



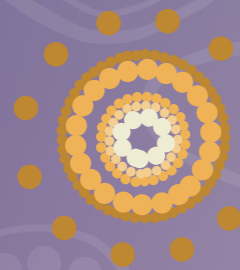
IMPACT REPORT 2024



GreaterBank 

 NEWCASTLE
PERMANENT

- 1. Our Approach to Sustainability 5
- 2. Message from the Chair and CEO 7
- 3. Our Customers 8
- 4. Our People 12
- 5. Our Community 14
- 6. Our Environment 20
- 7. Our Governance 26
- 8. Appendices 30



Acknowledgement of Country

NGM Group acknowledges the Traditional Owners, Custodians and Elders past and present of the lands on which our business, employees, partnership organisations and our customers work, learn, travel and play. We extend this acknowledgement to all lands across the country. It is on these lands that we connect and collaborate to improve ourselves, our business and strengthen our communities.

We deeply respect and value the intimate relationship between First Nations Peoples and Country, and their lasting knowledge that spans countless generations. We celebrate their persistence and resilience and strive for a society where their views are respectfully heard, leading to positive action and meaningful change.

We look to the past to learn and understand, we immerse ourselves in the present to grow and heal, and we look to the future with passion and hope.

Reporting on our progress:

2024 annual reporting suite includes:

- Annual Financial Report
- Corporate Governance Statement
- Workplace Gender Equality Agency Report
- Innovate Reconciliation Action Plan (RAP)

About this report

This is NGM Group's first Impact Report, reflecting the 2024 financial year (covering the period 1 July 2023 to 30 June 2024). With reference to the Global Reporting Initiative (GRI), this report seeks to provide insight into significant community and sustainability focus areas for NGM Group and its stakeholders, and the impact NGM Group is having on the environment, people and the economy.

The GRI was selected for NGM Group on the basis that it's the most widely used sustainability reporting standard globally and across the ASX. The majority of medium to large financial services organisations in Australia leverage this standard.

The GRI has two levels of application – the first is 'with reference' and the second is 'in accordance'. As this is our first report of this nature, we have started with 'in reference' and intend to build up to 'in accordance' over time as we continue to mature our data collection and reporting processes.

This report should be read in conjunction with the broader annual reporting suite including the Annual Financial Report, Corporate Governance Statement, Workplace Gender Equality Agency Reporting, and our Innovate RAP.

When referencing 'NGM Group', 'we' or 'our' throughout this document, this refers to Newcastle Greater Mutual Group Ltd. Our two retail banking brands – Newcastle Permanent and Greater Bank are also referenced throughout.

Terms Aboriginal and Torres Strait Islander Peoples, First Nations and Indigenous Peoples have respectfully been used throughout this document interchangeably when referring to the First Nations Peoples of Australia. These terms have been used to encompass the diversity of identities and preferences of all Aboriginal and Torres Strait Islander Peoples.

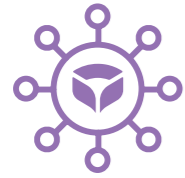
Contact us

Newcastle Greater Mutual Group Ltd ACN 087 651 992,
Australian Financial Services Licence/Australian credit licence
238273

socialimpact@newcastlepermanent.com.au

This document may contain forward-looking statements and opinions. These statements may be identified by the use of forward-looking terminology, such as, but not limited to, "our aspirations", "plan", "target", "estimate", "intend", "could", "project". These forward-looking statements are to be read as a reflection of NGM Group's current views about future events. There is no assurance that actual outcomes will not differ from these statements and no undue reliance should be placed on any of these forward-looking statements.

FY24 Highlights



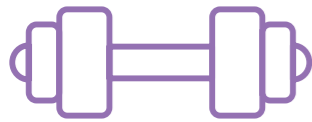
\$6 million+
invested in our
communities this year



Greater Bank card
body made from
**100%
recycled
PVC**



People-first
approach to Inclusion, Diversity
and Equity (IDE) strategy
development



Strengthened
Sustainability governance
processes

34

industry awards



4,000,000+
scam awareness
messages sent



300+
community projects
supported



Sustainable
investments in our locations



Launched
**Innovate
RAP**



Gumbayngirr Country, taken by Sharyn N, Customer Contact Consultant

1. Our Approach to Sustainability

As one of Australia's largest customer-owned financial institutions we have an important role to play in supporting strong, sustainable and resilient communities. Our core purpose is to help our customers and communities thrive, and in doing so we are committed to ensuring we act in an ethical and responsible way.

As we have grown as an organisation, our sustainability approach has continued to evolve and mature. This ensures we maintain alignment with the aspirations and expectations of our people and customers, the changing regulatory landscape, and the needs of our communities and broader environment.

This inaugural NGM Group Impact Report demonstrates our commitment to deepening our community and sustainability credentials and illustrates the progress we have made over the last year in progressing our key Environmental, Social, Governance (ESG) commitments. With reference to GRI, this report seeks to provide insight into the most significant ESG focus areas for NGM Group and its stakeholders, and the impact NGM Group is having on the environment, people and the economy.

The five key pillars we identified in our 2023 ESG Framework are core to every part of our business:

- Our Customers:** To deliver our customers the future of trusted banking.
- Our People:** To help our people achieve their best professionally, personally, and within our local communities.
- Our Community:** To be an integral part of our communities.
- Our Environment:** To proactively work to minimise our environmental footprint and seek to engage our employees, our customers and our community to create positive impact for both people and planet.
- Our Governance:** To continue to be recognised as ethical, honest and for delivering beneficial outcomes for our customers and local communities.

We have aligned these pillars with reference to some of the relevant GRI data sets, indicating the highlights, progress and challenges of the reporting year covering 1 July 2023 to 30 June 2024. This report also seeks to outline our forward-looking approach, identifying key opportunities and aspirations for the coming year.



Image: Milly Hooper Photography

Aboriginal Archaeologist, Ashley Williams, took our employees and leaders on a cultural landscape tour of the Hunter Wetlands, sharing the Traditional knowledge that has enriched the relationship between First Nations communities and the land for thousands of years.

2. Message from the Chair and CEO



“NGM Group’s purpose is to help our customers and communities thrive. This mindset drives us to generate positive outcomes in everything we do.”

Wayne Russell, Chair, NGM Group

An integral component of delivering on our purpose, NGM Group’s ESG Framework outlines the guiding principles we follow to embed sustainable and ethical business practices throughout our operations. Released in October 2023, this framework also enables us to transparently share our organisation’s impacts.

As one of Australia’s leading customer-owned banks, we are committed to aligning with sustainable reporting industry standards and we are proud to share NGM Group’s inaugural Impact Report.

With reference to GRI, this report demonstrates our commitment to transparently disclosing how we’re managing significant environment, social and governance topics, those that impact our business and those that are important to our stakeholders.

The 2024 financial year has been a significant year of growth, collaboration and impact at NGM Group. In March we celebrated our first birthday as a merged entity, and the year also brought some outstanding achievements across our ESG pillars.

With our most recent customer satisfaction results outranking major banks and 34 major awards earned, the trust and confidence that our customers have in us and our products and services remains high. We also continue to educate and upskill our customers, such as through first home buyer workshops, digital masterclasses, and through more than four million scam awareness messages sent across our online platforms and through emails and newsletters.

To support the communities that support us we have invested over \$6 million in regional Australia, helping over 300 projects across our geographic footprint to deliver enhanced outcomes in financial wellbeing, social wellbeing, sport, education, and health.

