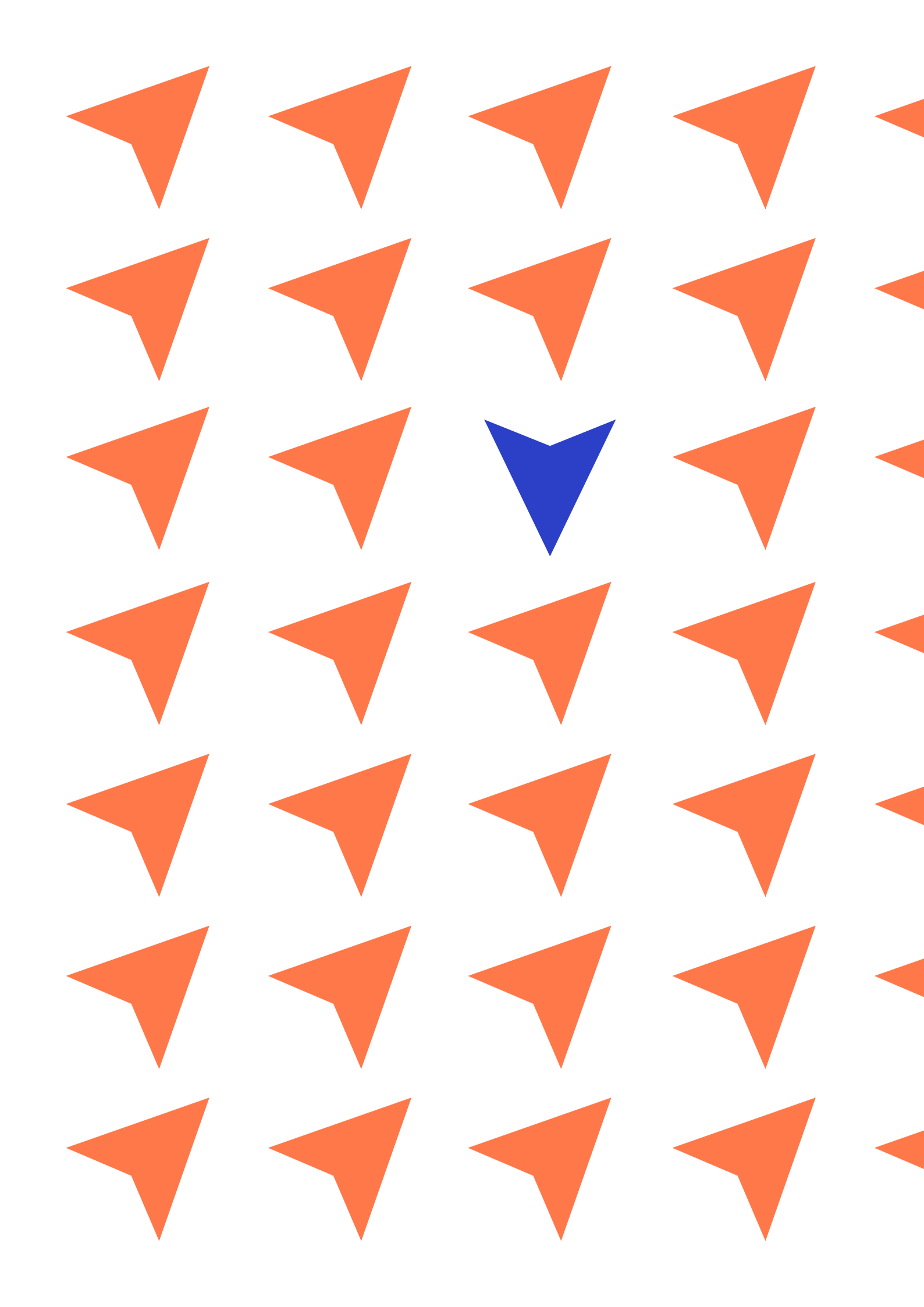




For police, emergency
and health workers

Annual Review 2022







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Certified



This company meets the
highest standards of social
and environmental impact

Corporation

**On behalf of the Board,
the Executive Team
and our people, we
are pleased to share
with you the 2022
Annual Review and
Annual Report.**

During the past year, there have continued to be significant and unprecedented challenges caused by COVID-19 in Australia, changing the way we live, work and play. Our purpose lives at the heart of being BankVic, and it is the resilience of our members that drives BankVic's commitment to going further.

