



Annual Report

Year in Review

20
23



bank
first

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Altana College - TIP Recipient Chair's Choice award 2023

Foreword

This year, as we begin the formal process of Environment, Social, Governance (ESG) reporting, we're making a commitment to our Members to clearly articulate what we're doing, what we're not doing, what we're going to do and what targets we're aiming for.

As a bank, the principles of ESG are at the very core of why we exist and have driven our decision-making since our founding days. When you dive into ESG frameworks and reporting, you'll find that our values and partnerships are aligned. We're already doing a lot of these things because they're the right things to do. What we haven't done comprehensively is measure our impact or set specific targets, which in FY24 and beyond, is our commitment to you.

The Board has fully endorsed this work, which will be led by members of the Executive Management team and developed by leaders within the business. We have formalised a Sustainability Strategy committee which is working on a framework to identify key priorities and, where appropriate, set meaningful and achievable targets that we will report back to our Members.

We have themed this year's Annual Review 'Impact'. You will find examples of our impact throughout this year's report.

- Bernie Lloyd (Chair) and Michelle Bagnall (CEO)

What is ESG and why is it important?

Environmental, Social and Governance (ESG) is a framework that manages our responsibilities to our key stakeholders. It identifies opportunities to contribute value back through ESG areas.

It matters to us because we want to continue to support activities that are aligned to our Members and the sectors (health and education) you care passionately about.

The funds we give out in grants, sponsorships and scholarships are important but what's equally important is understanding the difference these financial contributions are making in the communities you live and work in.



Our Impact

Environmental

Bank First is only able to operate if we continue to nurture and protect our environment. Our Member base told us they care about the environment and they expect us, as a bank, to do what we can in this space.

Social

We were founded 51 years ago to meet a social need that other banks were not meeting. Our continuing focus is on caring for those who are caring for community and every cent we earn is returned to this purpose in one way or another.

Governance

As a regulated bank, we are held to the same high governance standards as any other bank in Australia. We hold ourselves to the higher standard of 'community expectations' in how we manage and protect our Members' money and personal data, and how we look after people.

Partners

We help our Members grow; we are the go-to bank for those who build community.

Impact

Bank First scholarships made study a little financially easier for 38 teaching and tertiary students who shared in \$40,500 worth of funding. A further 100 non-verbal students were given a voice with our ongoing financial support of the State Schools' Relief (SSR) iPad Program.



25

Health and education partners



117

Events reaching 54,319 people



57

People and organisations received \$150,000 in grants, scholarships and awards



20

Schools received \$32,000 from our Teaching Initiatives Program (TIP)



\$12,975

Healthy food was provided to families in need by The OneBox



15,470

Health and hygiene packs distributed to people in need in partnership with Pinchapoo



4,149

Hospital and school worksite visits

Members

We are enabled by our simple and effective processes and systems that add value for our Members and people.

Impact

Our new Internet Banking capabilities provide Members with the ability to self-serve the most common requests received by our call centre team. Using the app, Members can now change passwords, lock cards, increase temporary payment limits and turn on travel notifications.



89.9K+

Members (0.02% ▲)



\$53M+

Interest paid to Members



600

Members accessed affordable housing via National Housing Finance and Investment Corporation. 270 of those were teachers and healthcare workers.



80.7K+

Internet Banking registered (3.91% ▲)



8M+

Internet Banking transactions (0.33% ▲)



5M+

Bank First App transactions (11.13% ▲)



23K+

Inbound Member emails responded to (4.94% ▲)



127K+

Inbound Member phone calls answered (3.03% ▲)

People

We empower our people to make decisions that grow our organisation for the benefit of our members, community and team.

Impact

Our focus on diversity and inclusion included a full calendar of events throughout the year, recognising days of significance for the community.

We also responded to staff requests for optional working on the 26th January public holiday, giving our people the choice to work and take another day off in lieu.