We have continued to integrate ESG principles into our governance and training, building capability through this education as well as through the establishment of a Sustainability Council and Sustainability Advisory Committee. This has extended to investments in our locations, with works undertaken at more than 45 branches and our search for a new head office commencing; enabling us to strategically consider sustainable and environmental elements in design.

With endorsement from Reconciliation Australia, this year we launched our Innovate RAP which outlines our vision for a future based on respect, unity and participation.

We are excited to continue our journey and ensure that our impact remains strong and measurable, as we live our purpose to help our customers and communities thrive.

Wayne Russell
Chair

Bernadette Inglis
Group CEO

Our aspiration: To deliver our customers the future of trusted banking.

3. Our Customers

Our more than 620,000 customers are the reason we do what we do. NGM Group's physical footprint spans throughout regional and metropolitan NSW and into south-east Queensland through our two highly trusted retail brands, Greater Bank and Newcastle Permanent. Operating on 14 different Indigenous lands, we also acknowledge that our customers reside on, visit and traverse traditional lands across the country.

We offer our customers award-winning service and an authentic commitment to supporting our communities.



We recognise the complexity of assigning borders for country and have taken all care to be as accurate as possible in reflecting these appropriately.

Customer satisfaction

As a customer-owned bank we are driven by delivering for our members, remaining agile in changing economic conditions to continue to provide award-winning service and value to our communities as their needs change.

Reinforcing our position as a market-leader delivering real customer value, this year we earned 34 industry awards. Greater Bank secured its position as one of the best investor home loan providers in the country by taking out two accolades at Finder's 2024 Home Loan Awards. At the 2024 Mozo People's Choice Awards, the Newcastle Permanent brand took home four prestigious awards, including Outstanding Customer Satisfaction, Excellent Customer Service, Highly Trusted and Most Recommended.

Newcastle Permanent and Greater Bank also achieved exceptional results in the latest Roy Morgan report into Customer Satisfaction Consumer Banking. Newcastle Permanent ranked second-highest overall with a customer satisfaction rate of 91.5%, while a 91.3% rating for Greater Bank garnered a third-place ranking for customer satisfaction with their main financial institution.

Accessibility and inclusivity

We know the importance of ensuring our products and services are accessible for everyone.

As a vital point for managing money and improving financial literacy, the design of our websites is guided by Web Content Accessibility Guidelines (WCAG) 2.0 (Level AA), as we strive for it to be usable and understandable for the majority of people with or without a disability.

Constant monitoring and ongoing improvements to online features aim to ensure inclusive financial services are provided for individuals with diverse needs. Continuous work is undertaken to create user-friendly digital experiences, with the inclusion of assistive technology such as screen readers, braille readers, and screen magnifiers, while our banking apps also support assistive technologies such as VoiceOver for iOS and TalkBack on Android™*.

As part of our ongoing work in digital accessibility, we have commenced consultation with employees with colour vision deficiency to develop a dark mode for our mobile apps.

Additionally, we have engaged with vision impaired customers for feedback on our Newcastle Permanent mobile apps new enhancements, to ensure we make our services accessible to all users.

We have also received industry recognition with Greater Bank winning the 2023 Optimizely award for 'Best content experience for Australia and New Zealand' for the website, while Newcastle Permanent won Silver in the 2023 WILD Design Australia Awards in the Digital Consumer Banking Initiative of the Year Australia category for their App.

In further accessibility initiatives, this year we launched our first digital home loan through Newcastle Permanent. By enabling customers to apply for home loans online, digitally sign documents, be digitally identified, and submit supporting documents securely, we are not only reducing paper usage but also significantly reducing travel for both lenders and customers, as well as supporting our customers in remote and underserved areas. We look forward to also introducing our Greater Bank digital home loan.

In addition to our dedicated digital product, over 90% of Newcastle Permanent loan packs are now sent digitally, with the same service on the way for our Greater Bank customers.



Sustainable benefits for our customers

We appreciate the importance of recycling and reusing products, and we are implementing sustainable business practices through our Greater Bank cards. The Greater Bank card body is now made from 100% recycled PVC. As a result, it is not only a recycled product, but is also recyclable when customers no longer require it. Using recycled PVC instead of producing more virgin PVC reduces the CO2 footprint of the material by 61%.

Our Newcastle Permanent Visa card body will also soon be made from 100% recycled plastic materials. These Australian-made cards will not only be recyclable but will also be issued with enhancements tailored to meet the needs of our vision impaired customers. Newcastle Permanent customers are also able to opt out of receiving a physical card all together when applying for an account online, with 28% of customers already opting out from 1 May to 30 June 2024.

*Apple is a trademark of Apple Inc., registered in the U.S. and other countries and regions. IOS is a trademark or registered trademark of Cisco in the U.S. and other countries and is used under license. Google and Android are trademarks of Google LLC.

66,000,000+

transactions performed across our mobile apps and digital banking platforms (with a total of \$25,551,869,562 in payments).

90%+

NGM Group main bank customers with digital banking access are digitally active each month (over 331K customers each month).

~10 million

visitors to the NGM Group websites, and our related entities, over the last 12 months.

Customer education, protection and support

Financial inclusion, financial wellbeing and scam education are just some areas where we are focusing our efforts to provide our customers with the most impactful support.

Our Newcastle Permanent brand presented five First Home Buyers workshops in locations including Glendale, Port Macquarie, Bathurst, Orange and Coffs Harbour. These workshops were attended by a total of 100 people and featured expert speakers and lending specialists who covered a range of topics including what to look out for when purchasing your first property, the people you'll need in your corner during the purchasing process and how to stay in control of your finances. These workshops received positive feedback from customers who had enhanced their knowledge, many of whom are now in their first homes.

We have also focused on increasing our customers' digital capabilities. To help our customers confidently and safely bank online, we have delivered nine digital banking masterclasses over the last year. Held in-branch with one-on-one support from our friendly staff, these sessions are designed to cover topics including how to stay safe online and how to protect yourself from scams.

Next year, we are looking to expand these programs into more locations across our footprint.

We delivered over 4 million customer scam awareness messages across all our digital platforms.

Our scam awareness initiative addresses current and anticipated future risks to both customers and the organisation in areas such as internet banking, mobile Apps and onboarding new customers digitally. The initiative outlines a comprehensive strategy for mitigating scam risks and guiding multi-year investments in both technology and non-technical areas, such as customer communication.

By delivering trusted banking across our brands we enhance security and confidence, aligning our commitment to ESG principles by protecting our customers and ensuring the integrity of our digital services.

We also have an Executive-led Fraud and Scams Working Group, are part of the Customer Owned Banking Association and Australian Banking Association's Scam-Safe Accord, and manage all fraud and scam initiatives in line with a detailed project management framework to help strengthen controls with a continued focus on meeting and exceeding compliance against regulator and industry obligations.

Addressing scams and fraud is a rapidly evolving area, due to the increasing complexity and volume of these threats. As institutions adopt and deploy digital banking strategies and customers move their activities online, digital fraud has become a key risk. As fraudsters continually develop new techniques and exploit vulnerabilities within the financial and technological landscape, we strive to remain vigilant and invest in this area.

Looking ahead, our people, including our Fraud and Scams Working Group, will continue working with industry experts to formulate a roadmap of scam initiatives to be delivered over the next year.



Anaiwan Country, taken by Linda G, Branch Manager

Our aspiration: To help our people achieve their best; professionally, personally and within our local communities.

