had rallied together.

"It was clear just how much people in the community care about each other. Standing there listening to their stories, I felt proud to be involved on behalf of Bank Australia," said Matilda.

Bank Australia will continue working on ways to help support the Latrobe Valley community through the energy transition.

Advancing our supply chain

Ensuring we have clear visibility of our supply chain is an important part of how we live up to our customers' expectations of us as an ethical bank.

Procurement and infrastructure are aspects of our business where we know it's critical to set a high standard for ethical sourcing. B Corps and First Nations businesses make up an important part of our supply chain, in addition to other ethical suppliers that align with our values.

As an example of our initiatives to advance sustainability, this year we started our partnership with Cargo Crew, our new uniform provider, who have a range of initiatives including the use of recycled materials and a recycling program. Through Cargo Crew we are now recycling the old uniforms previously worn in branches to prevent these fabrics from ending up in landfill.

Modern slavery risk and reporting

The introduction of the Modern Slavery Act 2018 has put an increased focus on the risks of modern slavery practices, such as human trafficking, forced labour and child labour in supply chains. We have now submitted 4 modern slavery statements. These disclose any risks identified in our supply chain, the actions we have undertaken to assess and address those risks and the effectiveness of those actions.

In 2024 we undertook a mapping exercise to identify opportunities to partner with suppliers that align with our values. This included becoming a member of Supply Nation, which connects us with First Nations businesses and service providers.

In 2025, we will continue uplifting our vendor management and procurement processes, in line with changes that will be incorporated as part of new regulations. We have formed a working group to examine the changes to reporting requirements and ensure we continue best practise reporting in the coming year.





Creating connections in the B Corp community

As a certified B Corp we endeavour to partner with other B Corp certified organisations, as well as those who practice and prioritise positive social and environmental change. During the year Bank Australia maintained supply contracts with 23 B Corp accredited businesses.

We continue to focus on increasing the number of B Corps in our supply chain and we are actively seeking opportunities to procure services from First Nations businesses where possible.

The company we keep

Who we choose to partner with, the organisations we join as members and the certifications we seek are integral to building trust in our brand and our continued growth as a purpose-driven, responsible bank. We also partner with organisations that share our values, which helps us to raise awareness of social and environmental issues and work towards shared goals.

Our memberships



The Global Alliance for Banking on Values (GABV). The GABV is an international network of financial institutions that use the business of banking to create social and environmental good.



The Customer Owned Banking Association (COBA) is the industry association for Australia's customer-owned banking institutions.



The Australian Banking Association (ABA)'s mission is to support member banks to build a strong, stable and trusted banking system, to grow the Australian economy and build the financial well-being of all Australians.



The Business Council of Co-operatives and Mutuals (BCCM) is Australia's only peak body for co-operatives and mutuals across all industries.

Our certifications



We're a certified B Corp, which means we're part of a community of over 9,000 organisations committed to having a positive impact on the world.



We're certified carbon neutral under the Australian Government's Climate Active program.

6. Our planet



Climate action

Climate change is one of the biggest challenges we face as a society and taking action on climate is a top priority for our customers.

This year, we've worked hard to deliver on our climate action strategy including developing a roadmap to reach net zero by 2035 and running a pilot to support customers to electrify their homes (see case study on [page 84](#)).

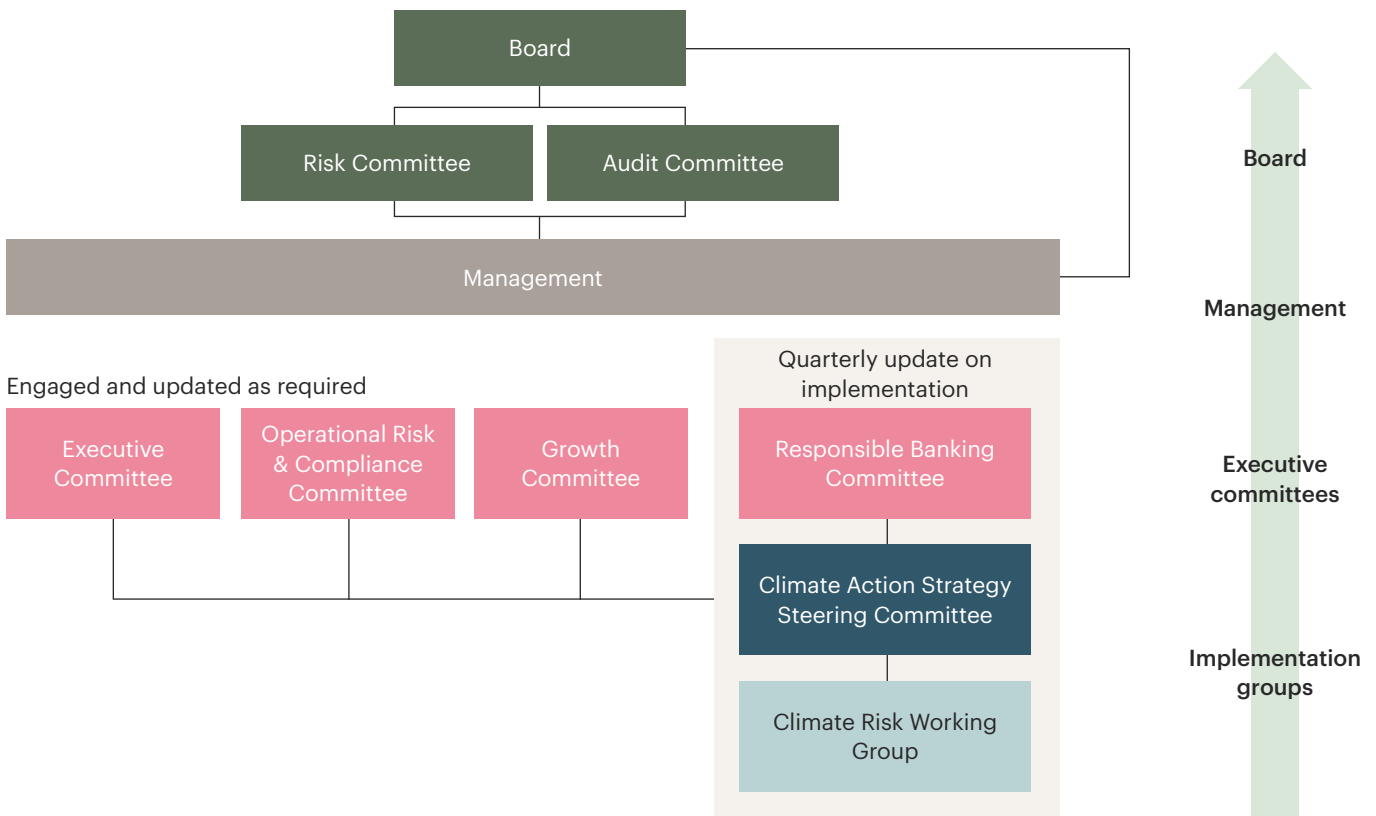
This section provides a summary of our climate action activities and performance in 2024, informed by the Australian Sustainability Reporting Standards, that are being developed by the Australian Accounting Standard Board (AASB), including sections on governance, strategy, risk management, metrics and targets. Full details of our climate activities and performance in 2024 is provided in [Appendix 6: Climate action](#).

Governance

Our Board has oversight of our climate change work, including approving our [climate action strategy](#) that encompasses our approach to climate-related risks and opportunities. The climate governance diagram below shows responsibilities at both board and management level.

Our Board engages regularly on climate change. This year we had a specific session focused on achieving net zero in our mortgage book at our annual board strategic planning offsite, as well as engaging on our net zero roadmap. Additional information on our approach to climate governance is described on [page 113](#).

Governance of climate-related risks and opportunities

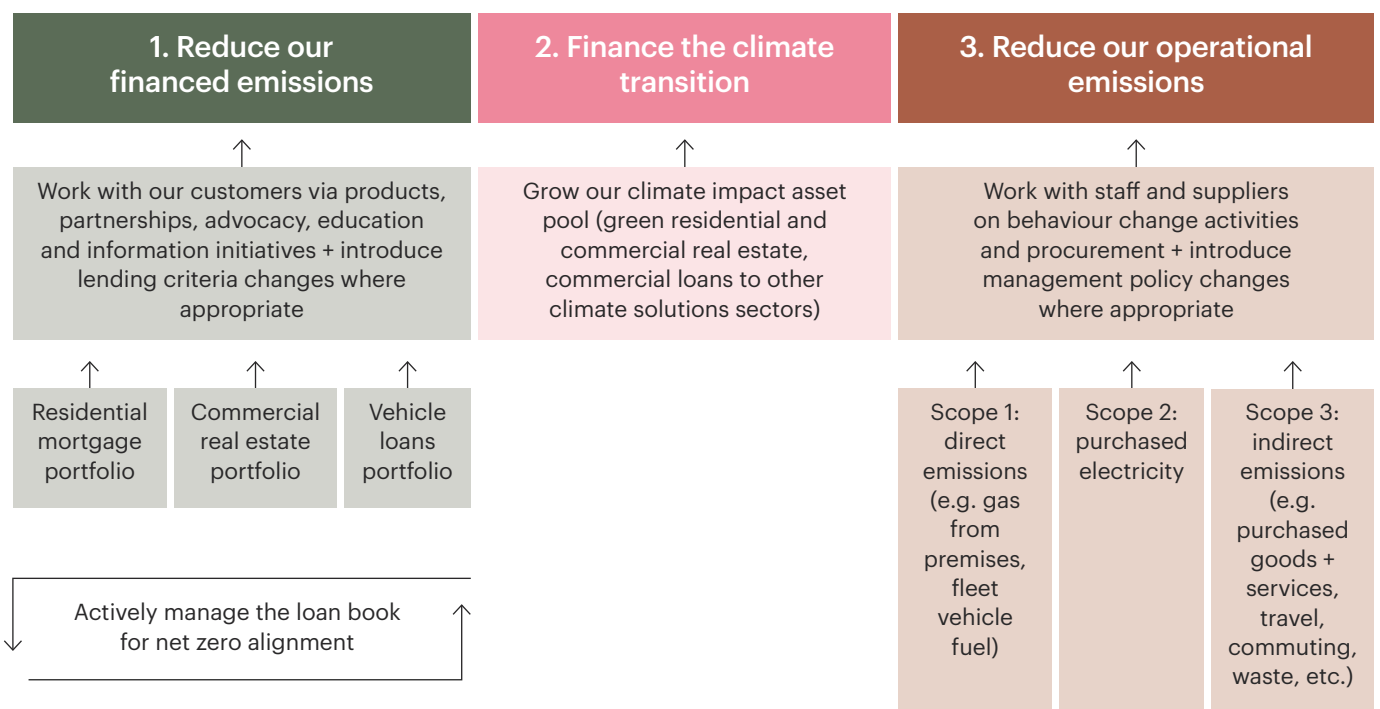


Strategy

We're a customer-owned bank with a strategy of serving socially aware people and values-aligned organisations. We provide banking products that are purpose-driven and generate a positive impact on people, planet and prosperity. We listen to our customers on issues that are important to them, and our customers tell us that climate change is their number one priority. They want Bank Australia to respond to climate change in a way that is regenerative and supports communities with

a just transition. We have long had ambitious positions on climate change and our [climate action strategy](#), published in 2022, sets out our work across the key areas of decarbonisation, customer action, climate justice, regenerative finance, protecting nature and climate risk. In our climate action strategy, reducing emissions is an essential foundation. Details of our progress against our climate action strategy are available in Appendix 6: Climate action on [page 115](#).

Our 2035 net zero target is the headline commitment in our climate action strategy. We have developed a net zero roadmap that sets out our pathway to getting there with initiatives across 3 key areas: reducing our financed emissions, financing the climate transition and reducing our operational emissions.



Key strategy areas

Decarbonisation



1. We will achieve net zero operations and portfolio by 2035
2. We will have a validated 2030 science-based emissions reduction target
3. We will explore directly investing in projects that draw down emissions

Customer action



1. We offer support and products to assist our customers to better understand and reduce their emissions

Regenerative products and services



1. We will be financing \$1.5 billion of clean energy transition and conservation by 2025

Protection of nature



1. We are a leading voice on corporate conservation innovation to draw down carbon from the atmosphere, while protecting and preparing our conservation reserve for a warmer climate

Climate justice



1. We are actively supporting the economy in the Latrobe Valley as it transitions from fossil fuels
2. We are seeking guidance and leadership from First Nations voices on climate action

Climate risk



1. We will assess, disclose and manage the risk posed to our business by a changing climate

Case study

Piloting a way to go all-electric at home

Bank Australia's Electrify Your Home pilot has empowered an initial cohort of customers to get on the journey to transitioning their homes off gas, an important step in the energy transition. Research shows that to reach net zero emissions in our economy, Australia needs to electrify homes on a wide scale, and over 5 million homes are currently connected to gas.

In some sectors, like heavy industry, getting off gas will be more complex. But with the right supports, it's entirely achievable for houses to use existing technologies – like hot water heat pumps, efficient air conditioning and induction stoves – to transition to all-electric, and ideally, using renewable electricity. With homes accounting for more than 10% of national emissions, it's clear that the housing sector should be a top priority for decarbonisation.

There are a range of benefits that come from going electric at home, including potential improvements for health and savings on energy bills. But there are also some challenges and upfront costs to consider, which is where our pilot came in.

We partnered with BOOM! Power to run the pilot, which provides an online platform to support home energy upgrade decision-making. The BOOM! Power platform takes into account household energy bills to estimate cost savings and emissions reductions from replacing different gas appliances with electric ones.

For Praviin and his wife Arti, the invitation to participate in the Electrify Your Home pilot was perfectly timed, just as they were thinking about how to level up their sustainable lifestyle.



“Our journey towards embracing clean energy started with installing solar panels on our house. We then thought about how we could take a next step, and the invitation to participate in the pilot arrived in my inbox!” said Praviin.

“We identified that replacing our gas hot water heater with an energy efficient, electric alternative would be the best upgrade for us. This was a cost-effective way to reduce the carbon footprint of our home,” said Praviin.

The couple also installed solar panels and an energy monitoring system, and these upgrades made them eligible for Bank Australia's Clean Energy Home Loan under the 'Eco Upgrade' pathway. This pathway is for customers who make 3 or more eligible green upgrades to their homes, and we reward customers with a reduced rate on their mortgage for up to 5 years.

The Electrify Your Home pilot is part of Bank Australia's net zero roadmap, leading towards our ambitious goal of net zero emissions by 2035. The pilot has provided valuable insights into what is needed to support households to get off gas, and we're now focused on improving and scaling up this program.

Risk management

Our climate risks and opportunities management approach aims to ensure we understand and address the climate risks and opportunities relevant to our operations and strategy. Climate risk is included in our enterprise risk appetite statement and we are working to build a more detailed understanding of the risks facing our bank and our customers.

Given our largest share of lending is to residential mortgages, a strong focus to date has been on better understanding the physical risks that may impact customers, and how these may influence credit risk. Our focus has also been on understanding risks to our existing portfolio. Additional information about our climate risks and opportunities management approach is provided on [page 119](#) in Appendix 6: Climate action.



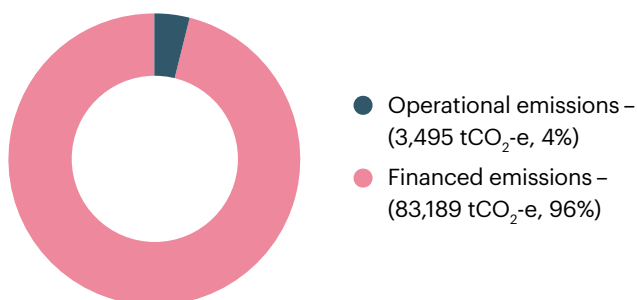
Metrics and targets

Sources of emissions at Bank Australia

Financed emissions are associated with our lending activities and represent 96% of our total 2024 emissions inventory. From that, our largest source of financed emissions is from the energy use of the homes we fund with residential mortgages, representing 86% of total emissions impact.

In 2024 operational emissions represent 4% of total emissions. While this is only a small portion of our total emissions, we will work to reduce these sources in line with our net zero by 2035 commitment.

Financed and operational emissions, 2024



87.8%

of our customers list climate action as their highest concern in our latest customer values research study.



We saw our Clean Energy Home Loan portfolio grow by

14%

these homes are more energy efficient than a standard Bank Australia-funded home.



We run on

100%

renewable electricity.

Progress against 2030 science-based targets

Our 2030 science-based emissions reduction target is validated by the Science Based Targets initiative (SBTi) and is in line with limiting global warming to 1.5 degrees. Our 2030 target helps us keep on track to reach our net zero by 2035 commitment. The table and graph below summarise our progress towards our 2030 targets.