239

Staff (7% ▲)



29

Females in management (45% ▲)



63%

Employee Engagement (4% ▼)



1840

Training modules completed (47.43% ▲)

Finance

We are supporting Bank First's strategic growth while managing the budget set and agreed to by the Board.



Deposits up by ▲

2.59%



Lending growth up by ▲

17.54%



Liquidity position of

16.14%



Capital adequacy of

16.43%



High asset quality with provision for bad and doubtful debt

0.07%

of total gross loans

Our Pledge

Being focused on ESG concerns is a natural space for mutuals, including Bank First. We were built on stepping up and helping people (in our case teachers) when other banks couldn't or wouldn't. It's our point of differentiation from other banks. It's why we exist.

Our pledge is to not only continue to care for those who are busy caring for community, but to do it better and to measure against ourselves to ensure we continue to go in the right direction - which is not necessarily going to be in the same direction as other banks.

We're on a journey to support today's Members and to attract the next generation of education and healthcare workers.



From the Chair and CEO

We are pleased to present a joint report this year. As Chair of the Board and Chief Executive Officer of the organisation, our collective teams are all aligned to a single vision and set of goals. We have different roles, but a common purpose. Together, we focus with determination on establishing a sustainable future for our community to the benefit of all.

As Chair, I am pleased to be returned for an additional year, outside our 12-year tenure guidelines, following the successful Member vote for an extension at our recent Extraordinary General Meeting (EGM).

I know the Board's decision to request an additional year from me, which required a Member vote, was not taken lightly, and I am humbled to be invited to extend my tenure.

Thank you for your faith in my stewardship. I look forward to contributing to the further growth of this wonderful organisation for another 12 months.



We are continuing to transform our business

Following last year's 50th anniversary where we celebrated our founders, our focus is now very much on continuing to deliver our bank's ambitious and exciting transformation program.

We have a wonderfully loyal Member base, many of whom have been with us since the early 1970s and we will continue to serve you and provide

your banking needs. Our commitment to transformation and readying the bank for the future, is about building competencies to secure our business for the Members of the next 50 years.

Our Members of tomorrow have very different expectations of a bank than our very early Members from the 1970s. For many, a branch is a relic of the past. These new and future Members, have never seen a cheque book, don't carry cash and therefore

don't use ATMs. They, quite rightly, question why they shouldn't be able to do their banking whenever, and however it suits them.

We recognised several years ago that to meet the needs of today's Members, our organisation must move in a new direction, and we have made a significant investment to set us up for a strong and sustainable future. We are one year into that three-year investment program.

Our commitment to transformation is about building competencies to secure our business for the next 50 years.

Our first year of transformation was successful in building out strong foundations in our competencies and resources. This year, our attention and focus has turned to creating new and better Member experiences for existing, and future, Members.

Economic conditions

After historically-low interest rates, we have been preparing for what we knew could be around the corner – potentially difficult economic conditions for Members who had taken advantage of these rates.

As interest rates have increased, so too has inflation – resulting in higher costs of living and, for mortgage holders, a jump in repayments. As a mutual, we have a commitment to both our home loan and deposit customers and it's a balancing act to ensure the best interests for all.

As the Reserve Bank of Australia (RBA) began to increase rates, we held back on passing on increases to our Members with mortgages for as long as we could. We were one of the last banks to begin increasing rates on lending, while continuing to have one of the best savings rates in the sector.

While we were busy balancing competing interests, we had, and continue to have a dedicated team working hard behind the scenes to identify Members impacted once interest rates started to move. The team's focus continues to be on looking ahead and working with Members to prepare them for the potential impact of interest rates changes. We are doing everything in our power to support Members through this period.

At times of changing market conditions, sometimes tough decisions need to be made. We haven't been afraid to make those decisions this past year, knowing that our intent is always to create benefit for our existing Members and ultimately, make the right decisions for the whole membership of Bank First.

Anchored in purpose

We continue our focus on being a different bank with a clear focus on our niche Members, healthcare and education professionals. We are not interested in being 'just another bank'.