4. Our People

At NGM Group we have a generous and passionate employee network. Our people are fundamental to being able to deliver on our purpose and they live and lead our values every day.

Diversity, inclusion and gender equality

The development of our Inclusion, Diversity and Equity (IDE) strategy has involved a people-first approach, beginning with a IDE survey conducted with our employees in late 2023 and followed by facilitated focus groups in April 2024, to understand what is important to them to ensure that NGM Group remains an inclusive organisation.

From this collection of data and conversations, we have established three key IDE pillars:

1. Elevate People Experience
2. Attract and Retain a Thriving Diverse Workforce
3. Grow Inclusion and Diversity Capability.

These pillars are where we will focus our efforts for the next three years, with activities aligned to each pillar detailed in the IDE plan.



Our employees' wellbeing

Our integrated work wellbeing strategy emphasises a holistic approach to employee health, incorporating various initiatives to support mental and physical wellness. Feedback from our employees indicates they feel supported by NGM Group to balance their work and personal life.

This financial year we expanded our Employee Assistance and Wellbeing programs to include a Healthy Body and Mind Hub which is specifically designed to assist in self-care and provide preventative wellbeing support. Additionally, our corporate gym, vaccination and Health Insurance programs further promote physical wellness.

NGM Group offers leave entitlements that provide employees with increased time off to support their wellbeing, work-life balance and community. These entitlements recognise that people require time for personal wellbeing, family commitments, cultural or religious events, and community volunteering.

Hybrid work environment

We recognise the importance of flexible work arrangements for our people. The NGM Group hybrid working model supports employees in applicable positions to balance working from the office with working from another location, such as an employee's home or another work space.

Learning and career development

We have a strong focus on learning and development, designed to empower employees to increase their skills and capabilities to support both their immediate needs and long-term aspirations. We offer formal learning programs including Own Your Career workshops and leadership development programs, as well as experiential opportunities, and access to various tools and learning resources, fostering a flexible and continuous learning culture.

Recognising the impact good leadership has on individual wellbeing and performance, a key priority for us has been the development of our leadership strategy and associated programs. These initiatives are aimed at enhancing key leadership capabilities and aligning with our organisational purpose and values. Our programs are tailored to different leadership levels and are continuously refined based on feedback and the evolving needs of our people.

We are committed to supporting our people to achieve their career goals and to facilitating internal mobility. Our in-house career development program helps employees explore their preferences, identify opportunities and take ownership of their career paths.

Community

Giving back to the communities in which we live and work is part of the fabric of our culture. We encourage our people to engage with our communities by providing two paid volunteer days each year. Additionally, our Workplace Giving Program enables employees to make donations to charitable foundation and community partners.

In the past financial year, our employees contributed nearly 3,000 hours of volunteer work and donated over \$47,000 to charitable organisations and causes. We celebrate these meaningful community contributions both throughout the year and during our annual NGM Group Excellence Awards.

CASE STUDY
Volunteering
to nurture our
environment



During Volunteering Month in June, more than 80 employees from our Customer and Digital Innovation division utilised their community leave to plant more than 120 trees at the Lake Lidell Recreation Area and clean up a number of areas around the Hunter region, including Redhead Beach and Carrington.

Our aspiration: To be an integral part of our communities.



5. Our Community

NGM Group's community and charitable programs are what set our business apart. We are dedicated to supporting communities across NSW and south-east Queensland by forming meaningful partnerships that deliver inclusive and sustainable change. These partnerships deliver long-lasting impact across the focal areas of enhanced financial wellbeing, social wellbeing, sport, education and health.

Over the last year alone we have invested over \$6 million into the communities we call home, supporting more than 300 community organisations across our geographic footprint.



Community partnerships

This financial year, the Greater Bank and Newcastle Permanent sponsorship and community engagement programs have invested more than \$2 million in creating meaningful partnerships and supporting local organisations making positive change.

In addition to supporting the growth and development of grassroots organisations through single engagements, both brands also facilitate long-term partnerships to provide continued stability to fulfil our purpose of helping communities thrive.

A highlight is Newcastle Permanent's 43 year partnership with surf life saving clubs, which this year provided 10,464 junior surf lifesavers and 6,748 volunteer surf lifesavers from the Central Coast to Ballina with the equipment and training they need.

Meanwhile, Greater Bank's three decades of support for grassroots netball has seen thousands of new and emerging athletes improve their skills and have fun every year, while our partnership with ASPIRE Netball since its launch in late 2016 has assisted over 8,000 netballers. Additionally, our partnership with Academies of Sport across the Hunter, Central Coast and Central West regions has also allowed us to help develop aspiring professional athletes.

Charitable Foundations

Since Newcastle Permanent Charitable Foundation (NPCF) was founded in 2003 and Greater Charitable Foundation (GCF) in 2011, almost \$40 million in combined funding has been granted to charity partners across regional NSW and south-east Queensland.

Our Charitable Foundations have created lasting change for thousands of people across the communities we call home through funding models that include both long-term agreements and grants. Multi-year funding means that not-for-profits are able to strengthen their focus, effectiveness and impact while planning for the future. For instance, Greater Bank and GCF's relationship with Hunter Medical Research Institute (HMRI), has supported groundbreaking medical research for over 20 years.

NPCF also provides community organisations with capacity building support in addition to the awarding of grants. The Foundation has provided workshops and tailored education to enhance the capabilities of community organisations, increasing their ability to acquire additional philanthropic support and establish sustainable business practices.

Over the last financial year alone, our Charitable Foundations have partnered with more than 33 charitable organisations, creating real change across the communities we call home.

NGM Group partnerships

Our NGM Group partnerships are strategically aligned to provide industry support and connect like-minded professionals and community members, providing forums for topical, educative and progressive conversations.

Our partnership with the Institute of Regional Futures is aimed at promoting the significant social, cultural and economic contribution regional Australia provides to the nation. Delivering a series of research papers and events, this collaboration advances our communities as they enter a period of significant economic transformation and acts as a voice for the people at the coalface of this transition.



Hunter Insight Series: Youth Perspectives, an event supported by NGM Group, where a panel of young people reflected on a range of critical issues such as housing, migration, economic transition, First Nations equity and wellbeing. These conversations helped develop the release of the Institute of Regional Future's Youth Perspectives Factsheet.



Some of our NGM Group RAP Working Group

Innovate Reconciliation Action Plan (RAP)

In April 2024, Reconciliation Australia endorsed NGM Group's inaugural Innovate Reconciliation Action Plan (RAP). This RAP is a strategic framework that will help guide us towards meaningfully embedding reconciliation within our organisation and across our sphere of influence over the next two years.

Our RAP is passionately led by our people and driven and supported by our Executive and the NGM Group Board. In addition to our RAP Working Group, which consists of employees from all departments and across both retail brands, we also have a RAP Champion Group that consists of senior leaders from across the business to help drive and action our initiatives.

Our vision for reconciliation over the next two years is to work as one with Aboriginal and Torres Strait Islander Peoples, building genuine relationships by listening, learning and sharing. We will walk together to help shape a future based on respect, unity and participation.

We officially launched our RAP during National Reconciliation Week at the Hunter Wetlands. Our Board, Executive, community teams and RAP Working Group participated in cultural education and engagement activities, along with some environmentally-aligned volunteer activities that taught us more about First Nations principles of caring for Country.

Human rights

We acknowledge the importance of leading by example to protect human rights and welcome the growing Federal government focus on eradicating modern slavery and the introduction of firmer legislation through the *Modern Slavery Act 2018* (Cth).