Emission source	Target	2024 progress	Status
Residential mortgages	64% reduction per square metre by 2030 (2021 base year ¹)	6% year on year reduction and 17% reduction in intensity from base year	On track
Commercial real estate	70% reduction per square meter by 2030 (2021 base year ¹)	13% year on year reduction and 22% reduction in intensity from base year	On track
Operational Scope 1, 2 & 3 (category 1-14) emissions	42% ² reduction by 2030 (2021 base year ¹), continue purchasing 100% renewable electricity through 2030	33% year on year increase, 130% increase from SBTi base year	<p>On track</p> <p>Scope 1 & 2: Reductions on track. Planned reduction of scope 1 gas and continued scope 2 renewable electricity purchases.</p> <p>Off track</p> <p>Scope 3: Scope 3 emissions have increased by 150% from base year. This was primarily driven by including new sources of emissions: professional services, and new information technology services and equipment. These new sources make up 55% of the 2024 operational emissions inventory.</p> <p>We have also seen an increase of 36% in emissions sources that were included in our original target, driven by an increase in business travel emissions and an increase in base building emissions (due to a new calculation methodology that includes a larger range of buildings that we lease, and the addition of a building we rent out).</p> <p>This amount of change to the sources included in our emissions inventory means that we will need to set a new baseline and reset our targets as per our policy and SBTi guidelines. We plan to do this using our 2026 emissions as a base year. This means that our 2025 inventory will continue to be off-track as we continue to include these sources and improve our methodology in accordance with the GHG protocol and SBTi.</p>

1 2021 base year calculated by Point Advisory as a 'representative base year'. It considered pre-pandemic levels of operational emissions from Bank Australia and estimated 2021 levels that align with pre-pandemic behaviours, e.g. commuting to work and travelling for work.

2 Note – As of July 2023, Bank Australia scope 1 and 2 and scope 3 categories 1 – 14 emissions reduction target was updated to be 42% reduction (by 2030) in line with the SBTi current 1.5 degree-aligned trajectory (increased from 38%).

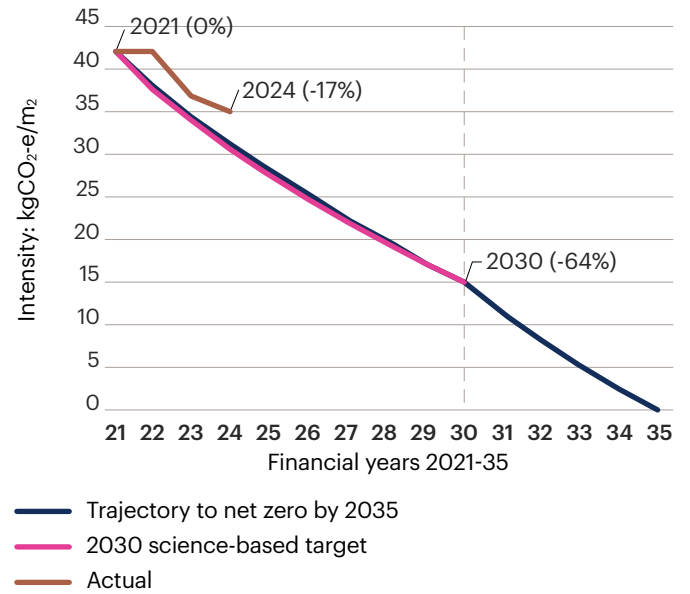


Emission source	Target	2024 progress	Status
Corporate bonds	21% of corporate bonds (by total value held) are covered by SBTs by 2025, with 47% covered by 2030	Not measured in 2024	Off track Corporate bonds are from other Australian financial institutions as part of our liquidity portfolio. While many of these institutions have set emissions reduction targets, none of them have set validated SBTs. When we next revise our SBT, we will need to consider how to approach a corporate bond target.
Corporate loans: electricity generation	Continue financing only renewable electricity through 2030	Maintained	On track No new corporate loans for electricity generation financed in 2024.

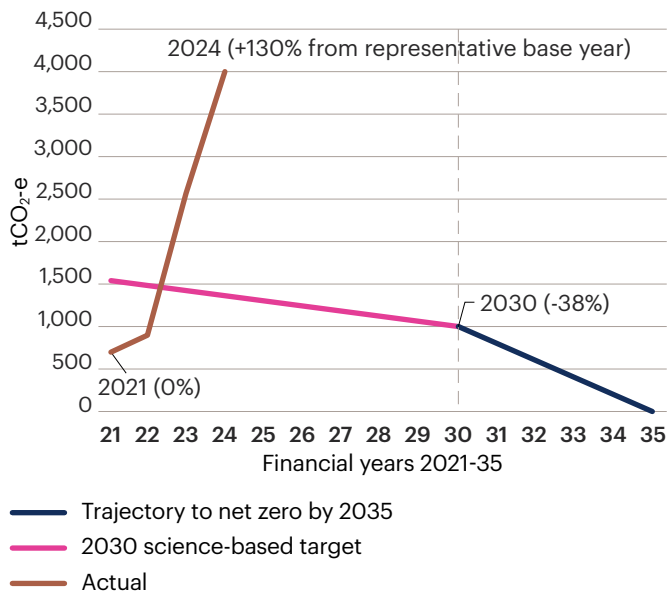
The figure below shows our operational emissions inventory, as well as our operational emissions target. Our operational emissions inventory has changed since we set our emissions reduction target using a 2021 base year. We have included new sources of emissions including professional services, and information technology services and equipment, which now make up nearly half of our operational emissions inventory. While it's positive that we're expanding the types of emissions we're counting, it does mean that we'll need to review our base year and our target. We're planning to do this using a 2026 base year.

We're on track reducing our scope 1 emissions and keeping our market-based scope 2 emissions at 0 by purchasing renewable electricity. We're off track though on our scope 3 emissions. As well as the extra new sources we've described above, we've seen an increase in emission types that were included in our original target, like business travel and base building emissions from buildings that we share with other tenants. More detail on these emissions by source is from [page 119](#) in Appendix 6: Climate action.

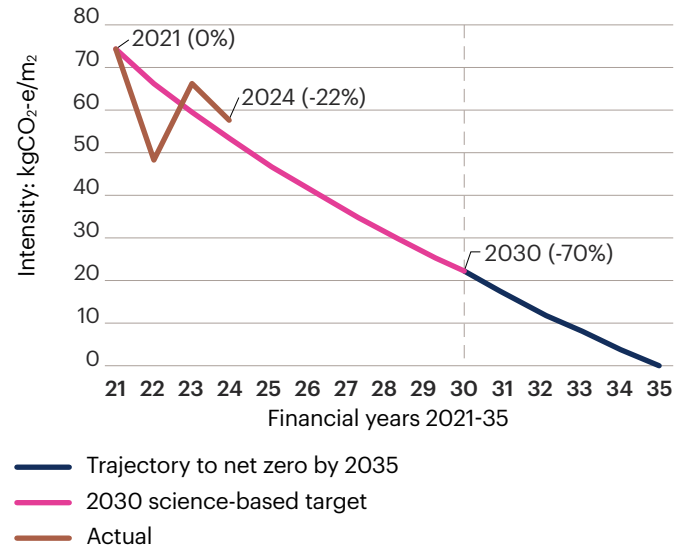
Residential mortgage greenhouse gas emissions reduction target (reduction per m²)



Operational greenhouse gas emissions reduction target (absolute emissions)



Commercial real estate greenhouse gas emissions reduction target (reduction per m²)





We are due to review to our science-based emission reduction target after 2026. In 2024, we developed a base year and target recalculation policy to guide our base year and target resetting process. Refer to [Appendix 6](#) for further information on the measurement approach, inputs and assumptions used to calculate emissions.

Climate risk metrics and targets

Last year we completed an assessment on the climate-related physical risks associated with our residential mortgage portfolio. This year we investigated ways to understand physical risk on an ongoing basis and how we can support our customers in a changing climate.

We also completed an initial high-level assessment of climate-related transition risks. Methodologies for understanding transition risk are evolving and we will continue to investigate ways to quantify this impact under different scenarios and time horizons.

Our nature and biodiversity strategy

We know that our customers want us to take action for nature and biodiversity and this year, we launched our new bank-wide nature and biodiversity strategy.

Approved by our Board in September 2023, this strategy works towards outcomes that result in more nature being protected, and an economy transitioned to being nature positive. While much of our journey is at the beginning, we've been caring for our conservation reserve on Wotjobaluk Country (western Victoria) since 2008. Protecting this land, now over 2,000 hectares, is part of how we've been taking action on nature and biodiversity on behalf of our customers. This work is primarily led by our Manager Nature and Biodiversity, a new role established this year.

In developing our strategy, we used a theory of change to guide us on our journey. As a customer-owned bank with nature as an identified priority impact area, we can be agile and lead in areas often not a focus for larger banks. Our nature theory of change highlights that we all need to increase our awareness and engagement with nature in order to take positive action for nature. We can also use our lending tools to create nature positive products and services. This has already included loans to organisations undertaking carbon sequestration through biodiverse tree planting.

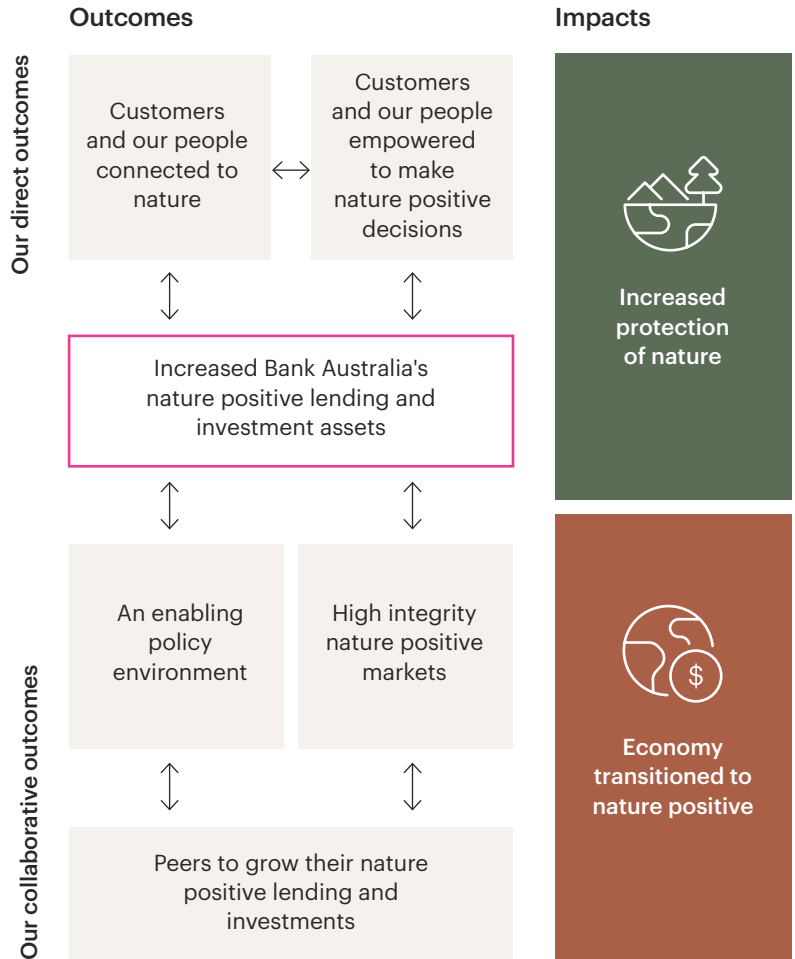
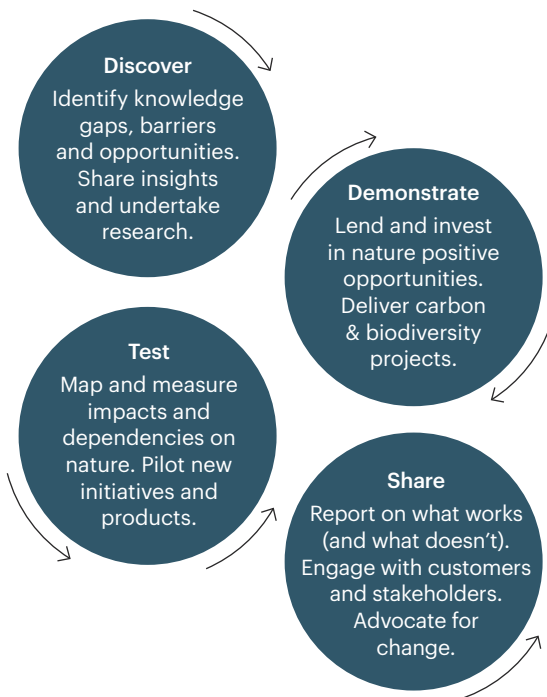


Our theory of change for nature and biodiversity

Our customers care about nature and biodiversity, and we're working towards a 2030 where nature is protected and recovering. As a customer-owned bank, we will contribute to a nature positive future through our products and services, demonstrating leadership and building awareness and engagement.

Core action areas

Awareness and engagement, leadership, and products and services



We understand that to achieve our nature positive impacts there are some important initial steps we must take on our journey. Discovery is our first step as we learn about gaps, barriers and opportunities to achieve positive impacts for nature. We're starting to test our understanding of how our lending actions may interact with nature as we map out our impacts and dependencies to nature. Demonstrating actions that can reduce our impacts to nature through investment opportunities will help others learn what may be possible. We'll be sharing what works and what doesn't as we develop nature positive products and services so that collaboratively we can make step change improvements for nature.

As a first step we need to scope out where our upstream, direct and downstream impacts and dependencies on nature exist. We are using the Taskforce on Nature-related Financial Disclosures (TNFD) framework as a guide for this discovery phase, and we've included our first disclosure using this framework in Appendix 7: Nature and biodiversity on [page 126](#).



The Bank Australia conservation reserve

We are the only bank in Australia with a conservation reserve, which spans 2,117 hectares in western Victoria.

Greening Australia and Trust for Nature assist us with our scientific monitoring and conservation work on the reserve, and we work closely with Traditional Owners the Wotjobaluk Nations represented by the Barengi Gadjin Land Council (BGLC) to assess and protect cultural values of the land.

Seeing native species thrive

A focus of our work on the reserve is to reduce the negative impacts of invasive plants and animals and restore biodiverse woodlands. The detailed ecological monitoring report from last year indicated that we had a problem with rabbits and some weeds so this year we returned our focus to pest plant and animal control so that natural regeneration of plants could occur and form essential habitat for wildlife.

Some of the weeds present on the reserve are very persistent and difficult to eradicate, such as African Orchid. We've treated an area across the reserve equivalent to 2 hectares of this plant species over the last year. Treatment is very labour intensive and requires digging out the orchid bulb by hand.

Our efforts on pest plant and animal control have had other specific results for threatened plants as well. At the Minimay property 20 nationally critically endangered Avenue Cassinia (*Cassinia tegulata*) are now thriving after targeted pest plant and animal control around where they have been planted. Avenue Cassinia is critically endangered nationally and in Victoria being listed on both the Commonwealth Environment Protection and Biodiversity Conservation Act 1999, and the Victorian Flora and Fauna Guarantee Act 1988.

Building fire resilience

Bushfires pose a risk to our conservation reserve and we have undertaken fire risk reduction work in partnership with the BGLC, the Country Fire Authority (CFA) and West Wimmera Shire Council. This work is important in minimising the risk fire poses to our stringybark woodlands and heathland, protecting large old trees with hollows from being felled or burnt and enhancing healthy understorey. BGLC has led cultural burns to heal and care for Country and protect culturally significant areas at the Minimay reserve; this has also helped to reduce weedy annual grasses. Thick undergrowth can be fuel for fires, and so burning off low lying shrubs and grass can help mitigate the spread of bushfire. Cool burns have been used to reduce the threat of fires spreading, and to create spaces for native herbs and grasses to grow. The CFA continually assists us with advice on fire break and access tracks preparation and maintenance on the reserve. This will also be a focus in the next few years.

Nature awareness and engagement

Over this last year we have taken 4 staff tours with more than 67 staff out to the reserve visiting Minimay, Salvana and Ozenkadnook properties. The Boorookpi property was not visited on the tours due to accessibility restrictions but is inspected regularly by our property managers and Manager Nature and Biodiversity. On each of the tours we have had a special guest talk with our people about conservation management in the Wimmera region.





Steve Ferguson, Damien Walsh and Brendan Wright visit the far western side of Salvana



Bank Australia Board and executive hearing from Greening Australia on the restoration efforts at Salvana

Case study

Board and executive visit to the conservation reserve

At the annual Board and executive strategy planning session in March 2024 members of the Bank Australia Board and executive were joined by guests from Qudos Bank to visit the conservation reserve.

For many this was their first time seeing firsthand the efforts since 2008 to protect and enhance nature and biodiversity. For others like our Managing Director Damien Walsh, this was a special visit seeing how some of the trees he planted in those early years have now grown into a woodland supporting threatened species such as the South-eastern Red-tailed Black Cockatoo. He also took great pride in taking our Chair Steve Ferguson and guest Brendan Wright, CEO of Qudos Bank, to the far western side, approximately 5km from the western border, of our 1000 hectare Salvana property to see how our conservation reserve is restoring native biodiversity and working towards positive outcomes for nature.

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Appendix 1: How we're governed

Good corporate governance and sound risk management practices are a fundamental part of the culture and business of the bank. The key aspects of our corporate governance framework and risk management practices are set out below.

We are a mutual entity in accordance with section 51M of the Corporations Act 2001, a public unlisted company limited by shares, an APRA regulated authorised deposit-taking institution and governed by a Board of Directors. The Board is accountable to our customers who own Bank Australia. Customers elect the majority of Non-Executive Directors to the Board and vote on issues at our Annual General Meeting.

The Board is responsible for the governance of Bank Australia and ensuring that our bank establishes and implements risk management frameworks and processes with the ultimate objective of creating a sound risk culture.