Right now, this difference shows up in our people: the way in which they care for our Members and in the time they take to go the extra mile to solve a problem or give comfort.

Mutual banks started from a place of people doing for people, when others wouldn't. Mutuals have a long and proud history of stepping in when others won't. That's the story of how we started - 48 teachers (members of the Victoria Teachers Union) unhappy with the big banks and what they wouldn't provide for their members. So, they each put \$10 on the table and they had a small financial fund that was used to lend to teachers - mostly women, who couldn't get a loan from the big banks.

We haven't strayed from that purpose and we are now starting to build out other tangible differences. This will start to become more evident as we increase our offerings in information and education, and in the way we demonstrate our understanding of how education and healthcare professionals work and live.

Our Members aren't just a number to us. We are working hard to continue to know what matters to our Members, to deeply understand what you do, and what your challenges are.

Education and healthcare workers are there for us at our most important moments – our highest highs and lowest lows – and they have a significant impact on our lives. We aim to be the bank that makes a similar impact in their lives, but from a financial perspective.

Thank you for your continuing support of Bank First.

- Bernie & Michelle

Members



We are continually on a journey to more deeply understand those we are for and what we need to deliver to our Members. Our founders had a very clear view as to who our Members, or 'customers', would be. We hold true to those values but with 51 years of banking behind us, we know it is time to reaffirm the Members of today, and the future, so we are set up to be their bank of choice.

We recently completed a program of work to discover more about today's Members. What you like, what you don't like, what keeps you awake at night and what you want from us, your bank of choice.

What we heard from you was that although your profession as a healthcare worker or educator is important, you

want to be recognised for more than your profession. As your bank, we must continually reassess our product and service offerings to make sure we're meeting your banking needs.

You've told us what's important to you:

- financial security
- supporting family
- major life transitions
- holistic wellbeing.

That's invaluable feedback and helps us shape the future of Bank First. With you, the Member, at the centre of everything, we will continue to refine and remodel our products and services to best suit your needs.

Voice of Customer

One of our greatest strengths is the relationship we have with our Members. You're quick to tell us when we've got it wrong and we're grateful for that because it means we can make changes based on 'real' Member experiences. You are also very generous with your compliments and praise for our people when they go the extra mile to resolve issues and help our Members.

We rely on what you tell us, and we also look at our Net Promoter Score (NPS). NPS measures the willingness of customers to recommend a brand, in this case Bank First. Our NPS score is high and that's something we're very proud of, but of course, there's always room for improvement.

While we don't like to spend time comparing ourselves with other banks, in this case, we will just say that our NPS is significantly higher than other banks. Yes, we're proud of our 62 but won't rest on our laurels.

Net Promoter Score (NPS)

62

*average NPS across Australian banks is 19

2427

Responses
19% ▲

New in FY23

Increased banking anywhere, anytime

- Temporary limit increases
- Card control features
- International travel notifications
- PIN/Password reset
- VISA Dispute Transaction form
- Notify Bank First of planned overseas travel
- Barcode Banking in partnership with Australia Post
- Online form to report suspected cyber incident

Reviewed fees

- Removed \$2 statement fee

Simplified home loan fee structure

Simplified product offering

- Grandfathered 10 lending and deposit products
- Launched a new Basic Home Loan

Upgraded telephony system

Based on feedback, we have, and will continue to implement significant changes to improve Member experience.

In FY24 we will deliver

Improved accessibility

- Redesign debit and Visa cards
- New website

Increase Voice of Customer capability

- Onboard new platform to automate Member surveys and insights to further improve the Member experience

Quicker time to approved home loans

- Reduce the 'time to yes' for home loan applications

Introduce further fee changes

- Remove \$0.25 SMS alert fee
- Reduce the number of Home Loan fees from 22 to eight



Jessica and Matthew (left) bought their first home in Whittlesea this year. Jessica works in health and Matthew is a long-time Bank First Member.