This year saw us focus our efforts on reviewing our investments and procurement processes, enabling us to respond to any identified risks of modern slavery in our operations and supply chains. We undertake comprehensive due diligence on third-party suppliers and, where necessary, incorporate modern slavery clauses into the supplier agreements. We also continue to provide our employees with education around modern slavery, including how vulnerable customers could be impacted.

Our 2024 NGM Group Modern Slavery Statement aims to reflect our continued progress and showcase our commitment to continuing to evolve and support the rights of decent work for all.

Aunty Theresa Dargin welcoming us with a cleansing at our RAP launch event at the Hunter Wetlands on the lands of the Awabakal, Worimi and Wonnarua people.



Both images: Milly Hooper Photography

RED Inc, Northern Rivers NSW



CASE STUDY
Community Funding Program – NSW & Gold Coast

In 2016 Greater Bank established a Community Funding Program, empowering local communities to help decide where support is most needed.

Since the program commenced we've contributed over \$1 million dollars to more than 770 organisations across the Central Coast, Central West, Gold Coast, the Illawarra, Mid North Coast, New England and Northern Rivers.

In the 2024 financial year alone we provided \$264,000 to 252 organisations.

Community organisations nominate for the program with locals invited to vote online for the organisation they would like to see receive support. At the end of each month all nominated organisations receive a cash prize.

Important themes supported through this community-led program include, but are not limited to, sport, physical and mental health, education, environment, arts and culture, homelessness, and essential services. As part of recognising National Reconciliation Week 2024, our June program focused on supporting Indigenous owned or led organisations, with 17 organisations supported to the tune of \$14,000.

CASE STUDY
Australian Literacy & Numeracy Foundation

GCF's partnership with the Australian Literacy and Numeracy Foundation (ALNF) commenced in 2019 in support of ALNF's Early Language and Literacy Program (EL&L) across the Taree region. The EL&L Taree Project is an 'early years' education program, designed to optimise the oral language growth and understanding of literacy concepts in children aged up to 8 years from Taree and surrounding townships.

"The children's literacy standards at school age last year (after 12 months) were at a higher level than previous years prior to ALNF involvement with the service."

Preschool Director, Taree, NSW



CASE STUDY
Dress for Success NSW & ACT – Newcastle-Hunter

Dress for Success NSW & ACT offers practical solutions to empower women who are entering or re-entering the workforce to achieve financial independence by providing a network of support, professional clothing and styling, and online career and professional development resources. With support from GCF, the Dress for Success Newcastle-Hunter boutique supports more than 300 clients a year. Women from all backgrounds and walks of life access their vital services at no cost. GCF's focus is on supporting practical, tangible financial wellbeing enhancement initiatives and this partnership is 'best in class'. The charity's emphasis on supporting the circular economy and making sustainable investments in women is exemplary.



CASE STUDY
Salvation Army Christmas Toy Drive Appeal

For 35 years Newcastle Permanent has proudly supported the Salvation Army by turning our branches and offices into collection points for the annual Christmas Toy Drive Appeal. This appeal assists families in need at Christmas time, helping to spread the cheer so every child can experience the joy of opening a present on Christmas morning.

This amazing partnership has seen Newcastle Permanent collect tens of thousands of toys over the years, while our people also roll up their sleeves volunteering to sort and pack donated toys for families in need.

It was for this reason that Newcastle Permanent received the Salvation Army's "Special Others Award" in 2023, acknowledging the wonderful contribution of our people who support this great cause. With only a handful of these awards presented across the state each year, it was a very special acknowledgement.

Embarking on a new chapter of our partnership, Christmas 2023 saw the Greater Bank brand also participate. This combined effort saw more than 7,000 toys collected and over 130 employees volunteering their time at the Salvation Army warehouse.

CASE STUDY
Living Smart Festival

Greater Bank has proudly supported the Living Smart Festival since 2019.* Held at Lake Macquarie's Speers Point Park, the Living Smart Festival brings over 15,000 people together for one of the largest environmentally focused community events in Australia. An additional 1.19 million people are reached via media outlets and more than 480,000 people are reached through social media.

Living Smart's mission is to encourage the community to learn about and embrace everyday sustainability practices. The annual event showcases a range of hands-on workshops, demonstrations and speakers, featuring some of Australia's most prominent and innovative personalities in the field of sustainability.

*No festival in 2020 due to COVID



CASE STUDY
Coolamon Community

The power of women supporting women and the spirit of her ancestors has been a constant source of inspiration for Coolamon Community Co-Founder, Evie Wood. Evie and her mother, Jennifer, established their First Nations-led charity, Coolamon Community in the Northern Rivers, recently receiving a NPCF grant. They provide pregnant First Nations women with a carefully curated selection of all the essentials a new mum needs for the birth of her child, the Coolamon Crib. This gift is given by the culturally safe Aboriginal Health Service professionals caring for her. This is not just about providing a beautiful and loving gift, this is about connecting each mum with the incredible Aboriginal Health Services that work to better the health and wellbeing outcomes for mothers and babies. Evie says that Coolamon Community's success comes from the powerful community of women the project has drawn together.

"As one, we are limited as to what we can achieve, but as women, together, we can be a formidable collective creating meaningful impact."

Evie Wood, Coolamon Community Co-Founder.



Our aspiration: To proactively work to minimise our environmental footprint and seek to engage our employees, our customers and our community to create positive impacts for both people and planet.

6. Our Environment

As we have grown as an organisation, our sustainability approach has continued to evolve and mature, including by issue of this inaugural Impact Report where we are sharing our environmental impact reporting like this for the first time. This will ensure we maintain alignment with the aspirations and expectations of our people and customers, the changing regulatory landscape, and needs of our communities and broader environment.

NGM Group recognises that climate change and Australia's transition to a low carbon economy has both an impact on and presents opportunities for our customers and communities. As such, understanding and responding to climate-related risks and opportunities plays an important role in delivering on our broader purpose and strategy.

Governance

Oversight and management of climate-related risks and opportunities are a part of NGM Group's governance structure. The structure consists of the NGM Group's Board and its Committees, as well as the Group Executive.

The Board oversees NGM Group's Community and Sustainability approach, which includes our climate activity, and is implemented by Management. The NGM Group Sustainability Council is a working group comprised of key senior management stakeholders from across the organisation with a variety of relevant perspectives. The Sustainability Council creates action plans to promote and facilitate sustainability initiatives across NGM Group, with a key focus on developing our climate action plan and preparing for the commencement of mandatory climate reporting. In addition, we have a Sustainability Advisory Committee which comprises of five members of NGM Group's Executive and provides support and directional guidance to the Sustainability Council.

Reports to the Board on NGM Group's Community and Sustainability approach, including climate action, are provided twice yearly, with additional updates to the Risk Committee and Audit Committee as required. Each of the Board Charter, Audit Committee Charter and Risk Committee Charter refer to climate-related matters.

Strategy

[NGM Group's 2023 ESG Framework](#) outlines our guiding principles for embedding sustainable and ethical business practices in our operations. This initial combined framework has built on the foundations of practice that both Newcastle Permanent and Greater Bank had been implementing individually prior to our merger.

Under the Environment section of the Framework, we explicitly identify the need to address climate-related risks and opportunities at NGM Group, highlighting our three key focus areas for FY23/24:

- Identifying climate risk evident in our lending portfolios and associated actions;
- Our approach for implementing mandatory climate-related disclosure reporting;
- Opportunities for further customer and community engagement on climate and the environment, including the identification of a pathway towards net zero.