The Board:

- establishes corporate objectives
- develops, with management, the corporate culture, strategy and policy
- appoints the Managing Director and evaluates their performance
- provides oversight for Bank Australia's operations and ensures they align with our values
- ensures the appropriate control frameworks are in place, including the capital structure
- accepts responsibility for compliance with APRA prudential standards, the Australian Corporations Act and other regulatory and legislative requirements
- approves the budget
- sets risk appetite.

The Board:

- generally meets 8 times a year, plus the Annual General Meeting and annual Board planning (two days usually)
- has established committees, which meet as follows: Risk (6 times per year), Audit (4 times per year), Governance & Remuneration (4 times per year), Nominations (once per year). (During the last financial year the Board also had a Corporate Actions Committee which was dissolved in February 2024 with the relevant charter areas transferred to the Governance and Remuneration Committee).
- has limited Directors' tenure (via Bank Australia's constitution) to 12 years. The average tenure of Non-Executive Directors at the end of this financial year is 5 years.
- is comprised of 8 Directors. 5 independent, Non-Executive Directors are appointed by members and there are two Non-Executive Board appointed Directors, one of which is non-independent (Marcus Thompson previously consulted to the bank). Managing Director Damien Walsh is an Executive member of the Board.

Every 3 years of service, each member appointed Director will be eligible for reappointment if they qualify and would like to stand for the position again. This appointment occurs through a member vote at the Annual General Meeting.

Members can vote for or against reappointment of specific Directors, and can vote for alternate candidates if other candidates have nominated and pass a due diligence process, which includes a Fit & Propriety Assessment to enable them to stand for election. The Board may also reappoint Board appointed Directors at its discretion, as long as there remains a majority of member appointed Directors.



Each candidate for the position of Director is expected to have the following mandatory competencies:

- a comprehensive understanding of the roles and responsibilities of a Director, including the regulations required in the financial sector
- the ability to understand retail banking risks, including risk identification and monitoring of risk mitigation
- has experience in an organisation (or organisations) of comparable scale and complexity to Bank Australia
- a commitment to mutuality values, sustainability and responsible banking principles, including the ability to be seen as a role model for the Company's brand through the demonstration of their actions and behaviours
- the ability to evaluate, form conclusions and apply good judgement
- the ability to understand the Company's strategy
- the capacity and willingness to undertake continuous professional development and learning to acquire and update skills and knowledge relevant to the role of Director of the Company
- good financial literacy
- an understanding of their obligations as an Accountable Person under the Financial Accountability Regime (FAR), namely to:
 - act with honesty and integrity, and with due skill, care and diligence
 - deal with APRA in an open, constructive and co-operative way
 - take reasonable steps in conducting those responsibilities to prevent matters from arising that would adversely affect the prudential standing or prudential reputation of the Company
 - take reasonable steps to prevent matters arising that would result in a material contravention by the accountable entity of any of the laws specified under s21(d) of the FAR act
 - the Board has the discretion to determine other mandatory or desirable criteria to meet the skill requirements of the Board.

For the 2023 Director Election process candidates were required to have the following additional competencies required to meet a desired skills mix on the Board:

- significant understanding and knowledge of bank finance, including capital management, treasury and hedging.

All nominees for Director meet with the Nominations Committee, including existing Directors, prior to standing for election or being appointed and must demonstrate the mandatory competencies.

The Board, led by the Chair, regularly considers the skills represented by the Directors to ensure that the mix of skills remains appropriate to achieve Bank Australia's objectives. The Board consists of Directors with a broad range of experience, expertise and diversity in background and gender. The Board is subject to an annual review of its performance to ensure that it continuously identifies opportunities for development.

The Board may seek advice from external experts in areas where the current members of the Board recognise they would benefit from specific expertise.

For further information about Board of Director Accountability please refer to our [website](#).

Remuneration

For information about our approach to remuneration including our policy, collective remuneration and base remuneration, professional development expectations and our remuneration report refer to the [Financial Report \(section 6. Remuneration\)](#).

Avoidance of conflicts of interest

In addition to their standing notices, Directors must declare any specific conflicts of interest arising from the business of a particular meeting.

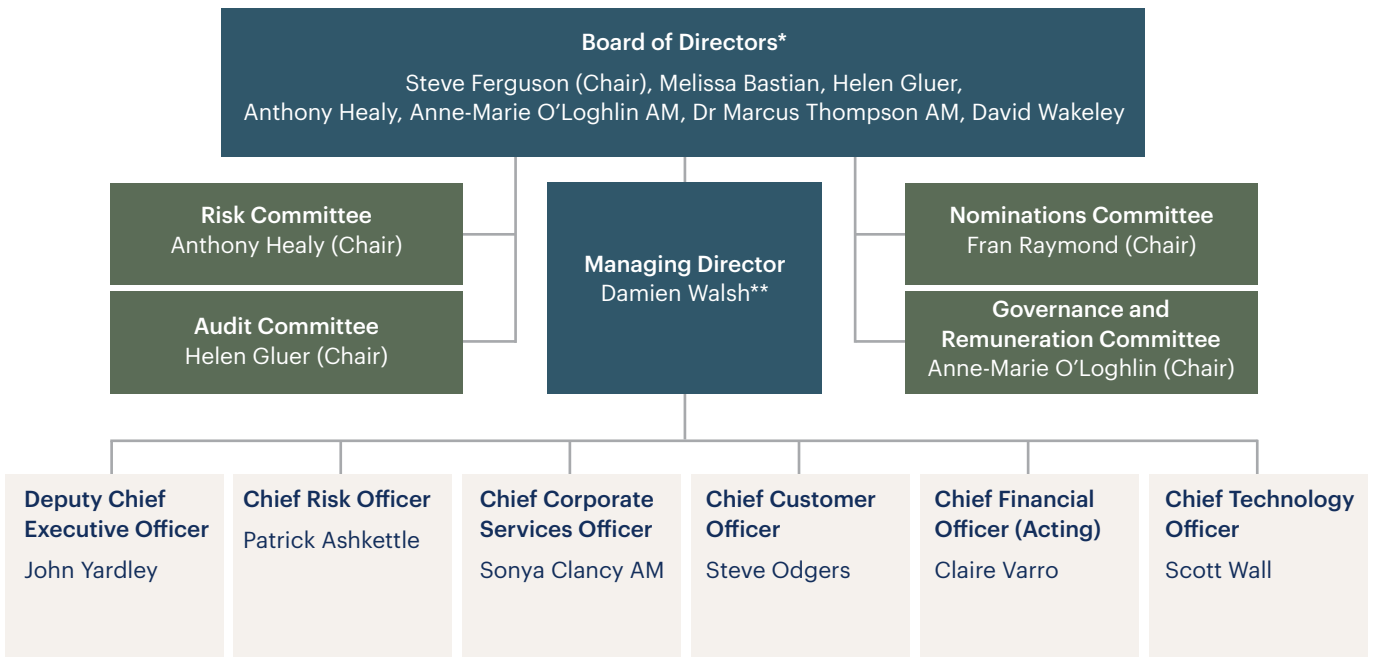
Chair

The Chair, an independent Non-Executive Director, is responsible for the efficient conduct of the Board’s meetings, setting the agenda, facilitating the work of the Board at its meetings and ensuring that the procedures and standards of the Board are observed.

Managing Director

The Managing Director is charged with Bank Australia’s day-to-day leadership and management, supported by a senior management team that oversees Bank Australia’s operations. Together, the Managing Director and the senior management team are responsible for embedding culture and sustainability principles within the business and delivering strategy and leadership, product development, risk management, commercial oversight, stakeholder engagement, community partnerships, and communications.

Our Statutory Financial Report includes a profile of each of our Directors.



* as at June 30 2024

Judith Downes retired from the Board of Directors in November 2023

Louise O'Brien, Chief Financial Officer/Company Secretary resigned in October 2023

Brad Jordon, Chief Operating Officer ceased employment in March 2024, the Chief Operating Officer role also ceased on this date.

Sasha Courville, Chief Impact Officer ceased employment in April 2024, the Chief Impact Officer role also ceased on this date.

** Managing Director Damien Walsh is an Executive member of the Board

The Board committees are:

- **Risk Committee.** The Board Risk Committee oversees the implementation and ongoing operation of the risk management framework, risk identification and control and ensures the bank meets its prudential and statutory requirements in relation to the risk management framework. It fulfils Bank Australia's obligations under Prudential Standard CPS 510 – Governance requiring a Board Risk Committee with specific responsibilities. The Risk Committee meets 6 times per year.
- **Audit Committee.** The Board Audit Committee helps the Board fulfil its corporate governance responsibilities relating to the oversight of Bank Australia's reporting obligations, audit function, internal control and compliance framework, and promoting an ethical culture of compliance throughout the organisation. It fulfils Bank Australia's obligations under Prudential Standard CPS 510 – Governance requiring a Board Audit Committee with specific responsibilities. The Audit Committee meets 4 times per year.
- **Governance and Remuneration Committee.** The Board Governance and Remuneration Committee ensures Bank Australia has a strong and effective governance framework for fulfilling Bank Australia's remuneration responsibilities and constitutional matters, and advises the Board on related matters. It fulfils Bank Australia's obligations under Prudential Standard CPS 510 – Governance requiring a Board Remuneration Committee with specific responsibilities. The Governance and Remuneration Committee meets 4 times per year.
- **Nominations Committee.** The Nominations Committee is responsible for determining the appropriateness of candidates for Director elections and appointments. It oversees nominations submitted from eligible customers and interviews nominees to assess their fitness and propriety to be and act as a Director. The Nominations Committee consists of two independent members plus the Chair of the Board. (If the Chair of the Board is standing for election, the Chair of the Governance and Remuneration

Committee acts as the third member of the Nominations Committee.) The Nominations Committee is formed annually and meets as needed.

External auditor

Ernst and Young (EY) has been appointed to conduct an audit of the Financial Report and to report to members in accordance with the requirements set out in the Corporations Act for the year under review. The audit report is provided at the end of the [Financial Report](#).

A representative from EY attended last year's Annual General Meeting to answer any questions from members on the conduct of the audit, the preparation and content of the auditor's report, accounting policies adopted in the preparation of the financial statements and EY's independence in relation to the conduct of the audit of the bank's financial statements. A representative from EY will attend this year's Annual General Meeting to fulfil a similar role. EY also performs non-financial assurance procedures over the materiality process and selected performance metrics disclosed in the Impact Report. Refer to [Appendix 8](#) for further information.

Internal audit

Bank Australia's internal audit function provides independent, objective assurance and consulting services to Bank Australia's operations. PwC was appointed to carry out this function for Bank Australia from January 2023. PwC assesses whether Bank Australia's framework of risk management, control and governance processes are adequate and functioning in a manner that supports various aims, including:

- the appropriate identification, reporting and management of risks
- the accuracy, reliability and relevance of financial, managerial and operating information
- compliance of employees' actions with policies, standards, procedures and applicable laws and regulations.

Compliance

Bank Australia has a well-developed and implemented compliance framework supported by dedicated compliance managers. The focus of this function is to ensure ongoing compliance with all laws and regulatory requirements with particular attention to industry specific requirements.

How we're regulated

Bank Australia is committed to maintaining high standards of corporate governance, and while not a listed company, actively applies a governance framework that reflects the majority of the Australian Stock Exchange Corporate Governance Principles and Recommendations.

Bank Australia is regulated by the Australian Prudential Regulation Authority (APRA). This independent statutory authority supervises institutions across banking, insurance and superannuation, and is accountable to the Australian Parliament. According to regulatory requirements, we must manage a diversified liquidity portfolio consisting of securities issued by government and a number of authorised deposit-taking institutions (ADIs), including the 4 major banks and regional banks.

This portfolio includes fixed term deposits, negotiated certificates of deposits, bank bills, bonds, covered bonds, mortgage-backed securities and floating rate notes, and is required by APRA for liquidity purposes. Bank Australia is also regulated by ASIC, which has responsibility for regulation under the Corporations Act 2001. ASIC is Australia's corporate, markets and financial services regulator. The bank is a Mutual Entity under Section 51M of the Corporations Act 2001.

Bank Australia is also subject to oversight by various state, territory and Commonwealth regulators across its operations and workforce including the Department of Health, the Australian Taxation Office, the Fair Work Ombudsman, the Workplace Gender Equality Agency, the Australian Transaction Reports and Analysis Centre, the Office of the Australian Information Commissioner and several work-health and safety regulators.

Transparency in our share holdings

Bank Australia holds shares in related companies. Currently Bank Australia is a shareholder in two major service suppliers:

- Cuscal – a provider of payment and transactional banking services
- Data Action – a supplier of core banking and data network facilities.

Appendix 2: Our customer profile

This appendix contains information about our customers numbers and demographics. All data is reported as at 30 June unless otherwise stated.

Customer numbers and demographics, 2020-2024

	2024	2023	2022	2021	2020
Number of customers					
Total customers	192,261	186,863	184,288	176,210	160,437
New customers	17,381	16,630	21,490	27,691	26,796
Customers acquired through merger	681 ¹	0	0	0	0
Customers who left the bank ²	11,983	14,055	13,412	11,918	12,759
Net customer growth	5,398	2,575	8,078	15,773	14,037
Customer retention rate ³	93%	92%	92%	93%	91%
Customer locations					
Victoria	57.8%	58.1%	58.9%	60.4%	63.9%
New South Wales	16.8%	16.4%	16.2%	15.5%	14.1%
Queensland	11.0%	10.6%	10.5%	10.2%	9.6%
Australian Capital Territory	4.7%	4.6%	4.5%	4.4%	4.3%
South Australia	3.3%	3.2%	3.0%	2.7%	2.4%
Western Australia	3.8%	3.2%	2.9%	2.7%	2.3%
Tasmania	1.6%	1.5%	1.4%	1.3%	1.1%
Northern Territory	0.5%	0.5%	0.4%	0.4%	0.4%
Other	0.5%	2.0%	2.1%	2.4%	2.1%
Customer age					
Average age of customers (years)	49	49	48	49	49
Average age of new customers (years)	42	38	36	35	36

Notes on our customer numbers and demographics

- 1 Customers from Lithuanian Co-Operative Credit Society 'Talka' Limited to Bank Australia in April 2024 and were active on 30 June.
- 2 This includes customers who choose to leave, including to consolidate their banking providers, and those who are exited due to fraudulent activity or poor behaviour including aggression towards our staff members, and account dormancy for an extended period.
- 3 Does not include customers who joined and left in the same financial year.

Customer profile, 2020-2024

	2024	2023	2022	2021	2020
Customer satisfaction					
Customer satisfaction ¹	88%	89%	88%	87%	90%
Net Promoter Score ¹	+12.1	+38.4	+42.2	+42.4	+45.4
Customer complaints ²	3,072	1,684	1,704	715	914
Customer complaints as a share of total customers	1.6%	0.9%	0.9%	0.4%	0.6%
Financial wellbeing					
Customer satisfaction with/overall financial situation ³	68%	64%	73%	75%	75%
Hardship					
Loans varied due to hardship ⁴	155	93	140	383	1,714
Serving our customers					
Average time taken to answer calls in our contact centre	6 minutes 1 second	5 minutes 19 seconds	9 minutes 24 seconds	3 minutes 28 seconds	51 seconds

Notes on our customer profile

1 We again worked with research agency Forethought to measure customer satisfaction late in the financial year. A representative sample of 1,829 customers were asked how satisfied they are with Bank Australia on a 10-point scale. Scores of 6+ (satisfied or extremely satisfied) are used to calculate overall satisfaction. Forethought also surveyed these 1,829 customers to determine the Net Promoter Score (NPS), which is the likelihood that customers will recommend us to others. Our weaker NPS score this year is disappointing and we will focus on customer feedback and improving their experience. We know that borrowers have had a difficult time with multiple rate increases this year driven by inflationary pressures.

2 Our approach to responding to customer complaints is discussed on [page 41](#), including our increased focus on recording customer complaints. 94% of complaints were resolved within 21 days.

3 We again worked with research agency Forethought to measure customer satisfaction with overall financial situation late in the financial year. Our customer's satisfaction with overall financial situation has decreased. We believe that this is due to inflation related interest rate increases and cost of living pressures.

4 The increase in loans varied due to hardship was a result of the current economic environment. A rise in mortgage interest rates and cost of living resulted in increased financial hardship for a number of customers. Our approach is discussed on [page 39](#).