The focus of our founders was to give teachers access to finance when the traditional banks wouldn't. Fast forward to today, it's still difficult for educators and healthcare workers on contracts to raise deposits and avoid paying extra in Lenders Mortgage Insurance. We're here for those Members. This year we've helped more than **100 educators and healthcare** workers into their homes by reducing the deposit required.

For our first home buyers, it's been our pleasure to help more than **600 Members** access affordable housing with the support of the National Housing Finance and Investment Corporation - **270** of those Members are educators and healthcare workers.

Scams

We continue to have a laser-like focus to ensure the protection of Bank First and our Members against cyber criminals.

The threat is real and our responsibility to protect Members' funds and data is fundamental to our business. Like any organisation, we are not immune from cyber criminal activity. We remain vigilant and have a 'challenge mindset' when presented with information that just doesn't seem right. We have programs in place that will continue to evolve to help prevent, detect and rectify potential, and real, scams.

Working with Members

A dedicated team continues to focus on working with Members who are coming off historic low interest rates. This has ranged from early contact to help them prepare for an increase in repayments and discussing options. We will continue to work with Members to help get the best possible outcome for them. We are actively working with **2,600** Members.

We have made **400** individual phone calls and this number will continue to grow .

Banking anywhere, anytime

In 2022, we switched over to a new telephony system. We did have some teething problems and it has taken us a while to get the system working the way we need it to. Our new self service option for temporary limit changes, which was one of our largest call queries, has reduced calls for this service by almost 50% .

In FY23, call volumes remained high with the call centre team answering **127,679** calls and responding to **23,157** emails, numbers comparable with the previous year. We anticipate these numbers to reduce in coming years as Members take advantage of our increasing range of new banking 'anywhere, anytime' options.



Internet Banking



Bank First App



Direct messages



Phone



Email



Branch visits

People and Culture

Our people have always made Bank First a special place to work. In 51 years, that is something that hasn't changed and is a non-negotiable for us. We know that without great people and a strong, values-led culture, we're just 'another bank' and that's not what we want to be. Our Members care for our community, they shape lives through the provision of great education and world-class healthcare.

Our people care. They are talented professionals who strive to bring their skill and heart to every Member moment. To ensure this is the case, we are deliberate in our selection and development of people to ensure they have the expertise and talent to deliver great outcomes for our Members and our future and are aligned with our values.

Our people show up with heart every day, putting Members at the centre of everything they do.

In the past 12 months as our transformation journey has evolved, we have made difficult but necessary decisions involving how our bank is structured internally. To not make any changes, would have resulted in us not being set up for where we need to be for the next generation of healthcare professionals and educators.

While we welcomed **97** new people to Bank First and congratulated **58** who were successful in obtaining new, re-shaped roles, we also acknowledged those people who have not continued with us. Some of these people were long-tenured Bank First team members and we thank them all for their service to Bank First over the years.

We are now well on our way to embedding an organisational structure that will ensure we're future-ready for decades to come - with the expertise and values to deliver the Member experiences we are known for, the offerings that matter to you and always with an eye to the future. Our new recruits and their teams are engaging with our strategy and playing their part in building the Bank First legacy for future Members.



Emerging Leaders

Each quarter, our leaders come together to reflect on the past three months and prepare for the next financial quarter. It's a chance for our leaders to ask questions of each other and the Executive Management team and importantly, to share learnings. In the lead up to each session, people are identified and invited as 'emerging leaders' - high potential talent with leadership in their future. These people are active participants in the session and add great value to the day.

'It was great to have the chance to hear what's happening, particularly in the strategy and IT space.' - Benjamin Tang

'I really appreciate that we can have these conversations with our senior leaders in an open and effective way.' - Jacqueline Singh

Volunteering

Our people have big hearts and when it comes to helping out with partner activities - they're ready, willing and able. This year, teams have spent time with our health partner Pinchapoo (below), a Melbourne-based not for profit which provides toiletries to hospitals and crisis centres. The Pinchapoo Hospital Hygiene program is about more than shampoo and toothpaste. It creates an environment where patients feel empowered and valued and where healthcare professionals can deliver care with a greater sense of purpose and compassion.