Over the past year a large body of work has been undertaken to address these identified focus areas. The development and implementation of our fit-for-purpose climate reporting roadmap has been a significant undertaking. This has enabled us to formalise our climate action approach, gain clarity over our reporting obligations, and educate and upskill stakeholders across the business who have a role to play in the implementation of our roadmap.

As a business, we consider the impact of climate risk as part of our formal strategic planning process, which is a collaborative approach between the Board and Group Executive (illustrated in Figure 1). Our approach to community and sustainability, including climate action, is a component of our strategy development, with an increasing focus over time as we mature our capability. We take a 'whole of business' approach to ESG, including climate, with strategic considerations for future planning, risk management and leveraging opportunities to enhance engagement with our people, customers and community.

Figure 1: Strategic Planning Cycle



We see education, engagement and collaboration as key to strengthening our strategic climate approach. For that reason, NGM Group is a member of Sustainability Advantage, a program of the NSW Government's Department of Climate Change, Energy, the Environment and Water, and we are committed to strengthening our environmental performance through collaboration with the Office.

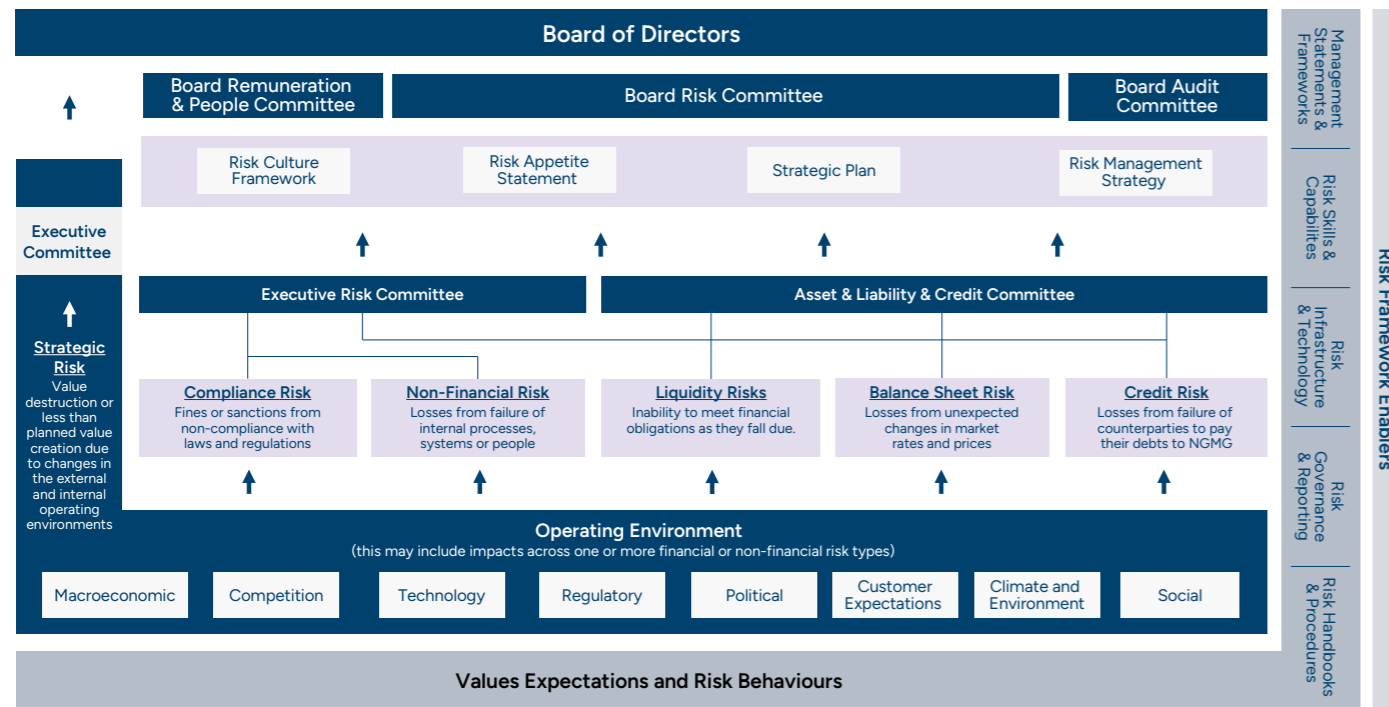
We collaborate with our peers through the Customer Owned Banking Association Sustainability Community of Practice network and participate in a variety of educative activities run by Business Council of Co-operatives and Mutuals, local city councils, Australian Institute of Company Directors and others.

Looking ahead, we will continue to build our climate strategy through our climate action plan. This plan will enable us to capture risks and opportunities associated with climate, ensuring we understand implications for NGM Group and stakeholders, and that we're equipped to make management decisions on that basis.

Risk management

NGM Group manages climate-related risks in accordance with our Risk Management Framework (RMF) and Strategic Plan.

Figure 2: Risk Management Framework



We recognise that climate change and its associated impacts are increasingly affecting our customers such as the impacts of severe weather events like storms and floods, or financial impacts through increasing insurance premiums.

At a macro-climate level, our business has not been significantly impacted to date, but we are planning for greater impact over time.

We are conscious that these impacts are felt by our customers, who are experiencing the intersection of climate hazard, exposure, and vulnerability. Managing these impacts is an important part of our risk management approach.

We have invested in several key climate risk identification and assessment activities to help us better support our customers to adapt to the low-carbon economy and to prepare for emerging regulatory requirements.

We have undertaken an externally supported First Pass Climate Risk Exposure Assessment aimed at understanding significant climate risks and opportunities across NGM Group's operations. Through this exercise we have identified a range of risk categories, including:

- Physical risks to customer properties, NGM Group assets, supply chains and business continuity due to weather events, and longer term, risks to our credit portfolio through stranded and uninsurable assets;
- Legal and regulatory risks arising from changing legislation and reporting obligations;
- Strategic risks arising from changing customer expectations and product preferences.

This initial work will be used by NGM Group to support a considered approach to prioritising the emerging climate risks and opportunities so we can continue to better support our customers and communities. Looking ahead, we will also utilise these findings to undertake a more detailed Second Pass Climate Risk Assessment.

Portfolio risk

Physical risk

In the 2023 financial year we undertook an externally supported physical risk assessment covering the NGM Group mortgage portfolios. The methodology and scenario analysis applied aligned with Australian Prudential Regulation Authority's (APRA) *Prudential Guide CPG 229 Climate Change Financial Risks* (CPG 229).

The review covered current and future physical risk impacts on the NGM Group mortgage portfolio. The methodology involved assessing potential damage to properties used as collateral based on their location and the possible financial impacts on households due to increasing insurance premiums.

Changes in insurance premia were then used to model borrower affordability, serviceability, and collateral valuation impacts. Specific methodology is set out below:

- **Home insurance affordability impacts:** This is calculated as the ratio of the potential expected increase in home insurance premiums to household incomes.
- **Borrower serviceability impacts:** This is calculated as the expected interest rate shock equivalent to comparable increase in home insurance premiums.
- **Property value impacts:** This is the theoretical decrease in property values as a result of increased insurance premiums.

When insurance affordability, serviceability and property values all decrease, the level of credit risk for NGM Group increases.

In addition to assessing the impact of insured perils on our portfolio, the analysis was extended to include perils that are not traditionally covered by insurers, including coastal inundation, coastal erosion and heat stress.