Appendix 3: Our people and culture

This appendix contains information about our people and our culture activities in 2024. All data is reported as at 30 June unless otherwise stated. For further information about our gender data please refer to Workplace Gender Equality Agency (WGEA) reporting on the WGEA website <https://www.wgea.gov.au/>

Our workforce summary, 2020-2024

	2024	2023	2022	2021	2020
Total staff ^{1,2}	613	591	527	456	441
Female	340	346	319	290	285
Male	273	244	207	166	156
Non-specific ³	0	1	1	-	-
Full-time equivalents (FTEs) ⁴	575	542	487	417	400
Staff turnover rate ⁵ (continuing)	10.3%	10.8%	23.1%	15.6%	10.4%
Absentee rate ⁶	3.7%	3.6%	3.5%	2.4%	3.1%
Occupational health and safety hazards, incidents and injuries affecting staff ⁷	107	101	29	22	54
Occupational health and safety hazards, incidents and injuries affecting customers ⁷	7	8	4	23	7
Days lost to injury ⁸	20	154	109	11	54
Number of staff who took paid parental leave ⁹	35	40	30	26	17
Staff engagement survey score ¹⁰	66%	70%	72%	75%	70%

Notes on people and culture summary figures

- Total staff figure includes employees on parental leave, extended sick leave, casual, fixed term contracts, and trainees. Excludes Board Directors.
- Most staff worked full-time (85.7%) followed by those who worked part-time (9.5%), those on a contract (2.4%), trainees (1.1%) and casual staff (1.3%). These figures are broadly similar to those reported in 2023.
- Genders other than female and male were not reported prior to 2022.
- This excludes staff on parental leave, extended leave and Board Directors. Over the year, we have invested in additional FTE to continue to effectively deliver increasing risk and compliance requirements and business critical functions including Lending, Finance, IT, Transformation & Risk.
- Voluntary separations of permanent staff only. Does not include redundancies. A new methodology was introduced in 2024 resulting in the 2023 figure being restated (was previously reported as 13.9%).
- This is an annualised rate and includes staff on extended sick leave and unpaid sick leave. Pandemic leave was also included for 2020 and 2021. A new methodology was introduced in 2023 resulting in the 2022 figure being restated (was previously reported as 2.8%).
- The increase in numbers is multifactorial and includes an increase in staff numbers and an increased focus on health and safety in the workplace and reporting in the business, particularly on psychosocial incidents on sites where aggressive customer interactions have impacted staff and

many staff previously accepted this as 'part of the job'. There were 107 hazards, occupational health and safety incidents and injuries affecting staff recorded. This was made up of 62 hazards, (41 of which were psychosocial), 12 near misses (3 of which were psychosocial) and 33 injuries (9 of which were psychosocial in nature and the remaining related to factors such as slips, trips, falls, minor cuts and abrasions etc).

There were 7 customer/member of public incidents reported, including two near misses, two minor injuries and 3 personal illnesses.

- In 2024, the injuries resulting in claims were less severe, resulting in less lost time.
- Our parental leave figure refers to leave that is taken and paid by Bank Australia. In November 2021, Bank Australia increased paid parental leave for all eligible employees to 14 weeks, regardless of primary/secondary carer status.
- Staff engagement is measured by surveying staff with a non-compulsory survey (85% participated in October 2023). The 66% result exceeds Kincentric's Australian Diversified Financial Services benchmark which was 62%. The survey had 71 questions across 21 dimensions.

Employee gender split by type of employment, 2024¹

Employee type	Gender	FTE	% of total
Full-time staff	Female	257	50%
	Male	257	50%
	Non-binary	0	0%
Part-time staff	Female	34.8	96%
	Male	1.6	4%
	Non-binary	0	0%
Trainees	Female	4	57%
	Male	3	43%
	Non-binary	0	0%
Contract staff (full-time)	Female	7	58%
	Male	5	42%
	Non-binary	0	0%
Contract staff (part-time)	Female	1.2	100%
	Male	0	0%
	Non-binary	0	0%
Casual staff (head count)*	Female	3*	38%
	Male	5*	62%
	Non-binary	0*	0%
Casual staff (FTE)	Total	4.1	100%

1 Note: These figures do not include Non-Executive (Board) Directors.

2 Percentage calculated based on headcount within each role category.

Role classification

We classify roles across the bank based on the WGEA classification of roles: frontline staff (this includes sales workers), clerical/administrative staff, professionals, other managers, senior managers, general managers and executives. The WGEA data presented on this page is accurate, as of 31 March 2024. To align to our WGEA reporting we have included all levels of the workforce in the Staff by role classification and Employee gender split by role classification charts. All other data excludes Non-Executive Directors.

Staff, by role classification, 2024 (as at 31 March 2024)

Role	Number	% of total
Non-Executive Directors	7	1%
Managing Director	1	<1%
Executives	7	1%
General managers	23	4%
Other managers	74	12%
Professionals	148	24%
Clerical and administrative	292	47%
Frontline staff	75	12%
Total	627²	

Appendix 4: Bank Australia impact fund

This appendix contains information about our impact fund activities in 2024, as well as the funding summary of the impact fund over the last 5 years.

Funding summary, 2020 – 2024*

	2024	2023	2022	2021	2020
Opening balance of the impact fund as at 1 July	\$1.8m	\$1.9m	\$1.6m	\$0.6m	\$0.9m
Funding allocated to Bank Australia impact fund (up to 4% after tax profits [^])	\$0.5m	\$2.1m	\$1.4m	\$1.6m	\$0.9m
Spend from Bank Australia impact fund	\$1.1m	\$2.3m	\$1.0m	\$0.6m	\$1.3m
Balance of Bank Australia impact fund as of 30 June	\$1.3m	\$1.8m	\$1.9m	\$1.6m	\$0.6m

* Totals may vary due to rounding.

[^] 2% of after-tax profits in 2024

Bank Australia impact fund projects, 2024

Impact area	Organisation	Program	Amount
Community customer grants			
Climate action	SEE Change	Canberra electric bike library trailer	\$6,540
Disability inclusion	ASTERIA Services Inc	Racquet fun and fitness for people with disability	\$7,020
Disability inclusion	Cheltenham Community Centre	Dance and movement for all abilities	\$20,000
Family violence	inTouch Multicultural Centre Against Family Violence	Motivation for change: reflective practice module pilot	\$20,000
First Nations Recognition and Respect	Nalderun Education Aboriginal Corporation	First Nations youth mentoring	\$20,000
First Nations Recognition and Respect	Woor-Dungin Inc	Cultivating connections	\$20,000
Gender equality	The Creative Co-Operative	The future fit	\$20,000
Just and fair economy	Fitted for Work Limited	Fast tracking women to employment	\$20,000
LGBTIQ+ inclusion	Full Circle Social Enterprises	This is me	\$2,000
Nature and biodiversity	Katanning Landcare	Protecting endangered carnaby's cockatoos in Katanning	\$20,000
Nature and biodiversity	The Forktree Project	First Nations food garden and outdoor gathering space	\$20,000
Refugees and people seeking asylum	Stepping Stone Social Enterprise Limited	Build the economic independence of migrant and refugee women	\$20,000

Impact area	Organisation	Program	Amount
Major grants and partnerships			
Climate action	Climate Council	Cities Power Partnership	\$150,000
Climate action	Environment Victoria	Supporting Just Transition events	\$15,000
Climate action	Seed Indigenous Youth Climate Network Ltd	Supporting First Nations youth climate justice and advocacy	\$75,000
First Nations Recognition and Respect	Australians for Indigenous Constitutional Recognition	Voice to Parliament donation	\$200,000
First Nations Recognition and Respect	Barengi Gadjin Land Council	Cultural burn on Bank Australia conservation reserve	\$6,000
Just and fair economy	Business Council of Co-Operatives and Mutuals (BCCM)	The Bunya Fund	\$50,000
Nature and biodiversity	Greening Australia/ Trust for Nature	Bank Australia conservation reserve	\$308,760
Refugees and people seeking asylum	Human Rights Watch	Australian operations and research	\$25,000
Other			
First Nations Recognition and Respect	Gippsland Community Leadership	First Nations leadership scholarship – Gippsland	\$6,000
Other	Australian Business Volunteers	Professional volunteer program	\$29,890
Nature and biodiversity	Country Fire Authority	Donations to the 6 Fire Brigades local to Bank Australia conservation reserve	\$15,000
Just and fair economy	Business council of co-operatives and mutuals	Grant repayment for Cooperative and Mutual Induction Education course	\$-44,500
FY2024 GST			\$52,533
Total spend from impact fund			\$1,084,243

Appendix 5: Our lending and investments

This appendix contains information on our lending and investment activities for 2024 with particular focus on our impact assets as at 30 June 2024 unless otherwise stated. For full reporting of our balance sheet, see our [2024 Financial Report](#).

Impact assets by channel

Assets	Growth 2023 to 2024	2024	2023	2022	2021	2020
Total impact assets	+\$454.1m	\$2,245.2m	\$1,791.2m	\$1,390.2m	\$1,080.2m	\$746.1m
Total assets	+\$1,223.4m	\$11,747.3m	\$10,523.9m	\$9,672.4m	\$8,466.0m	\$7,185.2m
Impact asset ratio*	+2.1%	19.1%	17.0%	14.4%	12.8%	10.4%
Impact: Retail lending	+\$243.4m	\$1,405.0m	\$1,161.5m	\$882.9m	\$574.9m	\$430.7m
Total retail lending	+\$1,110.5m	\$8,883.9m	\$7,773.4m	\$7,062.7m	\$5,914.6m	\$5,188.0m
Impact: Commercial lending	+\$74.0m	\$254.1m	\$180.0m	\$141.4m	\$181.1m	\$147.6m
Total commercial lending	+80.8m	\$450.7m	\$369.9m	\$409.3m	\$499.6m	\$417.6m
Impact: Treasury investments	+\$136.6m	\$586.2m	\$449.6m	\$365.9m	\$324.2m	\$168.9m
Total treasury investments	+\$109.7	\$2,044.9m	\$1,935.2m	\$1,866.4m	\$1,798.3m	\$1,307.0m

* This is the proportion of total assets that are impact assets

Impact assets by triple bottom line

Impact assets	Growth 2023 to 2024	2024	2023	2022	2021	2020
People						
Total balance	+\$128.8	\$342.4	\$213.7	\$187.3	\$175.9	\$169.9
% of impact assets	+3.3%	15.3%	11.9%	13.5%	16.3%	22.7%
% of total assets	+0.9%	2.9%	2.0%	1.9%	2.1%	2.4%
Planet						
Total balance	+\$134.1	\$1,156.4	\$1,022.3	\$855.4	\$785.3	\$500.0
% of impact assets	-5.6%	51.5%	57.1%	61.5%	72.7%	66.9%
% of total assets	+0.1%	9.8%	9.7%	8.8%	9.3%	7.0%
Prosperity						
Total balance	+\$191.2	\$746.4	\$555.2	\$347.5	\$119.0	\$77.3
% of impact assets	+2.2%	33.2%	31.0%	25.0%	11.0%	10.3%
% of total assets	+1.1%	6.4%	5.3%	3.6%	1.4%	1.1%

The work we support with impact lending aligns with our bank's values and is focused on delivering outcomes in areas we and our customers care about. Some of the highlights achieved through our lending portfolio are listed below.

Impact lending highlights by triple bottom line

	Rationale	Portfolio value	Portfolio highlights
People			
Disability housing	We are committed to reducing barriers to home ownership and increasing access to appropriate homes for people with disability. We provide loans for the purpose of building, operating or funding Specialist Disability Accommodation (SDA) operated by a provider registered with the National Disability Insurance Agency (NDIA). We also offer SDA home loans for individual customers through our retail lending and are one of few banks in Australia that considers SDA funding through the NDIS as income to service a mortgage.	\$114.4m	Supported the build or acquisition of 360+ specialist homes for 280+ residents in NSW, NT, QLD, SA and VIC. This includes projects like The Qube, an accessible housing complex in the Gold Coast.
Community housing	Housing affordability in Australia continues to decrease, leaving people in need of safe and high-quality accommodation. We provide loans to community housing providers that build, acquire or operate social and affordable housing for people who can't access the private rental market.	\$90.9m	Supported community housing providers to build, acquire or operate 700+ homes for people in need living in NSW, NT, QLD, SA and VIC. This includes a project for customised senior living spaces and a project providing social housing for First Nations single mothers undertaking study and training.
Purpose led	We lend to for-purpose community and business customers, or charities registered by the Australian Charities and Not for Profits Commission.	\$5.5m	Supported 100+ organisations providing vital services and advocacy in areas such as: conservation, education, disability support, welfare services and social inclusion. This includes a carbon farming project in Esperance, Western Australia, which is taking a novel approach to supporting First Nations reconciliation alongside climate action and nature recovery.
Planet			
Conservation reserve backed construction loans	For construction loans, we protect an equivalent amount of land on our conservation reserve as the property is being constructed to help offset the environmental impact of land clearing. Homes constructed on large lots of land such as hobby farms are offset according to the amount of land occupied by the dwelling.	\$393.7m	We protected 156,289m ² of land on our conservation reserve to balance out the impact of construction loans funded in 2024.

	Rationale	Portfolio value	Portfolio highlights
Planet continued			
Green mortgages	Homes in Australia are not generally built to high standards of energy efficiency. By providing an incentive to customers to build or buy green homes, or make ambitious green upgrades to their homes, this lending contributes to the rate of improvement in energy efficiency. This lending includes our Clean Energy Home Loan Product and loans for other energy efficient homes.	\$239.6m	<p>Provided loans to 500 customers to build, buy or renovate green homes.</p> <p>430 of those customers are on our Clean Energy Home Loan product, and their homes have:</p> <ul style="list-style-type: none"> • 7.9 average NatHERs rating • 1,000kW+ of total solar PV capacity across 150+ systems installed • 370kWh+ of total battery storage capacity across 40 systems installed • 300+ energy efficiency upgrades, including: hot water heat pumps, air conditioning systems, energy usage monitors, thermal window and insulation upgrades.
Green residential property	We provide commercial loans to build, renovate or operate residential buildings to make them sustainable, improve resource efficiency or adopt environmentally sound technologies.	\$33.2m	<p>Supported organisations to purchase land, build or acquire green residential properties with high energy efficiency ratings.</p> <p>This includes a Property Collectives project to build 10 sustainable townhouses in Melbourne with an average NatHERS star rating of 8.7.</p>
Prosperity			
Affordable mortgage programs	We provide residential mortgages to customers as part of government sponsored and administered affordable housing programs. These include shared equity and land rent schemes where the borrowers meet certain maximum income qualifying criteria.	\$740.5m	Provided loans to 1990+ customers eligible for government sponsored and administered affordable housing programs to buy their own home.
Indigenous Business Australia mortgage program	We are a member of Indigenous Business Australia's (IBA's) banking panel. We support IBA customers on their home ownership journeys.	\$5.9m	Provided loans to 19 Aboriginal and Torres Strait Islander households.

Lending portfolio and responsible banking policy screening

Our commercial lending portfolio is subject to screening under our responsible banking policy. For details of the sectors to which we lend, please refer to [Financial Report 2024, note 16](#).

We hold money in liquid investments to ensure we have access to a sufficient amount of money to meet our customers' needs, as well as the requirements of our regulator, the Australian Prudential Regulation Authority. These investments include bonds from other banks, Governments and other organisations. Where possible, we invest in green, social or sustainability bonds from these issuers. For other bonds from these issuers, it is not possible to determine the exact purpose of every dollar invested.

Loans to excluded sectors

We originated no new loans to excluded sectors in 2024. We have two older loan accounts that are classified as horse or dog racing that pre-date our current responsible banking policy. The balance on these accounts is less than \$5,000 as at 30 June 2024.

Appendix 6: Climate action

Bank Australia makes disclosures on climate each year, including in this appendix. In 2024, our approach was informed by the draft Australian Sustainability Reporting Standards that are being developed by the Australian Accounting Standard Board (AASB). We have structured climate disclosure into sections on governance, strategy, risk management and metrics and targets.

Governance

Governance structure

The Board is responsible for approving all public commitments that Bank Australia makes, including the climate action strategy and other climate-related commitments. The Board delegates responsibility for implementation of the climate action strategy to management, including the Managing Director and executive team, and holds them accountable for delivering on the climate action strategy.

The Audit Committee, a sub-committee of the Board, is engaged regularly on climate and approval of climate disclosures. The Risk Committee, a sub-committee of the Board, is responsible for setting and approving climate risk appetite in the bank's risk appetite statement.

The Executive Responsible Banking Committee provides managerial oversight for the Managing Director and ensures progress of implementation of the climate action strategy into relevant functions.

The Climate Action Strategy Steering Committee was established in 2022 and guides the implementation of the climate action strategy with support from the Climate Risk Working Group. The Climate Action Strategy Steering Committee is chaired by the Head of Impact Management with executive sponsorship from the Chief Corporate Services Officer and participation from heads of departments.

Board members' and executives' climate capabilities

In 2024, our Board and executive continued to build their climate capabilities, including presentations from Finity consulting on physical climate related-risks and climate risk disclosures, and the CSIRO on decarbonisation pathways for residential mortgages.

Several Board members also participated in a 2024 study trip and the Global Alliance for Banking on Values (GABV) meeting in Europe. Managing Director, Damien Walsh and Board members Steve Ferguson, Anthony Healy and Anne-Marie O'Loughlin participated in the trip, which was designed to focus on the key themes of sustainable finance, values-based banking, climate action networks, just transition and sustainability reporting. During the study tour and GABV meetings key climate themes were discussed, including the intersection between climate and housing, climate strategies for financial institutions, climate advocacy and GHG emissions calculation tools for customers.

The table below provides details of our climate governance structure.

Board

Bank Australia's Board Delegations of Authority states that all public commitments that Bank Australia makes are to be approved by the Board. This includes Bank Australia's climate action strategy and climate-related commitments.

Audit Committee

The Board's Audit Committee is engaged regularly on climate and is responsible for approval of the annual impact report, including this disclosure.

Risk Committee

The Board's Risk Committee is responsible for setting and approving Bank Australia's risk appetite, including on climate risk.