In education, we have team members who volunteer on their local school councils and parents and friends' committees, so, it was no surprise that when long-time partner State Schools' Relief asked for help to prepare 'back to school' packs for children and families, the Bank First team was there.

An offer to join The Alfred Hospital Run4Melbourne team was also enthusiastically accepted by Bank First team members.



Adelina Menxhiqi

A qualified lawyer, Adelina joined our Contact Centre team before moving into a legal counsel role. 'Everyone has been incredibly supportive.'



Joel Thomson

During the pandemic, Joel took advantage of a Victorian Government training scheme and joined us. 'The introduction of LinkedIn Learning has really helped me build new capabilities.'



Amanda Cheung

In 17 years, Amanda hasn't lost her enthusiasm for our organisation. 'The bank has invested in me and I have completed tertiary qualifications to progress my career.'

Reward and Recognition

A new program to reward and recognise our people and their work has been launched. Throughout the year, our people nominate individuals and/or teams who are displaying the company's values.

For the first two quarters of the new program, **109** staff/teams were recognised by their peers.



WE CARE



WE EMPOWER



WE LEARN AND GROW



WE DO IT FOR OUR MEMBERS

Our Commitment

We are all here because we want to do meaningful things. Our focus is on continuing to embed the Bank First culture and values in our people which includes the development of a People Strategy, leadership development through our **Leading Boldly** program for our people leaders, LinkedIn Learning and an Employee Value Proposition (EVP).

Partnerships

Partnering is something that our organisation does well and has done for many years. It's our point of difference, it's important to us and it cannot be understated. Partnering with like-minded organisations is in our DNA and it's something we're very proud of. Our relationships are directly with hospitals and schools and, importantly, with the associations and organisations which represent these sectors.



What makes us different

Three weeks into her role at Bank First, Suizy Luong went on a site visit to St Vincent's Private Hospital. This is the kind of experience we love our people to have early in their time at Bank First, to get a true sense of who we are for and why we are here.

Chris, walked up to our stand and said, 'my Member ID starts with a 2!' This meant Chris was one of our first Members. Chris introduced her husband, Jeff (pictured left), and Suizy joined them for a coffee. What unfolded was a story about how Bank First had been with these Members 'every step of the way, through the highs and the lows'.

The couple were buying a car, 'when no-one would lend us the money because I was a teacher on minimum wage, Bank First was there for me'. Three children later the family needed a small loan to make ends meet - 'again, Bank First understood my needs and was there for me'.

Suizy will never forget that experience in her first month and we hope she never loses that 'heart feeling' of why we exist and what makes us different.

Health

How do we, as a bank, let some of the most important professionals in our community know that we care, we value what they do and that we're here for them?

On International Nurses Day 2023, in partnership with Pinchapoo, we visited The Alfred, St Vincent's Private Hospital Melbourne and Mercy Health, Werribee campus, with pamper packs. For some, the packs offer a little bit of pampering after a hard day at work. For others, they welcomed the pack and told us they would pass it onto a patient who perhaps needed it more than they did. Thank you for everything you do!



Work Experience

In 2023, Glenallen School senior student Darcy spent time with Bank First teams to experience life in the workplace. A great experience for both Darcy and the Bank First team.

Teaching Initiatives Program



Emerald Primary School - TIP recipient 2023



Scan QR for full list of recipients

For 30 years we have funded innovative initiatives in Victorian schools. The numbers are significant, but it's the impact TIP has had on school communities that fills us with pride. This year, more than **\$33,000** was distributed to schools right across the State.



People's Choice award

Barwon Valley School

Team Media



Chair's Choice award

Altona College

Biodiverse Garden Project



Education

The practical importance of placements for nursing and teaching students can't be understated. It's so important and yet often puts tremendous stress on students, many who can't work in their part-time jobs because of the location or timing of compulsory placement requirements.