Outcome

The assessment indicates that NGM Group has a relatively low level of exposure to potential climate physical risk. Less than 0.1% of the NGM Group mortgage portfolio is exposed to the impacts of insurable climate risks under both low and high emission scenarios modelled out to 2050.

While climate physical risk impacts on NGM Group's portfolio are assessed as being "relatively low", we will continue to identify, monitor and assess our climate-related risks to stay abreast of any changes and ensure we continue to adjust our risk appetite appropriately.

Transition risk

Transition risks relate to the risks associated with transitioning to a low-carbon economy. Transition risk modelling for NGM Group's portfolio has now commenced to provide insights on credit risks, with the final analysis of this work to be completed by the end of the 2024 calendar year.

Exposure to environmental and social risks

The Board acknowledges the importance of managing environmental and social risks, including climate risk, as a responsible organisation in the community and in fulfilling NGM Group's purpose to help our customers and communities thrive.



Metrics and targets

At NGM Group we understand that we have a responsibility to minimise the greenhouse gas (GHG) emissions of our operations and value chain, in line with our community and sustainability environmental ambitions. In FY24 we undertook an externally supported emissions baseline assessment to enable us to lay the groundwork for our decarbonisation journey. This assessment looked at our Scope 1, 2, and 3 (inclusive of financed emissions), as defined in Figure 3 below, for the period of 1 July 2023 to 30 June 2024, to establish the base year against which future carbon footprints will be compared.

Figure 3: GHG Emissions Categories

Our GHG emissions are categorised into the following three Scopes, as determined by the GHG Protocol:

- Scope 1: direct emissions generated onsite through activity controlled by NGM Group, such as combustion or refrigerant leakage (e.g. fuel use from company vehicles and air conditioning refrigerants).
- Scope 2: indirect emissions generated offsite through activity controlled by NGM Group (e.g. purchased electricity).
- Scope 3: indirect emissions generated through the value chain, which NGM Group has influence over (e.g. supply chain and downstream activities), including financed emissions. Financed emissions are the emissions that arise as a result of the investment and lending activities of financial services businesses like banks and insurers.



The analysis estimated NGM Group's FY24 Scope 1, 2 and 3 carbon footprint to be 127,254 tonnes of carbon dioxide equivalent (tCO₂e) using the market-based method. Across these categories, Scope 1 and 2 emissions make up only 3.3% of the overall footprint for NGM Group. Scope 3 emissions contributed the remaining 97%, heavily driven by NGM Group's home lending exposure under the Investment Category at 87%.

The results of NGM Group's baseline emissions footprint (across Scopes 1, 2 and 3 and financed emissions) show that NGM Group itself (operationally) is a relatively small emitter and the majority of the emissions sit within financed emissions (those associated with our lending portfolio). From undertaking a peer analysis, this is in line with other financial and professional services profiles.

A peer review was also undertaken across the financial sector to understand the approaches being taken by others to reduce emissions. These insights are being fed into the development of NGM Group's climate action plan and emissions reduction plan component.

Figure 4: Scope 1, 2 and 3 Emissions

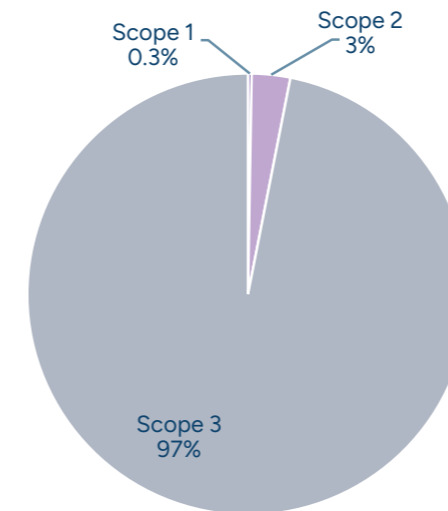
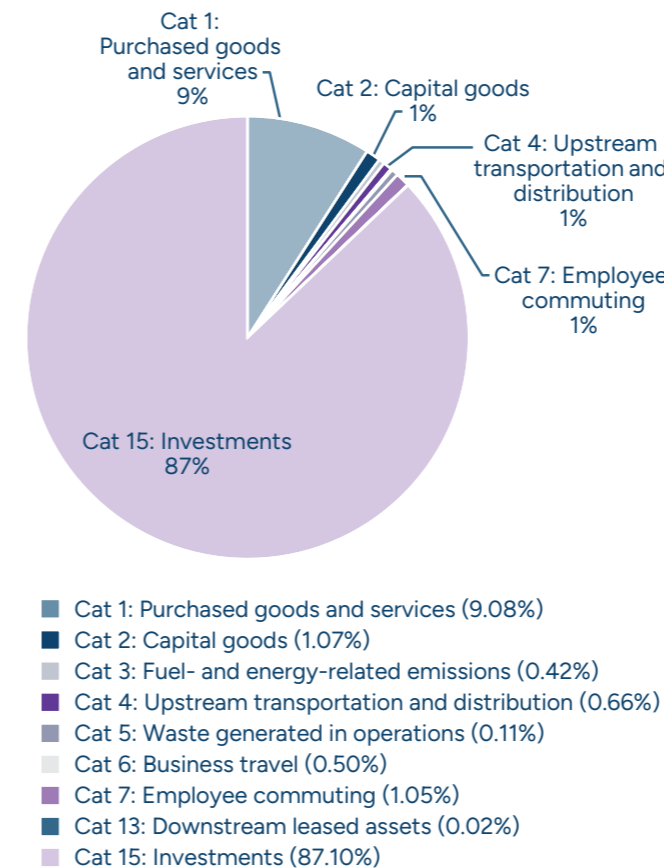


Figure 5: Scope 3 Emissions



- Cat 1: Purchased goods and services (9.08%)
- Cat 2: Capital goods (1.07%)
- Cat 3: Fuel- and energy-related emissions (0.42%)
- Cat 4: Upstream transportation and distribution (0.66%)
- Cat 5: Waste generated in operations (0.11%)
- Cat 6: Business travel (0.50%)
- Cat 7: Employee commuting (1.05%)
- Cat 13: Downstream leased assets (0.02%)
- Cat 15: Investments (87.10%)

All emissions calculated were assessed in line with the National Greenhouse and Energy Reporting (NGER) Scheme's Measurement Determination, Greenhouse Gas (GHG) Protocol Standard and GHG Scope 3 Standard methodology. Financed emissions were assessed in line with the Global GHG Accounting and Reporting Standard Part A: Financed Emissions, developed by the Partnership for Carbon Accounting Financials (PCAF). In line with the approach taken by other banks, our Charitable Foundations were excluded from the carbon footprint as the mandatory boundary is drawn under what's known as an operational control approach.

Figure 6: Operational and financed emissions

Metric	Unit	FY24 (baseline year)
Scope 1	tCO ₂ e	337
Scope 2 (market-based)	tCO ₂ e	3,590
Total Scope 1 and market-based Scope 2	tCO ₂ e	3,926*
Scope 3 (operational)	tCO ₂ e	15,916
Financed emissions	tCO ₂ e	107,414
Total Scope 3 emissions	tCO ₂ e	123,328

*Total value may differ due to rounding

This baseline sets the groundwork for our decarbonisation journey. NGM Group is now undertaking mitigation modelling to develop a fit-for-purpose emissions reduction plan and supporting targets.