Management

The Board delegates responsibility for implementation of the climate action strategy to management, including the Managing Director and the executive team, and the Chief Corporate Services Officer who has delegated responsibility for engaging with and coordinating key stakeholders around Bank Australia's strategy on climate risk.

Executive Responsible Banking Committee

Our Executive Responsible Banking Committee is chaired by Bank Australia's Chief Corporate Services Officer and includes all members of Bank Australia's executive. It meets every quarter and receives a report on the implementation of the climate action strategy at each meeting. Other Executive and Board committees receive reporting on climate when it is relevant to their respective areas.

Climate Action Strategy Steering Committee

Our Climate Action Strategy Steering Committee was established in June 2022 to bring together senior leaders to guide implementation of the climate action strategy. It is chaired by the Head of Impact Management with Executive sponsorship from the Chief Corporate Services Officer and participation from heads of department across areas including product, lending, risk, data, finance, technology, corporate affairs and marketing.

Climate Risk Working Group

The Climate Risk Working Group reports to the Climate Action Strategy Steering Committee. The group is responsible for operationalising objectives from, and presenting planned items to, the Climate Action Strategy Steering Committee. This includes developing internal definitions, integrating climate risk, and developing a climate risk disclosure framework. The working group was established in November 2022 and membership includes representatives from finance, risk, impact and data.

Key roles

In 2024, Bank Australia continued building its capability to deliver and report on the climate action strategy, establishing the new role of Manager Impact Integrity in January 2024 with a focus on sustainability reporting, including climate disclosure. This role is in addition to the Head of Impact Management, the Manager Climate Action Strategy, the Senior Business Partner – Climate in the data, analytics and insight team, the Manager Reconciliation Strategy and the Manager Nature and Biodiversity. Our approach to climate seeks guidance and leadership from First Nations voices on climate action, as well as the integration of nature and biodiversity as part of the solution to address our climate challenges.

The table below demonstrates when climate-related risks and opportunities topics were presented and discussed with the Board, the Risk Committee, the Audit Committee and the Responsible Banking Committee in 2024.

	July 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24
Board		✓	✓			✓			✓	✓	✓	✓
Risk Committee		✓	✓									✓
Audit Committee						✓				✓		✓
Responsible Banking Committee	✓			✓			✓			✓		

Strategy

As a customer-owned bank with a purpose of inspiring and empowering our customers to use their money to create a world where people and the planet thrive, the importance of taking action on climate change is embedded into our bank-wide strategy. Our climate action strategy sets out how we put that purpose into practice. Key initiatives are embedded into operational strategies including our product strategy and our impact lending strategy. The table below sets out progress against our [climate action strategy](#) in 2024.

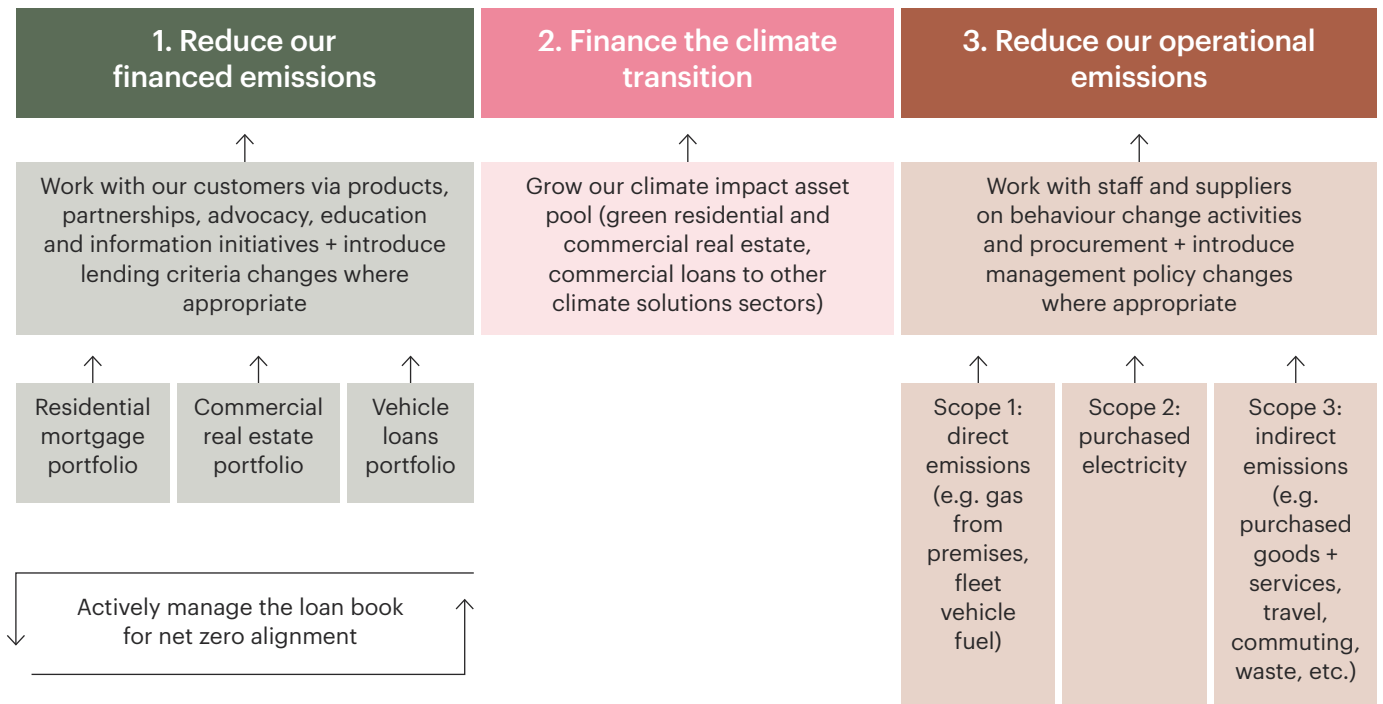
Climate action strategy ambition	Risks and opportunities	Climate action strategy progress in 2024
Decarbonisation		
We will achieve net zero operations and portfolio by 2035	Reducing emissions is a core part of our climate action strategy. The largest share of our emissions come from our mortgage portfolio. As the grid decarbonises and more homes continue to install solar, the biggest challenge we face is helping customers who own the homes we fund to move to all-electric. Given our strong presence in Victoria, a gas-heavy state, we need to place a strong focus on supporting households to switch from gas to electric appliances.	<p>In 2024, we developed a net zero roadmap to plan out how we can get to net zero by 2035 (see page 118). We continued working on ways to support customers to reduce emissions in the homes we fund. This included running our Electrify Your Home pilot (see case study on page 84), and continuing to offer our Clean Energy Home Loan.</p> <p>In our operations, we continued to run on 100% renewable electricity. We're planning to transition our current hybrid fleet vehicles to all-electric at the end of their natural tenure with the bank; this transition has been slower than we had planned as our vehicles are still within their natural tenure.</p> <p>We report on our emissions from page 119 below.</p>

Climate action strategy ambition	Risks and opportunities	Climate action strategy progress in 2024
Decarbonisation continued		
We will have a validated 2030 science-based emissions reduction target	We know that it's important to have interim targets on the way to net zero to make sure we're on the right track. That's why we've committed to using the leading global standard for setting near-term emissions reduction targets from the SBTi to work out where we need to get to by 2030 to be aligned with a 1.5 degree scenario.	In 2024, we continued working towards our 2030 science-based targets as a key point on our path towards net zero. Our progress against our science-based targets is shown on page 87 .
We will explore directly investing in projects that draw down emissions	Reducing emissions as much as we can needs to be our top priority. We do expect there to be a limited role for offsets in future. That's why we want to explore whether we can combine our expertise regenerating land on our conservation reserve with creating our own carbon offset projects.	In 2024, we sought external advice on the tax and accounting implications of directly investing in projects to draw down emissions. We have paused further work on this given current budget constraints for pursuing a project.
Customer action		
We offer support and products to assist our customers to better understand and reduce their emissions	Our customers tell us that action on climate is their top priority, so we're planning to scale up ways to offer support and products to help our customers take collective action.	As described above, we ran our Electrify Your Home pilot, which included digital energy assessment tool BOOM! Power, and continued offering our Clean Energy Home Loan. We launched our Electrify Your Home website hub to help inspire and support a broad range of customers, including homeowners and renters.
Regenerative products and services		
We will be financing \$1.5b of clean energy transition and conservation by 2025	<p>As a bank, funding regenerative products and services is an important part of our contribution to climate action. Currently, we fund</p> <ul style="list-style-type: none"> • Clean Energy Home Loans, and other green homes with a NatHERS rating of 7 stars or higher • residential mortgages where we funded construction and are protecting an equivalent amount of land on our conservation reserve (includes homes that meet Climate Bonds Initiative criteria for Australia) • loans for low-emissions vehicles • loans for solar installations and energy efficiency upgrades • loans for developing new green residential property • loans for conservation projects • investments in green bonds. 	<p>As at 30 June 2024, we were financing \$1,028.7m of clean energy transition and conservation, which is an increase of 20.9% on 2023. We undertook a project with Ecotone Partners to explore impact lending to climate opportunities in sectors such as renewables, battery storage, circular economy, built environment and mobility. We were pleased to fund new commercial loans for conservation and carbon, and we also continued funding green homes and green bonds.</p> <p>While we were pleased to be able to grow our assets in 2024, we are not currently on track to reach \$1.5b by 30 June 2025. We'll be working hard in 2025 to make as much progress as we can, including expanding our Electrify Your Home program.</p>

Climate action strategy ambition	Risks and opportunities	Climate action strategy progress in 2024
Protection of nature		
<p>We are a leading voice on corporate conservation innovation to draw down carbon from the atmosphere, while protecting and preparing our conservation reserve for a warmer climate</p>	<p>Private land conservation is an important path forward to protecting more of the precious environment from development forever. We've been protecting land on our conservation reserve since 2008, and we want to share what we've learned to show that this is something other landholders in Australia can do too.</p>	<p>In 2024, we launched our bank-wide nature and biodiversity strategy, which covers our conservation reserve and our plans across awareness and engagement, leadership and nature positive products and services. See page 91 for more information on our nature and biodiversity strategy.</p>
Climate justice		
<p>We are actively supporting the economy in the Latrobe Valley as it transitions from fossil fuels</p>	<p>We've got a long history in the Latrobe Valley and we're proud to have a continuing presence in the community. One of the larger credit unions that merged into what is Bank Australia today was Enterprise Credit Union, the credit union for employees of Victoria's former State Electricity Commission. A quarter of our staff are based in the Latrobe Valley and we're committed to continuing to support the community through the energy transition.</p>	<p>In addition to our commitment as an employer in the region, we continued engaging with initiatives focused on the energy transition in the Latrobe Valley. This included sponsoring the Gippsland New Energy Conference, the Transform Expo for renewable energy jobs, and events as part of Environment Victoria's just transition program commemorating the 10-year anniversary of the Hazlewood mine fire.</p>
<p>We are seeking guidance and leadership from First Nations voices on climate action</p>	<p>We know and recognise that First Nations voices can lead the way on climate action. We began our own Reconciliation Action Plan journey in 2010, becoming the first customer-owned bank to develop a RAP. We still have a way to go but we're committed to the work we know we need to do. On our conservation reserve, we're continuing to engage with Barengi Gadjin Land Council.</p>	<p>Since 2022 we've partnered with Seed Mob, Australia's first Indigenous youth climate network who are leading solutions and striving for a safer, healthier and more just future for all. In 2024, we launched our First Nations Recognition and Respect strategy – more information on this is on page 74.</p>
Climate risk		
<p>We will assess, disclose, and manage the risk posed to our business by a changing climate</p>	<p>The impacts of climate change are already happening. We need to analyse the risks climate change poses to our business as a bank and lender, including impacts to our customers. Following the framework of the ASRS, we're thinking about physical risk, like damages to homes we finance, transition risk, like changes in the economy as we transition away from fossil fuels, and liability risk, like failure to take appropriate action.</p>	<p>In 2024, we continued to build out an approach to climate risk, including developing a more detailed risk register to support our enterprise risk management framework and risk appetite statement. This year we also continued work with Finity consulting to plan out our future approach to integrating physical risk assessment for our mortgage book into our processes. More information on our approach to climate risk is included on page 85.</p>

Net zero roadmap

To support the achievement of our 2035 net zero commitment we have developed an internal net zero roadmap. The roadmap identifies the key initiatives that are required to reduce our financed and operational emissions. Key elements of the net zero roadmap include:



Further information on progress towards our interim 2030 science-based targets is available on [page 87](#). Year on year inventory changes and methodology associated with the emissions inventory is available in on [page 89](#).

To support the tracking of our progress and to inform our bank strategy we have developed an emissions reduction model for residential mortgages. The model forecasts business as usual emissions under 3 Australian Energy Market Operator (AEMO) scenarios and draws on our historical lending shifts in housing types and jurisdiction of lending. In addition to understanding the baseline scenario, the tool enables reduction opportunities to be modelled to understand the impact of customers switching to solar, installing batteries, removing gas, and improving energy efficiency. The strategy for implementing related initiatives is documented in our net zero roadmap.

Risk

Climate risk is captured in Bank Australia's risk appetite statement, which is part of the risk management framework and subject to Board oversight. Our Head of Operational Risk holds an annual risk workshop with the Climate Risk Working Group to review and update how the risk is captured in our risk register. The Board's Risk Committee oversees the implementation and on-going operation of the risk management framework, monitors risk identification, assessment and control methodologies, and ensures that requirements in relation to the risk management framework are met.

We know we need to continue to refine and strengthen our management of climate-related risks and opportunities. In 2023 we completed a physical climate risk assessment of collateral held for residential mortgages and found there to be a low risk based on the portfolio as at 30 June 2023. In 2024, we continued our work with Finity consulting to plan next steps for

integrating physical climate risk into our mortgage portfolio into our processes.

We also completed a detailed bank-wide climate-related risk assessment with functional representatives across the business. The assessment included the development of a climate-related risk register containing a long list of potential risks across Bank Australia's business model and value chain. Two extreme climate scenarios were used to support the identification of all potential physical and transition risks. Risks were rated in alignment with the enterprise risk management framework for a mid-point climate scenario on a 2030 time scale. A workshop was held with functional representatives to validate risk ratings and identify existing or potential controls. This assessment will inform our risk appetite statement going forward. Our overall climate action strategy is strongly focused on climate-related opportunities as described above in the strategy section.

Metrics and targets

Financed emissions (residential mortgages and commercial real estate)

The following tables summarise Bank Australia's financed emissions inventory over time and provides progress tracking year on year (YoY) and against the 2021 base year.

Absolute emissions

	Unit	Emissions source	2024	2023	2022 ⁴	2021 (base year) ⁴	Absolute change YoY	% change YoY	% change from base year
Residential mortgages (including Clean Energy Home Loan products)	tCO ₂ -e	Gas	22,454	21,134					
	tCO ₂ -e	Electricity	52,139	50,821					
Residential mortgages total	tCO₂-e		74,593	71,955¹	77,131	75,570	2,638.6	4%	-1%
Commercial lending	tCO ₂ -e	Gas	1,012	881	521	731			
	tCO ₂ -e	Electricity	4,269	4,249 ²	1,434	3,999			
Commercial lending total	tCO₂-e	Total	5,572	5,413³	1,955	4,730	158.8	3%	+18%

1 2023 emissions associated with residential mortgages were previously stated as 72,778 tCO₂-e. Emissions have been adjusted to remove under construction residential lending.

2 2023 emissions associated with commercial real estate were previously stated as 2,756 tCO₂-e. Emissions have been adjusted to include accounts previously considered small business. This exclusion was previously applied to align with SBTi methodology; however, the small business field in our system is not applicable for this purpose. Additionally, the 2023 commercial real estate total has been updated to exclude not applicable

overdraft accounts which were previously included. Cumulatively these changes do not trigger the significance threshold identified in our base-year and target recalculation policy.

3 Includes a 5.5% uplift to account for the instances where apartment buildings are listed as one collateral item rather than individual units. This is applied to the category total.

4 Residential mortgages gas and electricity information first included in 2023.

Emissions intensity

	Unit	2024	2023	2022	2021 (base year)	Absolute change YoY	% change YoY	% change from base year
Residential mortgages (including Clean Energy Home Loan products)	kg CO ₂ -e/m ²	35.1	37.2 ¹	42.2	42.1	-2.1	-6%	-17%
Commercial lending	kg CO ₂ -e/m ²	57.9	66.5 ¹	48.4	74.3	-8.6	-13%	-22%

Notes:

1 2023 emissions have been adjusted to remove under construction residential lending and account for methodology change.

Residential mortgages and commercial real-estate methodology

Emissions associated with commercial real estate and residential mortgages are calculated using property collateral associated with relevant loan type. We take the total number of collateral by jurisdiction (state and territory) and by account type (commercial or home loan).

For residential mortgages, we multiply these properties by the average floor space and energy consumption for each jurisdiction. Average energy consumption and source split is sourced from the Australian Energy Regulator. State based emissions factors are applied from the National Greenhouse Accounts Factors. For loans that are Clean Energy Home Loans we source data from customers about the energy ratings of their homes or information about energy upgrades. Emissions from these loans are calculated using a mix of NatHERS energy ratings and energy savings from upgrades, along with assumed energy splits and state-based emissions factors.