We've done our little bit to help out two students this year, including Luke Fowler (above), Australian Catholic University (ACU), Bachelor of Nursing/Paramedicine student. Luke received a \$5,750 Bank First scholarship to help him financially during his placement. Luke will be a welcome addition to the healthcare sector once qualified – he told us: 'I love people. In this profession you help all sorts of people from different parts of life, people you may not speak to in your everyday life. I like helping people and making a difference'. - Luke Fowler, 22.

State Schools' Relief

Banking that gives non-verbal children a voice. What could be more important than that? Nine-year-old Josh (above), received an iPad loaded with special applications which gives him the tools to communicate with his teachers and family. Bank First is a founding supporter of the State Schools' Relief iPad Program.

'This is a game-changer for children like Josh. Everyone deserves to be heard and without this program, these children wouldn't have a voice.' Ella Norfolk-Birch (above), Speech Therapist, Kalianna School Bendigo.

Our Commitment

To continue to work closely with our partners to empower communities, improve lives and make a positive difference in the world. We're invested in our strategic partnerships and the longer-term work we are doing to evolve the way in which we engage with our partners. The partner space is not just important to our bank, it's critical to our success.

Advocacy

Our role as one of Australia's leading mutual banks is firstly, about providing banking products and services to our Members. We strongly believe that we also have a role to play in advocating for causes our Members, partners and communities care about and for celebrating and sharing a better way of banking – customer-owned banking.



Chief Operating Officer Ashley Hood has been a director on the board of Community Owned Banking Association (COBA) since 2016 and is Chair of COBA's Audit and Risk Committee.



CEO Michelle Bagnall represented Bank First on a panel of CEOs organised by Business Council of Co-operatives and Mutuals (BCCM) and engages closely with COBA's Emerging Leaders Network.



CEO Michelle Bagnall and Chair Bernie Lloyd attended the annual COBA Hike the Hill in Canberra to meet with, lobby and share the customer-owned banking story with Federal Parliamentarians.



Chief Risk Officer Hill presented at the House of Representatives Standing Committee on Economics Federal Parliament Inquiry into 'Promoting economic dynamism, competition and business formation'.



Education

We are well represented at conferences throughout Australia. Our connections with associations in this sector are deep and our senior leadership team is regularly asked to speak at association conferences.

In 2023, CEO Michelle Bagnall represented Bank First at The MacRobertson Girls' High School (above) to share her learnings with, and answer questions from, Year 10 students as part of a Finance and Civics core subject.



Health

A feature of every year is visiting our partner hospitals in Melbourne to celebrate International Nurses Day. We met with nurses on shift at St Vincent's and Alfred Hospital and put on a barbecue for staff at Mercy Hospital (above), Werribee campus.

Health conferences where our team meets nurses and healthcare professionals to understand the issues important to them, are also a highlight.

Learning more about and acknowledging our First Nations people is something that we hold very close to our hearts at Bank First.

Starting meetings with an Acknowledgement of Country is one small, practical way we can show our respect for the Indigenous people of Australia. However, we wanted an Acknowledgement of Country which was unique to Bank First. We worked with Evolve Communities to develop a meaningful acknowledgement, one that represents the traditional healers and teachers of this nation.

Artist Merindah-Gunya, a proud Peek, Djab and Kirrae Whurrong woman of the Maar nation in south-west Victoria has granted us permission to use her artwork, 'Fearless, togetherness, resilience' to represent our organisation.

We launched our new acknowledgement of country and Merindah-Gunya's vibrant artwork during National Reconciliation Week.

In the theme of learning, we've partnered with The University of Melbourne to fund an Indigenous Knowledge & Community Scholarship, Master of Teaching (Primary). This year's recipient is Brielle Sun.

I am deeply passionate about the perspectives and knowledge of First Nations people that are intimately woven into the vast land we are privileged to share – but often this land and its deep cultural and traditional foundations are taken for granted and not respected and honoured in the way it should be. I believe in a reconciliation movement in which we truly integrate the wisdom and traditions of the First Nations people into the fabric of our society.'