Further for our members by improving their experience dealing with us and through the great value for money products and services we offer. Further for our communities through our partnerships, providing sponsorships, grants, scholarships and volunteers to support their incredible work. Further for our people by developing their skills and celebrating the great work they do.

**Delivering results and
consistency in times of change**

Through another year of living with Covid-19, and significant challenges in the Australian economic environment, we have

delivered another year of strong growth, continuing to hold our position as one of Victoria's largest Mutual banks¹.

We achieved new lending growth of \$636M while maintaining a strong liquidity and capital position of 17.1% and 26% respectively.

At the end of the 2021-2022 financial year we were proud to be serving over 119,015 members and holding over \$2.8b in assets.

**Enhancing our
member experience**

We remain committed to providing straightforward and personal banking for our members and were pleased to see our efforts recognised with a member satisfaction score of 89%².

This year we continued to introduce more modern and intuitive digital experiences for our members through the launch of the new BankVic App in March and the introduction of Instant Issuance for lost and stolen cards, for all card holders.

We recognise that the rising cost of living in a constantly changing world impacts the lives of those working on the front-line. We were proud to minimise this impact for our home loan members by not passing on the full amount of the RBA cash rate increases, over four successive

months - one of very few banks in Australia to do so, while at the same time increasing deposit rates to build our members' savings.

Investing in our people

The BankVic team has continued to display their commitment to providing exceptional member service throughout the ongoing challenges. We have supported their growth via the launch of LinkedIn Learning, professional development training at the Australian Institute of Management and offered opportunity for community service engagement and skill-sharing. In turn, this investment in our people has resulted in 50% of all new appointments being internal movements and secondments.

Building our community partnerships

We have continued to build on our partnerships – from supporting wellbeing programs for police; research and development scholarships for health professionals; and investment in grassroots sponsorships and grants; all giving back to our members' communities in which they serve.

We move into the new financial year in a strong financial position, well placed to face any future challenges and opportunities. Thank you to our members for all that you do to protect and care for the community and thank you for choosing BankVic as we continue to go further for you, each day.



A handwritten signature in black ink that reads "Lucinda Nolan".

Lucinda Nolan
Chair



A handwritten signature in black ink that reads "Anthony De Fazio".

Anthony De Fazio
Chief Executive Officer

1. KPMG Mutual Report 2021 Mutuals Industry Review 2021 | Banking - KPMG Australia
2. Member Satisfaction Score calculated as the 3-month rolling average as at 30 June, 2022

FY22 Highlights

119,015



Total members

\$216M



Net home lending growth

\$2.8 Billion



Assets



89%

Member Satisfaction³



Contributing to our community

This year, we contributed \$442K in donations and sponsorships, which raised our total contributions since 2010 to \$4M.



New App

New BankVic App launch



18 clubs

18 sport, welfare, community clubs supported



Scholarships

Professional Development and Educational Scholarships

³. Member Satisfaction Score calculated as the 3-month rolling average as at 30 June, 2022

Financial Highlights

Loans (\$'billion)



Deposits (\$'billion)



Profit after tax (\$'million)



Members' funds (\$'million)





We are here for our members

Creating greater value

Providing great value and going further for our members is what drives us at BankVic. We were founded to help police gain financial wellbeing, and we continue to demonstrate this focus for all our members and their families.

We are doing this by making home ownership a reality for our members – making it easier to buy and own their home sooner. With increased living expenses only adding to the stress of everyday life, we chose not to pass on the full RBA rate rises between May and August 2022 to our home loan members – one of the only banks in Australia to do so.