For commercial lending, we assume average floor space for property type and average commercial building energy use from Energy Star and Sustainability Victoria. State-based emissions factors are applied from the National Greenhouse Accounts Factors.

The share of emissions attributed to Bank Australia is calculated based on the loan-to-value ratio, as per the Partnership for Carbon Accounting Financials (PCAF) methodology. This methodology is a PCAF score of 5 (where 1 is best quality and 5 is lowest quality).

We are continuing to improve our methodology, data capture and data quality. In 2024 we started developing a climate data improvement plan to support the shift to actuals for residential mortgages and motor vehicle loans in future years.

Financed emissions (motor vehicle loans)

Emissions associated with motor vehicle loans are not included in our current 2030 science-based target, however form part of our net zero by 2035 commitment.

The following table summarises emissions over time associated with motor vehicle loans.

Absolute	Unit	2024	2023	2022	2021	Absolute change YoY	% change YoY	% change from base year
Motor vehicle loans total	tCO ₂ -e	3,024	3,192	3,437	5,470	-168.5	-5%	-45%

We calculate emissions associated with each car loan based on average vehicle fuel efficiency, energy type and mileage figures for Australian vehicles (from the Australian Bureau of Statistics), multiplied by National Greenhouse Accounts Factors. For each car loan, we use the average vehicle emissions factor multiplied by the share of the year that the car loan was active. Emissions are not apportioned to the loan to value ratio. This methodology is currently not aligned with the PCAF guidance. The historical methodology was originally developed to support offsetting associated with motor vehicle loans.

Operational emissions

The following tables summarise Bank Australia's operational emissions inventory over time and provide progress tracking against the 2021 base year. Note, our 2021 representative base year varies from our 2021 actual emissions inventory.

Scope 1 and 2

GHG Protocol category	Unit	2024	2023	2022	2021	Absolute change YoY	% change YoY	2021 base year ¹	% change from base year
Scope 1	tCO ₂ e	78.0	78.3	66.9	72.6	-0.4	0%	151.8	-49%
Mobile combustion (including company-owned or leased vehicles)	tCO ₂ e	62.7	56.6	23.3	24.7	6.1	-	-	-
Stationary combustion	tCO ₂ e	15.3	21.8	43.6	47.8	-6.5	-	-	-
Scope 2³	tCO ₂ e	-	-	-	-	-	-	-	-
% of renewable electricity	%	100%	100%	100%	100%	-	-	-	-
Electricity consumption	MWh	694.3	886.8	789.3	794.9	-192.5	-22%	-	-
Electricity emissions (market based)	tCO ₂ e	-	-	-	-	-	-	-	-
Electricity emissions (location based)	tCO ₂ e	531.9	681.6	693.7	806.6	-149.7	-22%	-	-
Electricity intensity per net leased area ³	MWh/m ²	89.0	-	-	-	-	-	-	-
Scope 3									

1 2021 base year calculated by Point Advisory as a 'representative base year'. It considered pre-pandemic levels of operational emissions from Bank Australia and estimated 2021 levels that align with pre-pandemic behaviours, e.g. commuting to work and travelling for work.

2 First included in 2024.

3 Our Scope 2 total reflects our market-based emissions. We use the market-based method for our emissions calculations, which shows emissions in the context of our electricity purchases, where we retire LGCs to reach 100% renewable electricity.

GHG Protocol category	Unit	2024	2023	2022	2021	Absolute change YoY	% change YoY	2021 base year ¹	% change from base year
Category 1: Purchased goods and services (includes professional services, ICT services and equipment, site fit out and key suppliers)	tCO ₂ e	1,938.9	1,431.1	256.6	137.8	507.8	35%	83.6	2,219% ²
Category 3: Fuel and energy related activities	tCO ₂ e	1.2	0.2	3.4	3.8	1.0	404%	3.9	-70%
Category 5: Waste generated in operations	tCO ₂ e	9.7	6.6	39.9	27.2	3.1	47%	63.4	-85%
Category 6: Business travel (includes air travel, employee-owned car travel, taxi and rideshare, and hotel accommodation)	tCO ₂ e	468.8	561.3	97.7	47.2	-92.5	-16%	414.9	13% ³
Category 7: Employee commuting (includes modes of transport and work-from-home)	tCO ₂ e	720.8	535.6	446.7	392.7	185.3	35%	773.1	-7%
Category 8: Upstream leased assets	tCO ₂ e	174.9	5.6	13.8	18.2	169.4	3049%	30.1 ⁴	482%
Category 13: Downstream leased assets ⁵	tCO ₂ e	102.5	-	-	-	102.5	-	-	-
Scope 3 subtotal	tCO₂e	3,416.9	2,540.4	858.1	627.0	876.5	35%	1,369.0	150%
TOTAL	tCO₂e	3,494.8	2,618.7	925.0	699.6	876.1	33%	1,520.9	130%

1 2021 base year calculated by Point Advisory as a 'representative base year'. It considered pre-pandemic levels of operational emissions from Bank Australia and estimated 2021 levels that align with pre-pandemic behaviours, e.g. commuting to work and travelling for work.

2 This change in purchased goods and services is primarily driven by the inclusion of new sources for professional services (904.7 tCO₂e) and ICT services and equipment (521.1 tCO₂e).

3 This change in business travel is primarily driven by an increase in air travel as our staff numbers have grown.

4 This change in upstream leased assets is primarily driven by a change in our head office site from owned to leased building and updated methodology to account for base building energy usage. We use a combination of actual electricity consumption data and estimated consumption based on floor space. This information is all input into the Climate Active electricity calculator for the market-based method.

5 This category of downstream leased assets is included for the first time in 2024, and includes the emissions associated with a site we own and lease to a tenant in Bendigo.

Emissions associated with our operations are calculated using a combination of activity-based and spend-based data. We use activity data for our scope 1 and 2 emissions, as well as our scope 3 emissions associated with fuel and energy, waste, the majority of our business travel, employee commuting and base buildings. We use spend-based data for our purchased goods and services, and for some elements of our business travel. We produce a basis of preparation to support assurance over our annual operational emissions inventory.

Our reduction targets are set using a representative 2021 base year. It considers pre-pandemic levels of operational emissions from Bank Australia and estimated 2021 levels that align with pre-pandemic behaviours, for example, commuting to work.

In line with recommended practice from the GHG Protocol, we review our targets annually and consider any material changes to our business and the assumptions used to model our baseline, targets, and emissions reduction pathways. During our 2024 review and relevancy testing, we identified that we needed to expand the purchased goods and services category to include professional services and ICT services and equipment and continue to include site fit out activity. Site fit outs are categorised as ad-hoc business activity and do not trigger a re-baselining. However, the inclusion of professional services and ICT services has contributed to a 35% year on year increase to our scope 3 subtotal and 33% year on year increase to the total inventory, which will trigger a re-baselining.

As an organisation, we are currently exploring a proposed merger which, if agreed on by our members, will also trigger re-baselining for our 2026 inventory. Considering these expected changes, we will revisit our baseline and climate targets using 2026 as a new base year. We will continue to report on our progress on this work.

In the interim, we have accounted for the additional Scope 3 categories in our 2024 inventory and have offset 100% of that expanded inventory as outlined below.

Renewable electricity certificates

Our operations continue to run on 100% renewable electricity. Our electricity consumption is in line with our Scope 2 electricity consumption reported for our carbon neutral claim under Climate Active (using the operational control method to define our organisational boundary). Our 100% renewable electricity is achieved through:

- direct consumption from on-site renewable electricity generation owned by Bank Australia, namely solar panels at our Bendigo and Moe premises,
- direct procurement from a grid-connected generator through the purchase of large-scale generation certificates (LGC) certificates directly from the generator under a power purchase agreement (PPA), and
- unbundled energy attribute certificates, voluntary purchase of large-scale generation certificates from our electricity retailers.

Total operational electricity consumption for 2024 is shown below.

Electricity source	MWh	Share of total 2024 consumption
Behind the meter consumption of electricity generated	65	9%
LGC purchased and retired (including PPAs) ¹	493	71%
Jurisdictional renewables (LGCs retired) ²	19	3%
Jurisdictional renewables (Large Scale Renewable Energy Target) (applied to ACT grid electricity)	5	1%
Large Scale Renewable Energy Target (applied to grid electricity only) ³	113	16%
Total renewable electricity consumption	694	100%

1 Serial number of large-scale generation certificates (LGCs) retired voluntarily: 103671-103788, 21546-21583, 45142-45324, 187558-187711

2 As per Climate Active guidelines, jurisdictional renewables refer to states and territories that have renewable energy targets over and above the Large-Scale Renewable Energy Target requirement. In 2024, this refers to our ACT electricity consumption.

3 All electricity retailers are required to retire LGCs to meet the federal renewable energy target in line with the renewable power percentage set by the Clean Energy Regulator. In 2024, the renewable power percentage was 18.72%.

Offsetting emissions from operational emissions and car loans

The following offsets were retired for Climate Active carbon neutral certification for our 2024 operational activity:

Project description	Type of offset	Registry	Date retired	Serial number	Eligible quantity	Eligible quantity used for previous reporting periods	Eligible quantity banked for future reporting periods	Eligible quantity used for this reporting period	% of total offsets retired for this reporting period
Wind bundle project in Maharashtra by Sispara	VCU	VCS	13/09/2023	8457-21915385-21916384-VCS-VCU-997-VER-IN-1-1660-01012019-31102019-0	2000	1329	0	671	19%
Wind bundle project in Maharashtra by Sispara	VCU	VCS	06/09/2024	8457-21916385-21923775-VCS-VCU-997-VER-IN-1-1660-01012019-31102019-0	7391	0	4824	2567	73%
Jarrega Environmental Planting Project	ACCU	ANREU	30/06/2023	8,370,936,684 - 8,370,936,940	257	0	0	257	7%
Total offsets retired to account for 2024 activity									3,495
Total offset retired and banked for future reports									4,824

The following offsets were retired for our motor vehicle lending:

Project description	Type of offset	Registry	Date retired	Serial number	Eligible quantity	Eligible quantity used for previous reporting periods	Eligible quantity banked for future reporting periods	Eligible quantity used for this reporting period	% of total offsets retired for this reporting period
Wind bundle project in Maharashtra by Sispara	VCU	VCS	25/09/2023	8457-21915385-21916384-VCS-VCU-997-VER-IN-1-1660-01012019-31102019-0	1000	194	0	806	27%
Watchbox conservation project, Victoria Stapled to Inner Mongolia Ximeng Zheligentu Wind Farm Phase I Project	VCU	VCS	16/09/2021	9667-116255186-116257685-VCS-VCU-259-VER-CN-1-849-01012018-20072018-0	2500	0	283	2217	73%
Total offsets retired to account for 2024 activity									3,024
Total offset retired and banked for future reports									283

Appendix 7: Nature and biodiversity

This is our first disclosure using the framework of the Taskforce on Nature-related Financial Disclosures (TNFD). We're in the discovery phase of understanding and applying the framework and we're pleased to share our first steps. We've followed the overarching structure of the TNFD, with sections below on governance, strategy, risk and impact management, and metrics and targets.

Governance

Our governance structure is presented below.

Board

Bank Australia's Board Delegations of Authority states that all public commitments that Bank Australia makes are to be approved by the Board. This includes Bank Australia's nature and biodiversity strategy and related commitments.

Key commitments endorsed by our Board this year included piloting the TNFD disclosure framework and obtaining a greater understanding of our customers' awareness and engagement with nature. Our Board's annual strategy session included a visit to our conservation reserve and engagement with our expert land managers to understand the benefits of nature and the complexities of managing and restoring nature.

Audit Committee

The Board's Audit Committee is responsible for approval of the annual impact report, including this disclosure.

Risk Committee

The Board's Risk Committee has oversight of progress against public commitments, including on nature and biodiversity.

Management

The Board delegates responsibility for sustainability, including development and implementation of the bank's impact strategies and the conservation reserve strategy and management plan to management, including the Managing Director and Chief Corporate Services Officer.

Executive Responsible Banking Committee

Our Executive Responsible Banking Committee is kept informed on the implementation of the nature and biodiversity strategy. The committee includes all members of Bank Australia's executive. It meets every quarter and receives a report on the implementation of the nature and biodiversity strategy at each meeting.

Key roles

These include Head of Impact Management and Manager Nature and Biodiversity. These roles interact with other impact management roles including the Manager of Reconciliation Strategy, Manager Climate Action Strategy, Senior Business Partner – Climate in the data, analytics and insight team and Manager Impact Integrity in the delivery of our impact strategies.

Strategy

Nature dependencies, impacts, risks and opportunities

We've started mapping our impacts and dependencies on nature as a primarily retail bank (demonstrated in the table below). Our value chain includes purchased goods and services, our offices and branches in our direct operations, as well as our conservation reserve, and our lending and investments.

Upstream	Direct	Downstream
<ul style="list-style-type: none">• Utilities – energy, water• Consumables – stationery, food• Waste• Equipment – IT, cybersecurity, office fixtures, fittings and furniture	<ul style="list-style-type: none">• Our offices and branches• Our conservation reserve project: 2117 hectares on Wotjobaluk Country in western Victoria where we and our partners care for, protect and restore nature	<ul style="list-style-type: none">• Lending and investments• Over 90% of our lending is for mortgages for homes that our customers live in and build

We have focused on our direct operations and downstream home loan value chain for this discovery phase because we expect these to be the most material based on what we've learned from assessing our climate impacts.

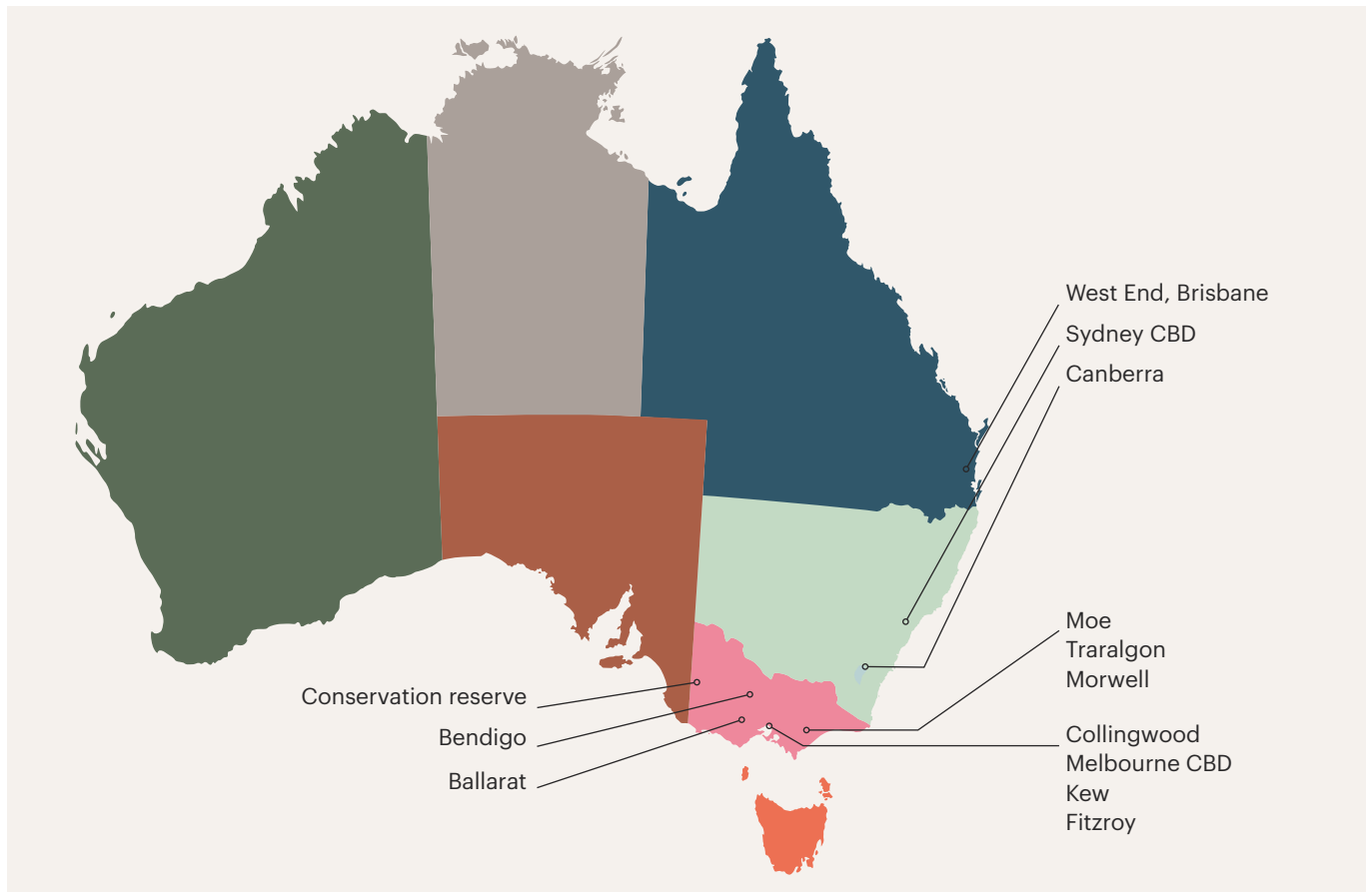
The majority of our home loans will have nature impacts and dependencies from the operation of existing properties, like using water or producing waste. Some of the loans we fund will have additional impacts and dependencies for new properties in new estates where nature has been directly removed to make space for the new home. Where we fund the construction or renovation of a home, those loans will have additional impacts and dependencies because of the materials used to build. These priority value chain areas were mapped to ENCORE (see [page 129](#), risk and impact management).