Looking forward

NGM Group's understanding of climate change and its implications for our organisation, people and customers is continuing to evolve and mature, as are the standards and guidance we follow as we seek to meet both regulatory expectations and the expectations of our stakeholders.

We are well progressed in preparing for the emerging mandatory climate reporting regime in Australia, and we continue to keep abreast of the regulatory and societal focus on this area, including from the Federal Treasury, the Australian Securities and Investments Commission (ASIC) and APRA.

In the current financial year, we are focused on the development of a climate action plan, including an NGM Group emissions reduction plan, and will continue our preparations for incoming mandatory climate-related reporting.

Our aspiration: To continue to be recognised as ethical, honest, and for delivering beneficial outcomes for our local communities.

7. Our Governance

At NGM Group, corporate governance is how we make decisions and manage risks. As part of NGM Group's commitment to good governance, our Board recognises the pertinent role that community and sustainability plays in helping us to achieve our broader organisational purpose and goals, and our governance structure is depicted in Figure 7 below.

Figure 7: Governance diagram



Board governance

As NGM Group is not a listed entity, it is not required to comply with the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (ASX Principles). However, our Board proactively aligns to the ASX Principles where practicable, as set out in our governance disclosures table.

As stated in the NGM Group Board Charter, the Board's Corporate Responsibility, includes:

- Developing and approving the corporate social responsibility strategy (including ESG principles), monitoring the effectiveness of the strategy and approving corporate responsibility disclosures
- Overseeing and monitoring the governance frameworks, processes, policies, systems and appropriate controls to manage climate risks and opportunities.

In addition to the Board's responsibilities, NGM Group's Board Committees act as conduits to support the Board to establish its strategic priorities and effectively manage risks and opportunities. One of the responsibilities of our Risk Committee is to oversee the management of climate related risks, while our Audit Committee reviews regulatory reports on operations relating to climate reporting matters and management's responses. It is expected that the role of the Audit Committee in relation to NGM Group's broader community and sustainability approach, including climate, will continue to evolve in the coming financial year, once the mandatory climate reporting regime commences.

Customer, community and ESG: a core Board capability

Over the past financial year, ESG has remained a focus of our Board. This commitment was demonstrated in the recent Board Skills and Capabilities Assessment, in which the Board identified 'Customer, Community and ESG' as a core Board capability.

To further enhance the Board's capability in this area, many of our directors have participated in training and education including the first of a two-part climate development session facilitated by an external consultant, intended to lay the groundwork for NGM Group's decarbonisation, climate risk management and mandatory reporting journey. Several directors also undertook the AICD Climate Governance for Australian Directors Course, which provided insights into the developing director climate-related obligations, climate-science, mandatory reporting requirements and evolving stakeholder expectations.

By participating in these learning and development opportunities, our directors are equipping themselves with contemporary knowledge of climate governance and the skills needed to confidently navigate its complexities. Directors intend to continue investing in sustainability and ESG learning and development, and further training is planned for the coming year to enhance the Board and NGM Group's capabilities.



Sustainability governance

As collaboration and connection are key to our operations, NGM Group's Board and our people work closely together to deliver our broader community and sustainability objectives and ensure these values are embedded within our culture from the top down.

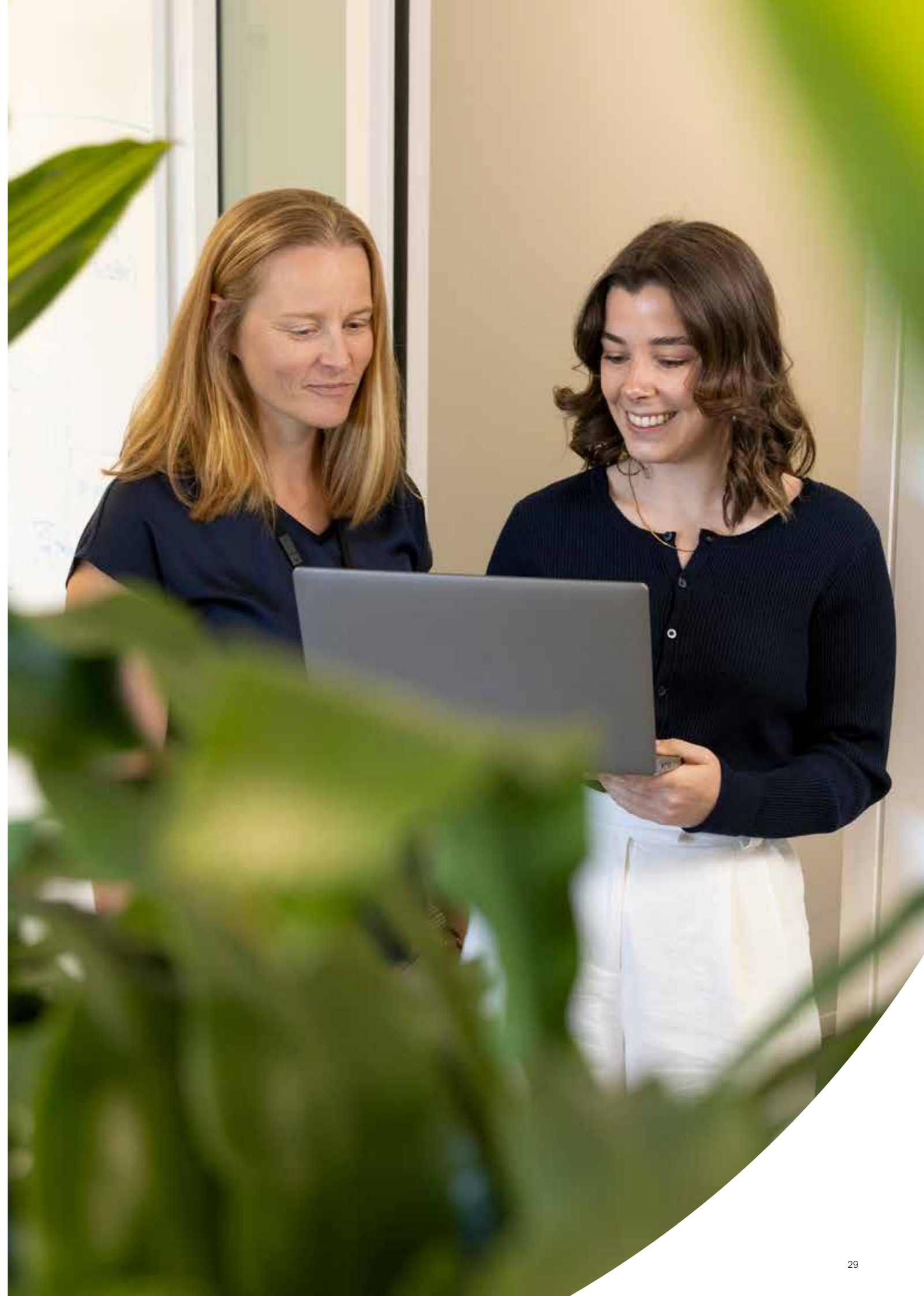
To deliver on our internal sustainability efforts and as referenced in Our Environment section (page 20), an NGM Group Sustainability Council has been developed, comprised of key senior management stakeholders from across the business. The Sustainability Council meets regularly to create action plans to drive outcomes, promote and facilitate sustainability initiatives across NGM Group, including supporting the delivery of our ESG Framework.

Supporting the Sustainability Council is our NGM Group Sustainability Advisory Committee, which is comprised of five members of the Group Executive and provides support and guidance to the Sustainability Council.