Making banking easier and safer

We remain committed to providing great value, straightforward and personal banking for our members. During the year we have continued to introduce a number of new capabilities enabling us to deliver these products and services now and into the future, whilst working hard to ensure that our members can conduct their banking safely online.

Our partnership with Crime Stoppers Victoria has delivered important information to both members and the wider community with expert podcast episodes and targeted articles addressing fraud and scam activity.





The New BankVic App

As part of our effort to make banking simple and seamless, in early 2022 we launched the new BankVic App. With a fresh look and feel, the App was optimised to make day-to-day banking easier and more secure.

We also introduced Instant Issuance, enabling members to receive an immediate replacement card via their digital wallet when their card is lost or stolen. This means members can continue to make transactions while waiting for their replacement card to arrive in the mail.

Getting regular feedback from our members is key to being able to deliver on what's important. In early 2022 we launched our new "Voice of Member" program, capturing feedback from our members on the moments that shape their impression of BankVic - such as applying for a home loan to everyday banking experiences like making a payment or changing a password.

Recognition

During the year BankVic was recognised for the value we provide by being awarded

- DBM's Financial Award for the Most Recommended Everyday Account in 2022, and
- Canstar Customer Owned Bank of the Year - Term Deposits

Health and financial wellbeing of members

We continued to support the financial wellbeing and confidence of our members, through programs delivered at the Victoria Police Academy, The Royal Children's hospital, Western Health hospital, through our online Learning Hub, in person and via webinars.



WINNER
Most Recommended
Everyday Account



BankVic was founded to make banking and managing finances easier for our members.



Empowering women's financial wellbeing

BankVic was founded to make banking and managing finances easier for our members. Our origins remain at the heart of our work today, with the launch of “Financial Wellbeing for Women in Policing” information sessions.

The financial issues affecting women are unique and as the country continues to work towards a more equal and inclusive society,

real empowerment and long-term financial wellbeing can be achieved when women engage with their finances.

These sessions empower women to build their financial independence, become financially secure and enhance their financial wellbeing. Feedback has been overwhelmingly positive from our partners, and we continue to refine and deliver these sessions across the state.



Our people are 'being BankVic'

Health, safety and wellbeing of our people

Flexibility, autonomy and technology play an important part in our every day at BankVic.

Flexible working arrangements are also a key requirement of the Workplace Gender Equality Agency (WGEA) Employer of Choice for Gender Equality citation, in which BankVic continues to exceed industry benchmarks.

Training and development

Training and development at BankVic lifts the capabilities, confidence and knowledge of our people so they are empowered to provide the best experience to our members.

In February 2022 we introduced LinkedIn Learning to provide our people with an opportunity to learn and develop what is important to them, at their own pace with personalised recommendations based on everyone's individual learning and professional development focus.

We also partnered with the Australian Institute of Management to provide leadership training for our current and future leaders, as well as facilitating specialised, industry-leading banking and financial services training. As a result of this, we saw our people complete over 3,000 hours of learning this financial year.





Joe Dascoli
Product Manager

“Since starting at BankVic over 15 years ago, I’ve had 9 different roles in the retail side of our business. These have ranged from operational to leadership, from branch to contact-centre based. These roles have provided both an opportunity for career progression, but also flexibility as I became a Dad, now with two young kids. Most recently, I was given the opportunity to take on my 10th role; as Product Manager in our Product & Marketing team. This draws on my years of banking experience but offers an exciting challenge to learn and grow in a new area. The BankVic team has provided great support for me to learn and thrive in what is a new career direction for me.”





Talent attraction and retention

We are committed to supporting and developing our people. Growing our talent pipeline, offering learning opportunities and increasing the diversity of people we recruit and promote within the business is critical to our success. This investment has resulted in 50% of all new appointments being internal movements and secondments.