This year, we developed our new nature and biodiversity strategy, which is focused on opportunities to increase the protection of nature and transition the economy to becoming more nature positive. We believe that for nature positive impacts to occur people need to be more connected to nature and empowered to make nature positive decisions. We also know that our primary lever as a bank is through nature positive lending and investments. Our theory of change for nature is shown on [page 92](#).

Location of assets and activities

Our direct operations and the majority of our home loans are situated in or around major cities or rural towns in Australia. Our office locations and our conservation reserve are shown in the figure below.

Location of Bank Australia direct operations (offices, branches and conservation reserve)



Our direct operations use energy, water and goods, and produce wastewater and other physical waste streams including putrescible, organic and recyclable materials (see [page 130](#), metrics and targets).

Our downstream impacts and dependencies are reflected in our home loan portfolio. Almost half of this portfolio is located in Victoria (48%). A further 21% is located in New South Wales and a further 13% is located in Queensland. The remainder of the portfolio is distributed across Australia.

We have started analysing the distribution of our home loan portfolio against nature and biodiversity values and influences like the presence of ecological communities, land use type, and closeness of waterways and internationally protected Ramsar wetlands. The presence of nature values is based on known data layers under the control of State or Commonwealth government agencies e.g. ecological vegetation class geographic information system managed by the State of Victoria. This analysis has provided us with a dashboard where we can determine the percentage of home loan portfolio securities that may have a high, medium or low impact and dependency potential on nature.

Risk and impact management

In this early discovery phase we aim to understand our dependencies, impacts and risks before we develop management strategies and integrate those strategies into risk management processes. We will share our learnings and approach as our nature disclosure advances over the next few years.

Process for identifying and assessing dependencies, impacts and risks

To help us understand the material impacts and dependencies of our direct operations and downstream value chain, we used the ENCORE sector impact and dependency tool (<https://encorenature.org/en>). The tool is from Global Canopy, UNEP FI and UNEP-WCMC, which together form the ENCORE Partnership, and it sets out how the economy – sectors, subsectors and production processes – depends and impacts on nature. We then refined our scoping using the Science Based Targets for Nature sector-level materiality tool. We included the financial, real estate, materials and consumer discretionary sectors, and production processes for financial services, real estate, construction materials production and homebuilding.

The impact heat map in the figure below gives a high-level view of those sectors’ impact to the natural environment. Land use change associated with home loans is likely to have very high impacts to nature. Water use, waste generation and pollution are also high impacts to nature. Construction materials for renovations and office fit outs also have high impacts to freshwater and marine ecosystems.

Sectors	Our direct operations	Loans for residential properties	Additional for new homes in greenfield areas	Additional for renovations and construction
Water use	H*	H	H	H
Freshwater ecosystem use			H	H
Marine ecosystem use				H
Terrestrial ecosystem use		VH	VH	VH
Non GHG pollutants	M*	M	H	M
Water pollutants	H*	M	M	M
Soil pollutants	H*	M	M	
Solid waste	M	H	H	H
GHG emissions		H	H	H
Disturbances			H	H

○ Not determined ● Very low ● Low ● Medium ● High ● Very high

* These scores have been generated using the Science Based Targets for Nature materiality tool to enhance the outputs from ENCORE.

Summary of material impacts and dependencies

Direct operations

- Direct operation of our offices and branches is likely to have a high impact on nature from water use, water pollution, soil pollution and moderate impacts from waste production and non-GHG pollution.

Downstream home loan portfolio

- Providing loans to buy existing homes was considered the most material impact we may have on nature. Water use, generation of solid waste and GHG emissions are the key drivers of nature impacts from people living in homes. Historically residential estates have had some impact on nature so terrestrial land use change is flagged as having a very high risk due to historic conversion of nature into urbanised areas. We are investigating recent land use change that is associated with our home loan portfolio, including trying to understand what a relevant timeframe is to describe a 'recent' land use change.
- Building new homes within new housing estates means converting nature to residential areas. Those impacts are largely regulated through an impact hierarchy of avoid, minimise and offset with offsetting being a predominate feature. New estates are largely dependent on ecosystem services and produce solid wastes and gaseous pollution (GHG and non-GHG).
- Renovations and fit-outs need construction materials. The production of construction materials depends on water services and may have impacts to terrestrial, freshwater and marine ecosystems. Production of building materials also produces solid waste and GHGs and may disturb nature through light, noise and odour.

Metrics and targets

This year, we're able to disclose metrics that we have data on about our direct operations (water use and waste production), metrics that are identified in our nature and biodiversity strategy, and metrics and targets from our 10-year strategy for the Bank Australia conservation reserve. For information on our greenhouse gas emissions, see [page 89](#) in the Our planet section. We will work towards reporting against more of the TNFD guideline metrics in future years.

Direct operations

We have been recording volumes of waste and water consumed at our offices and branches over a number of years as part of our greenhouse gas emissions reporting. Both waste production and water consumption place physical pressures on the natural environment and we consider these to be the most material for our direct operations during this discovery phase. We have included the relevant TNFD metric code in the data tables.

The table below shows the total general waste (landfill) we produce, and an estimate of landfill produced per FTE at our sites. We use weighted landfill measurements (2023 and 2024) from head office and extrapolate them by FTE to calculate our total landfill generation.

As we grow in size, we expect the landfill we produce may also grow. To understand if future attempts to limit waste production are effective, we will compare waste intensity year on year.

	Unit	2024	2023	2022 ¹	2021 ¹	2020 ¹	TNFD metric
General waste (landfill) ² generated	tonnes	4.6	4.1	61.9	52.4	50.7	C2.2
FTE ³		610.1	512.5	510.5	432.0	417.9	
General waste (landfill) intensity	kg/FTE	7.5	7.9	121.3	121.3	121.3	

1 Calculations for 2020 to 2022 are based on older methodology, where a waste sample from one week of waste generation was used to estimate annual consumption.

2 The data in this table underpins our operational emissions (Scope 3 – Waste produced in operations) provided in [Appendix 6](#).

3 This FTE figure varies from the FTE figure provided in [Appendix 3](#), as it based on an annual average, and not figures as at 30 June 2024. In addition, staff on forms of extended leave (including parental leave) do not generate waste at our sites, and as such are excluded from the intensity metric calculations.

The table below provides a view of the total volume of water consumed at our sites, and an estimate of water consumed per FTE at our sites. Where data is unavailable, water consumption is estimated based on FTE or site averages (2023 and 2024). To understand if future attempts to reduce water consumption are effective, we will compare water intensity year on year.

	Unit	2024	2023	2022	2021	2020	TNFD metric
Water consumed ¹	m ³	2,208.5	5,103.7	1657.5	1503.8	2596.9	C2.2
FTE ²		610.1	512.5	510.5	432.0	417.9	
Water intensity	m ³ /FTE	3.6	10.0	3.2	3.5	6.2	

1 The data in this table underpins our operational emissions (Scope 3 – Purchased goods and services) provided in [Appendix 6](#).

2 This FTE figure varies from the FTE figure provided in [Appendix 3](#), as it based on an annual average, and not figures as at 30 Jun 2024. In addition, staff on forms of extended leave (including parental leave) do not consume water at our sites, and as such are excluded from the intensity metric calculations.

Nature and biodiversity strategy progress

Our nature and biodiversity strategy sets our impact statement and measures where we believe there are opportunities for us to have a positive impact on nature.

Our customers care about nature and biodiversity, and we are working towards a 2030 where nature is protected and recovering. As a customer-owned bank, we will contribute to a nature positive future through our products and services, demonstrating leadership and building awareness and engagement. Our measure of success and progress are reported below:

Action area	Measure of success	Progress in 2024
Awareness and engagement	Increased % of our people and customers connected with nature	We have started to get an understanding of our people's and customers' connectedness to nature by working with Melbourne Biodiversity Institute on a behaviour change model and survey to help us get a baseline for these measures. The behaviour change model was developed in early 2024 and the survey is planned for later in 2024.
	Increased influence on positive attitudes and behaviours for nature	
Leadership	Increased condition and extent of nature and biodiversity	At this discovery phase of our TNFD scoping exercise we are relying on known data and measures. These relate to our stewardship of the conservation reserve and include the below metrics of the TNFD and our available data ¹ :
	TNFD recommended metric C1.0, total area managed, disturbed and restored. For this report we will be using the total area of land managed for nature conservation.	<ul style="list-style-type: none"> • 2,117 hectares of land purchased for conservation • 396 hectares of habitat under restoration since 2008 including 60 hectares of Buloke Grassy Woodland vegetation community and 336 hectares of stringybark woodland to support the endangered South-eastern Red-tailed Black Cockatoo
	TNFD recommended metric A5.0 ecosystem condition. Condition can have many proxies. For this report we will be using the total number of native plants and animals recorded on the conservation reserve.	<ul style="list-style-type: none"> • 251 native plants protected and supported through pest plant and animal control • 283 native animals protected and managed for the future by restoration and stewardship of habitat • 11 threatened fauna and 10 threatened flora protected on the conservation reserve
	TNFD recommended metric A5.1, Ecosystem extent. For this report we will be using the total area of uncleared remnant native vegetation.	<ul style="list-style-type: none"> • 1,780 hectares of protected remnant vegetation across the Minimay, Ozenkadnook, Boorooopki and Salvana properties

¹ [Our big spring monitoring report](#), and Jellinek, S., Raulings, E., Lassen, M., Gardner, J., Wong, N., Copley, F. 2017. Bank Australia Conservation Reserve Implementation Plan: Converting the Vision to Reality. Greening Australia & Trust for Nature, Melbourne, Victoria (unpublished report to Bank Australia)

Action area	Measure of success	Progress in 2024
Nature positive products and services	Increased in the ratio of our nature positive assets out of total assets	<p>At this early stage in the delivery of the nature and biodiversity strategy we are able to report on our commercial loans that contribute to nature protection. These are represented by loans to registered environmental charities (\$0.1m), and commercial loans with conservation outcomes such as those for carbon sequestration projects with biodiversity co-benefits and organisation meeting their purpose of nature protection (\$4.2m).</p> <p>Our total commercial nature affiliated assets as at 30 June 2024 were \$4.4m.*</p>

* Total varies due to rounding. The assets are a subset of our total impact finance assets (see [Appendix 5](#) for more detail) and are also included in our clean energy transition and conservation finance target. Our methods of measuring, categorising and reporting on nature and biodiversity associated assets will continue to evolve over time as we mature our approach.

Reimagining the Future, our 10-year conservation reserve strategy

We continue to work with our partners Greening Australia and Trust for Nature on the stewardship of the conservation reserve. The reserve received funding of \$308,760 from the Bank Australia impact fund in 2024. In 2023 we delivered with our partners the 5-year big spring monitoring report for the reserve which included intense field-based surveys and included an additional funding amount of approximately \$300,000.

In 2017, we set out our Reimagining the Future, 10-year strategy. Each year we have reported on our progress against the 5 action areas. Where targets dates have passed, we continue to report about our progress.

Our progress against our 10-year strategy in 2024 is provided:

Action area	Objectives	Progress in 2024
Wildlife and land conservation	1.1, 1.2 By 2026, we will maintain or improve the quality of at least 600 hectares of our conservation reserve to support and increase the populations of up to 5 existing threatened plants and 4 existing threatened animals, which have been identified through baseline ecological monitoring.	In 2023, in partnership with our delivery partners, Greening Australia and Trust for Nature, we undertook flora and fauna surveys to assess how the reserve is changing over time, and whether native animals and plants are becoming more diverse and abundant in the revegetated and remnant areas. The results of this report suggested that a greater emphasis was needed in the short term on pest plant and animal control. Preliminary results show we are on track and have improved the habitat quality of much of the 600 hectares objective through revegetation, weed control and pest animal control. Incidental results from property inspections by Bank Australia's Manager Nature and Biodiversity indicate that habitat and actual presence of South-eastern Red-tailed Black Cockatoo remains on the properties, and large old Buloke and regenerating Buloke are in good health with abundant canopy and recruitment.
	1.3 By 2026, we will extend and enhance the condition of existing revegetation across 200 hectares of previously degraded land in our reserve to provide habitat for at least 5 other wildlife species, which will be identified through baseline ecological monitoring.	In 2023, extra infill planting was completed across 40 hectares of the 190 hectares planted last year by our delivery partner Greening Australia. Those infill plants are in excellent condition with many showing signs of growth spurts possibly associated with generous rains over the last few years. We are well on track to achieve the 200 hectares aim of improved revegetation condition by 2026 and have commissioned additional revegetation for the coming year.
	1.4 By 2020, social and Indigenous ecological knowledge will be integrated into the management of our reserve.	In 2024, a greater emphasis was placed on protecting culturally significant places on the properties with both male and female rangers from the Barengi Gadjin Land Council (BGLC) conducting cultural burns.

Action area	Objectives	Progress in 2024
Climate change resilience	2.1, 2.3 By 2026, the current extent of our conservation reserve system will be revegetated with native species, and managed to maximise both habitat and biodiverse carbon storage.	In 2021 we purchased Salvana, an 1,100 hectare property previously managed for grazing and conservation. This purchase doubled the size of our reserve and also increased the area of degraded land that requires revegetation. Over 2022, 190 hectares of Salvana was revegetated but we still have a long way to go to completely fill all of the gaps requiring restoration. As we progress towards this goal we are taking a pragmatic approach and doing infill planting where we can, targeting pest plant control to focus on invasive weeds, and undertaking pest animal control across the properties. These efforts enhance existing habitat and maintain native vegetation in a healthy form to maximise carbon storage and sequestration.
	2.2 By 2026 our conservation reserve will provide critical habitat for up to 4 identified threatened wildlife species, based on 2050 climate models. The species will be identified through baseline ecological monitoring.	The results of the big spring monitoring program revealed further distribution of habitat and threatened wildlife records through the reserve including Fiery Jewel butterfly, the Hooded Robin, and the South-eastern Red-tailed Black Cockatoo. There is potential that habitat for Diamond Firetail and Crested Bellbird is also expanding with the increase in our restoration and revegetation efforts.
Engaging the community	3.1 By 2020, Indigenous land management practices and stories will be implemented and celebrated within our conservation reserve.	We continued to enjoy the ecological benefits of previous and current cultural burns carried out on-site, and listened to Traditional Custodians to identify new avenues for their engagement with the land. Engagement and planning was undertaken with BGLC for the next cultural burn and will be expanded to future land stewardship options over the coming years
	3.2 Each year we will run one project at our conservation reserve that ties in with an identified social priority of our customers other than conservation (for example, supporting people with a disability or refugee communities).	This objective was still on hold in 2024 as we designed our 4 impact priority areas that include climate action, nature and biodiversity, First Nations Recognition and Respect, and affordable and accessible housing. In 2024 we started working with the Melbourne Biodiversity Institute to prepare a behaviour change model and customer survey so we could better understand how we can progress towards our nature targets. The results of this report due for release in late 2024 will further drive our actions for nature.
	3.3 Each year until 2021 we will engage the local community, including children, with our conservation reserve.	In 2024, our community engagement has focused on maintaining good relationships with our existing neighbours, and other local stakeholders including Parks Victoria, Bird Life Australia, The South-eastern Red-tailed Black Cockatoo Recovery Team, the Wimmera Catchment Management Agency and the Department of Energy, Environment and Climate Action. We had the Kowree Farm Tree Group and the Kowree Private Land Conservation Network visit the properties along with the West Wimmera Landcare Facilitator. We provided donations to each of the surrounding CFA brigades as a thank you for their support to the local community.

Action area	Objectives	Progress in 2024
Demonstrating corporate environmental leadership	4.1 At least once each year Bank Australia will inform a banking industry or corporate audience about the conservation reserve, such as through a conference, presentations, visit or publication.	Bank Australia's impact management team sponsored the 2023 Wimmera Biodiversity Seminar in September 2023. We also presented at the virtual component of the 10th World Conference on Ecological Restoration in November 2023 on our approach to nature protection including stewardship of the conservation reserve. We were also invited to speak to the Australian Energy Council in February 2024 on our impact strategies and conservation reserve.
	4.2 By 2021 Bank Australia will have partnerships with at least 3 research institutions and/ or conservation networks relating to the conservation reserve.	Research is often conducted on the reserve with multiple partners and collaborators. These partners and collaborators have included The Red-tailed Black Cockatoo Recovery Team, the Australian Acoustic Observatory, the Queensland University of Technology, Parks Victoria and the Department of Energy, Environment and Climate Action, all supported by Greening Australia and Trust for Nature.
Delivering value to Bank Australia and our customers	5.1 By 2021, 60% of Bank Australia's customers will be aware of our conservation reserve.	In 2024, we shared stories about our conservation reserve and relevant partners through channels including social media, our website and blog, and internally with staff. Our customer values survey (conducted in March 2023) found that 57% of customers are aware of the conservation reserve. A specific survey related to nature and climate awareness and engagement by our customers is planned for August 2024.
	5.2 Every year there will be a greater number of customers who identify our conservation reserve as being a factor in deciding to join Bank Australia.	Protecting nature and biodiversity is the second most important social and environmental issue of concern for our customers behind acting on climate change (customer values survey, 2023). We have started working with the Melbourne Biodiversity Institute to prepare a behaviour change model and customer survey to refine our understanding of our customers relationship with nature. This survey on awareness, engagement to drive action will help us set future baselines and refined native engagement actions. The survey results are planned for release in late 2024.
	5.3 Each year 10% of our staff will have visited our conservation reserve and be able to share their stories with customers.	In 2024 approximately 11% of our staff including executives attended the conservation reserve.