The path forward

This inaugural Impact Report demonstrates our commitment to continuing to mature the way in which we report on the impact we are having on the environment, people and the economy.

Looking forward, our governance framework will continue to strive for best practice and to meet evolving regulatory requirements, to ensure we continue to help our customers and communities thrive.



8. Appendices

Customer Data

NGM Group

GRI Indicator	Data point	Unit	FY24
Organisational profile	Total customers	Number	620,503
	Points of presence	Number	254

Newcastle Permanent

GRI Indicator	Data point	Unit	FY24
Organisational profile	Digitally engaged customers	Number	170,026
	Net promoter score	Number	40

Greater Bank

GRI Indicator	Data point	Unit	FY24
Organisational profile	Digitally engaged customers	Number	161,542
	Net promoter score	Number	32

Community Data

Community sponsorships, partnerships and operations

GRI Indicator	Data point	Unit	FY24
413-1	Total NGM Group community investment	AUD	\$6,413,272

GRI Indicator	Data point	Unit	FY24
413-1	Total value of sponsorships, partnerships and operations	AUD	\$3,684,160
	Total community organisations supported	Number	282

Charitable Foundations

GRI Indicator	Data point	Unit	FY24
413-1	Total value of grants	AUD	\$2,729,112
	<i>Grants have been given to focus areas including, but not limited to, health, young people, social wellbeing, social welfare, employment and education.</i>		
	Total number of projects	Number	33

People Data

NGM Group

GRI Indicator	Data point	Unit	FY24
Employee Profile			
2-7	Total employees	Number	1,835
	Total female employees	Number	1,305
	Total male employees	Number	530
2-7	Full-time employees		
	Permanent	Number	1,265
	Temporary	Number	48
2-7	Part-time employees		
	Permanent	Number	498
	Temporary	Number	7
2-7	Non-guaranteed hours employees (casual)	Number	17

Gender Diversity

405-1	Proportion of women in sales positions	Percent	86%
	Proportion of women in clerical and administrative positions	Percent	87%
	Proportion of women in professional positions	Percent	55%
	Proportion of women in other managerial positions	Percent	61%
	Proportion of women on the Board	Percent	63%

Parental Leave

401-3	Employees entitled to parental leave		
	Female	Number	All employees
	Male	Number	All employees

Employee engagement and development

	Engagement survey participation (of total employees)	Percent	86%
--	--	---------	-----

Non-discrimination

406-1	Total instances of discrimination and harassment reported	Number	0
-------	---	--------	---

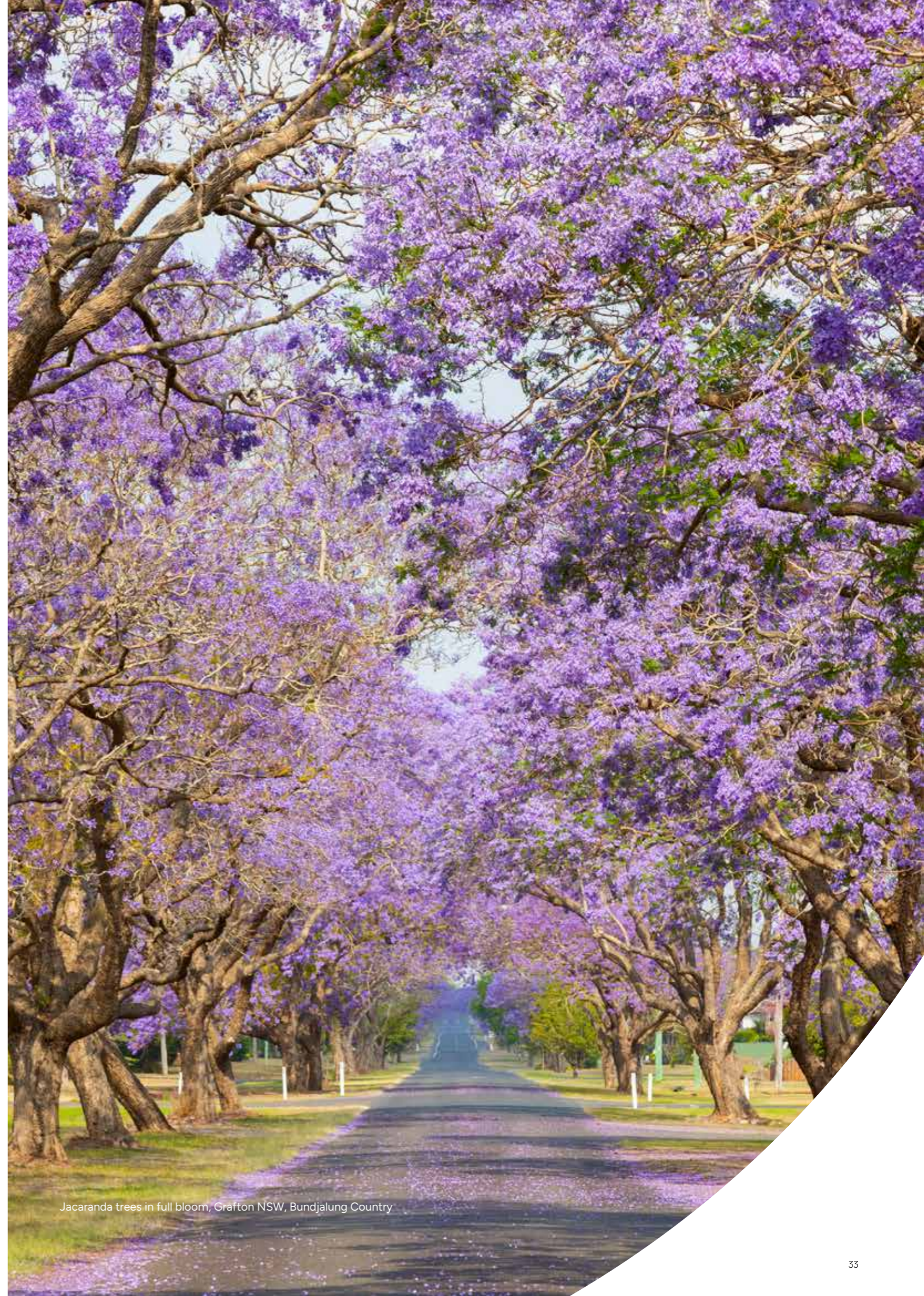
Governance Data

GRI Indicator	Data point	Unit	FY24
Whistleblowing			
	Whistleblower cases reviewed and closed	Number	0
	Completed mandatory training	Percent	100%
Anti-competitive behaviour			
206-1	Legal actions pending or completed regarding anti-competitive behaviour	Number	0

Environment Data

GRI Indicator	Data point	Unit	FY24
Emissions			
302-2	Total electricity consumption	kWh	4,431,526
305-1	Scope 1 emissions	tonnes CO2e	337
305-2	Scope 2 emissions	tonnes CO2e	3,590
305-3	Scope 3 emissions (operational)	tonnes CO2e	15,916
	Financed emissions	tonnes CO2e	107,414
	Total Scope 1 and market-based Scope 2 emissions	tonnes CO2e	3,926*
305	Total Scope 3 emissions	tonnes CO2e	123,328
Waste			
306-3	Total waste generated from operations	tonnes CO2e	130

*Total value may differ due to rounding



Jacaranda trees in full bloom, Grafton NSW, Bundjalung Country



Newcastle Greater Mutual Group Ltd ACN 087 651 992
Australian Financial Services Licence/Australian credit licence 238273.