We continue to recognise our people through our BeValued program, which was introduced in 2019 to acknowledge and award high-performing people and teams on a monthly, quarterly and annual basis. We have experienced record numbers of nominations across the business for these awards, which is a great reflection of the engagement in the program.

Diverse and inclusive workforce

We are committed to a culture that embraces diversity and inclusion, where everyone is treated fairly, with respect and can be the best version of themselves at work, at home and in the community.

The Workplace Gender Equality Agency reporting annually assesses BankVic’s pay equity, gender balanced leadership, parental leave, flexible working, and gender strategy. This year’s reporting shows that BankVic continues to have a gender equal workforce and leadership team, with 51% of females in leadership roles.

We have continued to close the wage gap, with a gap 8% smaller than the Financial Services average and ensuring equal pay in like-for-like roles across BankVic.



We can break the bias in our workplaces

International Women's Day (IWD) is a day to celebrate the social, economic, cultural, and political achievements of women. This year's theme was **#breakthebias**, centred on imagining a world free of bias, stereotypes and discrimination - a world where difference is valued and celebrated.

BankVic was once again proud to sponsor the IWD event held by the Royal Women's Hospital, hosting a thought-provoking and inspiring discussion around how sex

and gender impact health and healthcare, BankVic also hosted our own internal event with a powerhouse panel of women.

This line-up included BankVic Deputy Chair, Debra Robertson, CEO Royal Children's Hospital Foundation, Sue Hunt, Ambulance Victoria Paramedic Community Support Coordinator, Norieul Kinross and BankVic Chief Product and Marketing Officer, Deirdre Boyle.



IWD 2022 #BreakTheBias



Sue Hunt
Chief Executive Officer
Royal Children's Hospital
Foundation

Debra Robertson
Deputy Chair
BankVic

Norieul Kinross
Paramedic Community
Support Coordinator
Ambulance Victoria

Deirdre Boyle
Chief Product &
Marketing Officer
BankVic



International Women's Day





Community

Building on B Corp

We are a certified B Corporation, proudly joining a community of over 4,000 organisations committed to having a positive impact on the world. We continued to build on this certification through FY22, with an internal review highlighting areas of opportunity that we can focus on in the coming 12 months.

This ensures we are working towards best practice, benchmarking against both ourselves and our industry.

B Corp continues to be a strong framework to keep us accountable for our social and environmental performance, public transparency, and legal accountability to balance profit and purpose.

Top 40 Workplaces to Give Back

The Top 40 Best Workplaces to Give Back 2021 was announced in October, and we were honoured to be recognised for providing our people with ways to give back to the community, such as our two days of Employee Volunteer Leave, our Workplace Giving programme, and for our certification as a B Corp.



BankVic For police, emergency and health workers

Certified



This company meets the highest standards of social and environmental impact

Corporation



Contributing to our community

BankVic was delighted to sponsor the 2022 Eastern Health Nursing Leaders Scholarship Program

This is a specific program for nursing leaders to undertake professional development to become effective and strategic leaders in today's complex health care system. Jessica Counsel, Assistant Director of Nursing studying for a Master of Health Service Management and Louise Sebafundi, Manager of Nursing and Midwifery workforce who is studying for a Master of Public Health and Master of Health Administration, were the first to secure a place in this program.

Investing in critical research

Emergency Departments (EDs), the first contact point for patients with serious or traumatic injuries can also be where patients with complex, overlapping conditions, such as mental health or drug and alcohol problems, first present.

The efficacy of the ED also has flow on impacts to our broader first responder community - from the 000 staff taking the calls, to the police or paramedics who respond to or transfer patients.

In 2021, we supported a collaboration between Eastern Health ED, SPECTRUM and Mental Health Service via the BankVic Research and Innovation Grant, awarded to Dr Paul Buntines to develop and

implement an innovative education program to improve the care of ED patients with borderline personality disorder.