- Brielle Sun, 2023 scholarship recipient



Scan QR code to listen to our Acknowledgement of Country

Artwork by **Merindah-Gunya**

'Fearless, togetherness, resilience'

Our Commitment

Clearly understand the social and community issues that Bank First Members want us to publicly take a position on and represent their interests. Advocate on behalf of our people, our partners and our Members.

Environment

The future of our planet and what we can do to preserve and protect our environment is an issue that all businesses and individuals have a responsibility for.

We have a relatively small real estate footprint with one branch in Moonee Ponds and a second branch in Hawthorn East, also the location of our head office.

In the past year, we have reduced our footprint by one-third inside our head office and will continue to work to consolidate the space and energy we consume. Our teams are committed to reducing paper usage and reporting on these savings. We are continuing to help our

Members convert from paper-based statements, Slate newsletters and Annual Reports to digital versions with reductions reported as a result.

Dedicated green waste and recycling bins are in heavy use in our kitchens.

In partnership with Sustainability Victoria, we have once again recognised and rewarded two teachers for taking this issue into the classroom. We have sponsored **20** teachers over **10** years in their sustainable teaching endeavours.



Danielle Lamport (centre left) and Rowena Archer (centre right) are pictured with Bank First's Adrian Wilson (left) and Dirk Ludowyk (right)

Danielle, a teacher from Monbulk Primary School is the Bank First 2023 Primary Teacher of the Year. Rowena from Braybrook College is the Bank First 2023 Secondary Teacher of the Year.

Keilor Views Primary School students (pictured left) busy in their school garden on National Tree Day.

We are proud to support our partners' projects in climate change and sustainability awareness, particularly school projects that we support as part of our Teaching Initiatives Program (TIP). In 2023, **six** of our **20** recipients had an environmental and sustainability focus - from the development of kitchen gardens and compost and worms to the creation of a biodiverse garden.



TIP recipients - Keilor Views Primary School

Our Commitment

We acknowledge that there's more we can, and will do, in this space. We know our people and Members care about sustainability and the environment and we are committed to building on the small steps we have taken.

From little Bank First things, big things will grow.

Governance

Bank First has a strong governance focus. We comply with regulations, protect Members' data and act ethically. This is not unusual, it's simply what is required to operate as a bank in Australia and we take this responsibility seriously. Our approach to governance is drawn from our bank's vision, strategy, values and goals.

Governance, Culture, Remuneration and Accountability Committee



Mark Devadason
(Chair)



Bernie Lloyd



Graeme Willis



Judith Crowe

New and improved processes

This past year we made it easier for Members to provide feedback. Our process to collate and categorise Members' compliments and concerns has been strengthened and the Board has a monthly view of insights and the actions management has taken.

Member complaints to Bank First

FY22: **1228** FY23: **1998**

A **63%** increase in Member complaints this year is the result of efforts to drive a positive complaints culture, including simplifying and making the process more accessible for Members. Our people also have clear guidance on how to identify a matter as a complaint.

Member complaints escalated to Australian Financial Complaints Authority (AFCA)

Q1/ Q2FY23: **19** Q3/Q4 FY23: **5**

Improvements in how we resolve Member complaints resulted in a **74%** reduction in complaints escalated to AFCA from the first half to the second half of FY23.

Policies

Vulnerable Consumer Policy – Clearly states how Bank First interacts with customers who are, or identify as vulnerable.

Credit Risk Policy – Redefined to reflect our niche market Members (educators and healthcare professionals) who are often employed on contracts, work part-time, or are recent graduates. Our policies allow for these circumstances.

Frameworks

Sustainability Strategy – Targets measurable improvements across the bank.

Risk and Compliance – More ordered and efficient to leverage future growth and development.



(pictured) In the 30th year of our Teaching Initiatives Program (TIP), **Emerald Primary School** used their grant to purchase new readers for the school's literacy program. Photo courtesy of **Sarah Muratore**.

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