Next steps

We know there is still much to be done to better understand our nature related impacts and dependencies. We look forward to our customers joining us on this journey. Below we have mapped out our next steps using the TNFD LEAP framework:

- **scoping:** continue scoping and improving our understanding of nature impacts, dependencies and opportunities.
- **locate:** continue mapping our value chain and business activity. Continue to understand where our value chain may interact with and have a dependency on nature.
- **evaluate:** continue investigating how to evaluate our nature impacts, dependencies, and the benefits the conservation reserve has on nature and biodiversity.
- **assess:** continue investigating how to include risk assessment processes into our understanding of impacts, dependencies and opportunities.
- **prepare:** continue to disclose and refine our disclosure of impacts and dependencies on nature.

Appendix 8: Assurance statement



**Building a better
working world**

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Independent Limited Assurance Report to the Management and Directors of Bank Australia Limited ('Bank Australia')

Our Conclusion:

Ernst & Young ('EY', 'we') were engaged by Bank Australia to undertake a limited assurance engagement as defined by Australian Auditing Standards, hereafter referred to as a 'review', over the Subject Matter defined below for the year ended 30 June 2024. Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe the Subject Matter has not been prepared, in all material respects, in accordance with the Criteria defined below.

What our review covered

We reviewed the following Subject Matter for the year ended 30 June 2024, which was prepared using the following Criteria:

- ▶ The preparation and disclosure of material sustainability-related risks and opportunities aligned to The Global Reporting Initiative's ('GRI') Sustainability Reporting Standard for Materiality (GRI 101: Foundation 2021) and International Financial Reporting Standards (IFRS) S1 General Requirements for Disclosure of Sustainability-related Financial Information
- ▶ Selected performance metrics as described in the table below:

Performance data	Report section	Criteria
100% of our employees completed cybersecurity training	Our people, p. 60; Appendices: Glossary, p. 145	Bank Australia's own criteria
We don't fund the arms industry	Our customers, p. 53	Bank Australia's own criteria as per their Responsible Banking Policy
GHG Emissions - Scope 1, 2 & 3 (excluding financed emissions)	Our planet, p. 86 & Appendices: Metrics and targets, p. 121-122	National Greenhouse Accounts Factors 2007 (Aug 2023) National Greenhouse and Energy Reporting (Measurement) Determination 2008 as amended
Financed emissions from mortgages and commercial real estate portfolio - Scope 3)	Our planet, p. 86 & Appendices: Metrics and targets, p. 119	PCAF (Partnership for Carbon Accounting Financials) Global GHG Accounting & Reporting Standard.
We fund inclusive and community housing	Our customers, p. 53	Bank Australia's own criteria as per their Responsible Banking Policy
We fund clean energy transition and conservation	Our customers, p. 53 & Appendices: Strategy, p. 116	Bank Australia's own criteria as per their Responsible Banking Policy
Occupational health and safety hazards, incidents and injuries affecting staff	Our people, p. 64 & Appendices: Our people and culture, p. 105	Bank Australia's own criteria, as informed by definitions from WorkSafe Australia
Customer complaints	Our customers, p. 41 & Appendices: Our customer profile, p. 104	Bank Australia's own criteria, as informed by the Australia Securities and Investments Commission (ASIC) 2023
Amount of funding contributed to the Bank Australia Impact Fund	Appendices: Bank Australia impact fund p. 107	Bank Australia's own criteria
Staff by role classification (Salary packages, by gender)	Appendices: Our people and culture, p. 106	Bank Australia's own criteria, as informed by the Workplace Gender Equality Agency (WGEA)

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Other than as described in the preceding paragraphs, which set out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express an opinion or conclusion on this information.

Key responsibilities

Bank Australia's responsibility

Bank Australia's management is responsible for selecting the Criteria, and for presenting the materiality process and selected material topics; and fairly presenting the associated Selected Performance Metrics in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibility and independence

Our responsibility is to express a conclusion on the Subject Matter based on our review.

We have complied with the independence and relevant ethical requirements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our approach to conducting the review

We conducted this review in accordance with the Australian Auditing and Assurance Standards Board's *Australian Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ASAE3000'), *Assurance Engagements on Greenhouse Gas Statements (ASAE 3410)* and the terms of reference for this engagement as agreed with Bank Australia on 17 May 2024. That standard requires that we plan and perform our engagement to express a conclusion on whether anything has come to our attention that causes us to believe that the Subject Matter is not prepared, in all material respects, in accordance with the Criteria, and to issue a report.

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Summary of review procedures performed

A review consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other review procedures.

The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risk of material misstatement, whether due to fraud or error. The procedures we performed included, but were not limited to:

- ▶ Conducted interviews with personnel to understand the business and reporting process
- ▶ Conducted interviews with key personnel to understand the process for collecting, collating and reporting the Subject Matter during the reporting period
- ▶ Assessed that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria
- ▶ Undertook analytical review procedures to support the reasonableness of the data
- ▶ Identified and tested assumptions supporting calculations
- ▶ Tested, on a sample basis, underlying source information to assess the accuracy of the data

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our review conclusion.

Inherent limitations

Procedures performed in a review engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a review engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include

testing controls or performing procedures relating to assessing aggregation or calculation of data within IT systems.

The greenhouse gas quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of greenhouse gases. Additionally, greenhouse gas procedures are subject to estimation and measurement uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

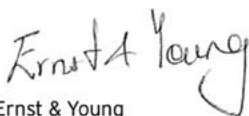
Other matters

Our report does not extend to any disclosures or assertions made by Bank Australia relating to future performance plans and/or strategies disclosed in the Impact Report.

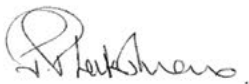
Use of our Assurance Report

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the Directors of Bank Australia, or for any purpose other than that for which it was prepared.

Our review included web-based information that was available via web links as of the date of this statement. We provide no assurance over changes to the content of this web-based information after the date of this assurance statement.



Ernst & Young
Melbourne, Australia
26 September 2024



Terence Jeyaretnam FIEAust
Partner
Ernst & Young
Melbourne, Australia
26 September 2024

Appendix 9: GRI content index

Disclosure	Description	Section	Page	Assurance
The organisation and its reporting practices				
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2-2	Entities included in the organisation's sustainability reporting	Our reporting approach	8	No
2-3	Reporting period, frequency and contact point	Our reporting approach	8	No
2-5	External assurance	Appendix 8: Assurance statement	138	No
Activities and workers				
2-6	Activities, value chain and other business relationships	Our business / Here's how it works	19	No
2-7	Employees	Appendix 3: Our people and culture Our people / Supporting our people	105 62	No
2-8	Workers who are not employees	Appendix 3: Our people and culture	105	No
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2-9	Governance structure and composition	Our Business / Governance and risk management Appendix 1: How we're governed <u>Financial report / Directors' report</u>	29 98	No
2-10	Nomination and selection of the highest governance body	Our Business / Governance and risk management Appendix 1: How we're governed <u>Financial report / Directors' report</u>	29 98	No
2-11	Chair of the highest governance body	Our Business / Governance and risk management Appendix 1: How we're governed <u>Financial report / Directors' report</u>	29 98	No
2-12	Role of the highest governance body in overseeing the management of impacts	Our Business / Governance and risk management Appendix 1: How we're governed <u>Financial report / Directors' report</u>	29 98	No
2-13	Delegation of responsibility for managing impacts	Our Business / Governance and risk management Appendix 1: How we're governed <u>Financial report / Directors' report</u>	29 98	No
2-14	Role of the highest governance body in sustainability reporting	Our Business / Governance and risk management Appendix 1: How we're governed	29 98	No

Disclosure	Description	Section	Page	Assurance
2-15	Conflicts of interest	Appendix 1: How we're governed Financial report / Directors' report (list of directorships)	98	No
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2-18	Evaluation of the performance of the highest governance body	Appendix 1: How we're governed	98	No
2-19	Remuneration policies	Financial report / Section 6. Remuneration Appendix 1: How we're governed	98	No
2-20	Process to determine remuneration	Financial report / Section 6. Remuneration Appendix 1: How we're governed	98	No
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2-21	Annual total compensation ratio	Our people / Business conduct and ethics	66	No
2-22	Statement on sustainable development strategy	Message from our Chair and Managing Director	4	No
2-23	Policy commitments	Message from our Chair and Managing Director Our business / Here's how it works	4 19	No
2-24	Embedding policy commitments	Message from our Chair and Managing Director Our business / Here's how it works Appendix 1: How we're governed	4 19 98	No
2-25	Processes to remediate negative impacts	Our reporting approach / Our materiality process	10	No
2-28	Membership associations	Our community / The company we keep	79	No
Stakeholder engagement				
2-29	Approach to stakeholder engagement	Our reporting approach / Our materiality process Our people / Engaging our people Message from Chair and Managing Director / Launching new impact strategies Our customers / Hearing from our customers	10 59 5 41	

Disclosure	Description	Section	Page	Assurance
Disclosure of material topics				
3-1	Process to determine material topics	Our reporting approach / Our materiality process	10	Yes
3-2	List of material topics	Our reporting approach / Our materiality process	10	Yes
3-3	Management of material topics	Our reporting approach / Our materiality process	10	Yes
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101-1	Policies to halt and reverse biodiversity loss	Our planet / Our nature and biodiversity strategy Appendix 7: Nature and biodiversity	91 126	No
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201-1	Direct economic value generated and distributed	Our business / Our financial performance Our community / Our impact fund Appendix 4: Bank Australia impact fund <u>Financial report / Financial statements</u>	26 71 107	
201-2	Financial implications and other risks and opportunities due to climate change	Our planet / Risk management Appendix 6: Climate action / Risk	85 119	
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305-1	Direct (Scope 1) GHG emissions	Our planet / Climate action Appendix 6: Climate action	81 113	Yes
305-2 Energy indirect (Scope 2) GHG emissions	305-2 Energy indirect (Scope 2) GHG emissions	Our planet / Climate action Appendix 6: Climate action	81 113	Yes
305-3 Other indirect (Scope 3) GHG emissions	305-3 Other indirect (Scope 3) GHG emissions	Our planet / Climate action Appendix 6: Climate action	81 113	Yes
305-4 GHG emissions intensity	305-4 GHG emissions intensity	Our planet / Climate action Appendix 6: Climate action	81 113	No
305-5 Reduction of GHG emissions	305-5 Reduction of GHG emissions	Our planet / Climate action Appendix 6: Climate action	81 113	No
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Disclosure	Description	Section	Page	Assurance
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		Appendix 3: Our people and culture	105	
403-10 Work-related ill health	403-10 Work-related ill health	Our people / Health and safety	64	No
		Appendix 3: Our people and culture	105	
Training and education				
404-2 Programs for upgrading employee skills and transition assistance programs	404-2 Programs for upgrading employee skills and transition assistance programs	Our people / Investing in our people	60	No
Diversity and equal opportunity				
405-1 Diversity of governance bodies and employees	405-1 Diversity of governance bodies and employees	Our people / Gender equality in our team	63	No
		Appendix 3: Our people and culture	105	
405-2 Ratio of basic salary and remuneration of women to men	405-2 Ratio of basic salary and remuneration of women to men	Our people / Gender equality in our team	63	No
Local communities				
413-1 Operations with local community engagement, impact assessments, and development programs	413-1 Operations with local community engagement, impact assessments, and development programs	Our community / Our impact fund	71	No
		Appendix 4: Bank Australia impact fund	107	
		Our community / First Nations Recognition and Respect	74	
Supplier social assessment				
414-1 New suppliers that were screened using social criteria	414-1 New suppliers that were screened using social criteria	Our community / Advancing our supply chain	77	No

Glossary

Term	Description
Arrears	The repayment that is still outstanding after the payment due date has passed
Australian Credit Licence (ACL)	Authorisation to provide services as a credit provider in Australia. National legislation defines credit activity, including activity related to credit contracts, consumer leases, related mortgages and guarantees, and credit assistance services
Authorised deposit-taking institution (ADI)	Corporations authorised under the Banking Act 1959 (Cth), including banks, building societies and credit unions that must meet certain criteria
Australian Financial Services Licence	Authorisation to offer and provide consumers with specified financial products and services in accordance with ASIC compliance standards
Australian Prudential Regulation Authority (APRA)	An independent Commonwealth statutory authority that administers the Banking Act 1959 (Cth) and sets prudential requirements for ADIs, including monitoring their lending activities
Australian Securities and Investments Commission (ASIC)	An independent Commonwealth statutory authority that protects consumers, investors and creditors by licensing and monitoring financial services organisations and their representatives. ASIC regulates mutual ADIs as companies under the Corporations Act 2001 (Cth)
Capital adequacy ratio	The percentage of a bank's adjusted capital compared to its risk-weighted assets, as per Prudential Standard APS110
Clean Energy Home Loan	Our loan product that incentivises customers to create more sustainable homes. Customers are rewarded with a reduced rate on their mortgage for buying, building or upgrading an energy efficient home
Cuscal	An ADI regulated by APRA, which provides payment services to Australian mutual ADIs
Customer	An account holder. Customers also hold one share in Bank Australia
Cybersecurity/information security	The preservation of the confidentiality, integrity and availability of the bank's information assets including customer and financial data assets
Cybersecurity training	The cybersecurity training introduces cybersecurity to our employees by exploring different internal and external threats. Employees are required to complete this training by the due date with a 7-day grace period. The number of cybersecurity training completions included in this report excludes contractors and exemptions (e.g. due to leave or termination of employment).

Term	Description
Global Reporting Initiative (GRI) Standards	The current version of global voluntary guidelines for companies to report their sustainability performance
Hardship	Unexpected circumstances where a borrower requires financial hardship assistance from the bank which may include a repayment pause or a loan restructure
Incident (occupational health and safety related)	An occupational health and safety (OH&S) event that affects staff but does not result in physiological or psychological change. It includes when a person or process is impacted by a hazard (for example, when a person trips on a broken floor tile). It does not include near misses (for example, when a plywood sign falls from its mounting but does not hit a person). The total number of incidents includes injury numbers
Impact finance	Finance that is mobilised to create measurable positive social and/or environmental impact, while delivering a return on investment
Inflation	An increase in the level of prices of the goods and services that households typically buy
Liquidity	The availability of cash in the near future after taking account of financial commitments over this period
Materiality	In this report materiality is the threshold at which issues become sufficiently important that they should be reported
Mutual bank	A bank that evolved from the credit union movement and is guided by the 7 International Cooperative Principles. Customer-owned banks exist to benefit their customers, not to deliver profits to external investors
Net profit after-tax	The amount of profit achieved after tax
Percentage of loan portfolio in arrears	The percentage of delinquent loans 30 days or more in arrears to the total loan portfolio. This includes delinquent loans greater than or equal to 90 days past due that are categorised as non-performing loans
Responsible banking policy	Our Board-approved policy that sets out what we do and don't fund

Abbreviations

Term	Description
AASB	Australian Accounting Standard Board
ABA	Australian Banking Association
ACCC	Australian Competition and Consumer Commission
ACL	Australian Credit Licence
ACN	Australian Company Number
ADI	Authorised deposit-taking institution
AEMO	Energy Market Operator
AFCA	Australian Financial Complaints Authority
ANZSCO	Australian and New Zealand Standard Classification of Occupations
APRA	Australian Prudential Regulation Authority
ASIC	Australian Securities and Investments Commission
BCCM	Business Council of Cooperatives and Mutuals
BEAR	Banking Executive Accountability Regime
BGLC	Barengi Gadjin Land Council
CEFC	Clean Energy Finance Corporation
CHL	Community Housing Limited
COBA	Customer Owned Banking Association
CTI	Cost to Income Ratio
ETNTAC	Esperance Tjaltraak Native Title Aboriginal Corporation
EY	Ernst and Young
FAR	Financial Accountability Regime
FTE	Full-time equivalent
GABV	Global Alliance for Banking on Values
GHG	Greenhouse Gases

Term	Description
GRI	Global Reporting Initiative
GST	Goods and services tax
IBA	Indigenous Business Australia
km	Kilometres
kWh	Kilowatt hours
LGC	Large-scale generation certificates
NatHERS	Nationwide House Energy Rating Scheme
NDIS	National Disability Insurance Scheme
NPS	Net Promoter Score
PCAF	Partnership for Carbon Accounting Financials
PPA	Power Purchase Agreement
RAP	Reconciliation Action Plan
RAS	Risk Appetite Statements
RBA	Reserve Bank of Australia
SBTi	Science Based Targets initiative
SDA	Specialist Disability Accommodation
SDG	Sustainable Development Goal
tCO₂-e	Tonnes of carbon dioxide equivalent
TNFD	Taskforce on Nature-related Financial Disclosures
UNEP	United Nations Environment Programme
UNEP FI	United Nations Environment Programme Finance Initiative
WCMC	World Conservation Monitoring Centre
WGEA	Workplace Gender Equality Agency