In 2022, the project is now looking to its next critical phase, which is to embed and share these learnings with EDs across Australasia. BankVic is proud to continue its support of this project, with mental health specialist Professor Judith Hope expanding the program. This is a fantastic example of the value of long-term partnerships and how investment in research can lead to scalable solutions.

We also supported the research of Dr Shalini Arunogiri for her innovative pilot program PeerLEAD, which aims to link people presenting to the ED with alcohol and/or other drug problems into community recovery supports. Having the assistance of a peer worker who has been through the recovery process and understands the impact of stigma and discrimination, encourages clients to access information and community supports. This is a core element of the project.

The Eastern Health EDs currently see approximately 1,500 contacts annually, and PeerLEAD will evaluate the feasibility of the peer worker approach with a view to scaling up the model to be incorporated into usual care.



Eloise Borello, the recipient of the 2022 Dame Elisabeth Murdoch Nursing Development Scholarship.

Dame Elisabeth Murdoch Nursing Development Scholarship (DEMNDs)

The Dame Elisabeth Murdoch Nursing Development Scholarship is an opportunity to recognise, celebrate and support the development of an incredibly passionate, dedicated and selfless group of professionals – our nurses. BankVic is very proud to continue to support this scholarship, and congratulates Eloise Borello, the recipient of the 2022 Scholarship.

Eloise is a highly skilled clinical nurse consultant who has been caring for sick children at The Royal Children’s Hospital since 2010. She will use the scholarship to improve the current model of treatment for children requiring intravenous access - crucial research not just for the young patients, but their parents and families.

Partnerships like this reflect our ongoing commitment to shared value – where our success and the success of our partners and members are interconnected. BankVic is so proud to be a part of the continued work of our health professionals in going further for their communities.



Inclusion, diversity and equal opportunity

We are committed to recognising, accepting and embracing individual differences in our community, amongst our people, partners, members and others in society to bring about equal opportunity and inclusion.

BankVic's continued support of the Law Enforcement Torch Run (LETR) has contributed to initiatives aimed at providing opportunity for people living with disability, one of the most marginalised and isolated groups in society. LETR supported 800 athletes from 12 Special Olympics Victoria clubs across Melbourne and rural Victoria by keeping people connected and engaged in fitness activities as well as ensuring a focus on health and wellbeing.



Let's Talk Scams...

A podcast about preventing online crime.

FEATURING:

Detective Superintendent Jane Welsh, Victoria Police Cybercrime Division and
Scott Wall, Chief Information Officer, BankVic.

SCAMS
AWARENESS WEEK



**Creating safe and
healthy communities**

We create strong, safe, healthy and inclusive communities for our members and the wider community by collaborating with partners on impactful programs.

According to the Australian Banking Association, 72,000 scams were reported in the first five months of 2022, with 12% of those resulting in financial loss. With rising instances targeting the financial and

banking industry, our partnership with Crime Stoppers Victoria (CSV) continues to produce the accessible and educational Online Safety Series. This helps BankVic members and the broader community keep their money and identity safe. This financial year has seen an increase in the reach across social media of 183,570, covering topics such as Phishing Scams, Identity Theft and Banking Online Safely.



The Victoria Police & Emergency Services Games

The games were held in March 2022 to provide an opportunity for Victorian Law Enforcement and Emergency Services personnel to concentrate on their physical and mental health in a friendly and competitive environment. Over the 5 days of the Games, 2,563 participants took part across 43 sports, with 1,773 medals awarded.

The Blue Light Gala

A highlight in the BankVic calendar, we were proud to be amongst the supporters at this fantastic event, with an incredible \$47,000 raised on the night to support the great work that Blue Light Victoria does to break down the barriers between Police and young people.

TLC Ambulance

BankVic is a principal partner of TLC for Kids and its TLC Ambulance service, which delivers special moments to children in palliative care, with volunteer Ambulance Victoria paramedics transporting them to their most treasured place.

The Royal Melbourne Hospital

Our partnership with The Royal

Melbourne Hospital (RMH) Foundation has supported their purchase of three integral pieces of equipment for their emergency department: a portable bladder ultrasound device, a vital signs monitor and a Relative's Room support chair.

The vital signs monitor assists clinicians to determine a patient's general health, diagnose disease, monitor the effects of treatments efficiently and non-invasively. These critical measurements are often the first indication of disease or abnormality and can guide further interventions and assist with either ongoing patient care or a discharge home. The Ambulatory Care Unit treats approximately 80-90 patients each day and streaming of these patients is supported by important equipment such as the vital signs monitor.

The Relative's Room at RMH Emergency Department has been made more peaceful and inviting for patients and their families with the addition of the support chair, a pressure relieving, electric recliner that benefits patients and their relatives during very stressful times that could be

life changing. The chair is an important part in creating a peaceful and supportive space for people who are often faced with very difficult decisions and outcomes to process.

The portable bladder ultrasound device delivers accuracy, improved workflow and fewer errors when measuring the volume in the bladder providing the certainty clinicians need to make decisions that help prevent infection, in every scan.



Images: portable bladder ultrasound, vital signs monitor, Relative's Room support chair



The TLC Ambulance gave Sophie a chance to go to the zoo with her family. What made the trip extra special was that it wasn't just the immediate family who went; uncles, cousins and grandparents all came along. We are thrilled that Sophie got to have such a special time surrounded by her family. A trip to the Zoo unlike any other.





Engaging our people

BVgive, our volunteering and Workplace Giving Program, gives our people an easy way to support one or more of 14 non-profit organisations, with staff donating \$4,000 for FY22.

The non-profit organisations we support include:

- Victoria Police Legacy
- Blue Light Victoria
- Blue Ribbon Foundation
- Crime Stoppers Victoria
- TLC Ambulance
- Royal Children's Hospital Foundation
- Royal Melbourne Foundation
- Eastern Health
- Monash Health
- Northern Health
- Western Health
- Ready Set
- Wildlife Victoria
- Habitat for Humanity

Community Participation

Volunteers are often the quiet achievers of our community. They are the everyday champions that support the work of so many organisations by donating their time, skills and knowledge to those who need it the most. We are proud that the BankVic team is so engaged with our partners and have been able to utilise the two paid days of community service leave we offer all staff.

The 2021 'Victoria Police Legacy (VPL) Children's Christmas Appeal' made Christmas a little brighter for many police legacy families. BankVic staff volunteered their time to help pack Christmas hampers for VPL, with 265 young people and 50 parents supported through the successful appeal.

As the Major Sponsor, The BankVic extended family (including many fur-friends) turned up in great numbers for the 2022 Angela Taylor Memorial Run/Walk, in memory of

Angela Taylor and all Police officers who have lost their lives serving and protecting our community. The Blue Ribbon Foundation event has seen the funding of 61 projects, providing critical infrastructure and equipment to public hospitals across Victoria.

The Gingerbread Village by EPICURE was back again for 2021, with over 600kg of gingerbread, 460kg of royal icing and 200kg of marzipan lovingly crafted into a mini-Melbourne to raise funds for the Royal Children's Hospital (RCH) Foundation. BankVic staff donated their time across December, greeting visitors to the attraction, assisting those wanting to make donations and ensuring that the iconic landmarks were able to be enjoyed by the thousands of people who visited and supported the campaign.

Charity Board representation by BankVic Executives.

Anthony De Fazio, Chief Executive Officer

is a Non-Member Director of Victoria Police Legacy

Deirdre Boyle, Chief Product and Marketing Officer

is a Board Member of Blue Light Victoria Youth Camp

Michelle Arundel, Chief People & Culture Officer

is a Board Member of Blue Light Victoria

Sustainable futures

As we begin to experience the increased frequency of extreme weather events resulting from climate change, it is BankVic's members in the Police, health and emergency services that are on the frontline responding and supporting the community.

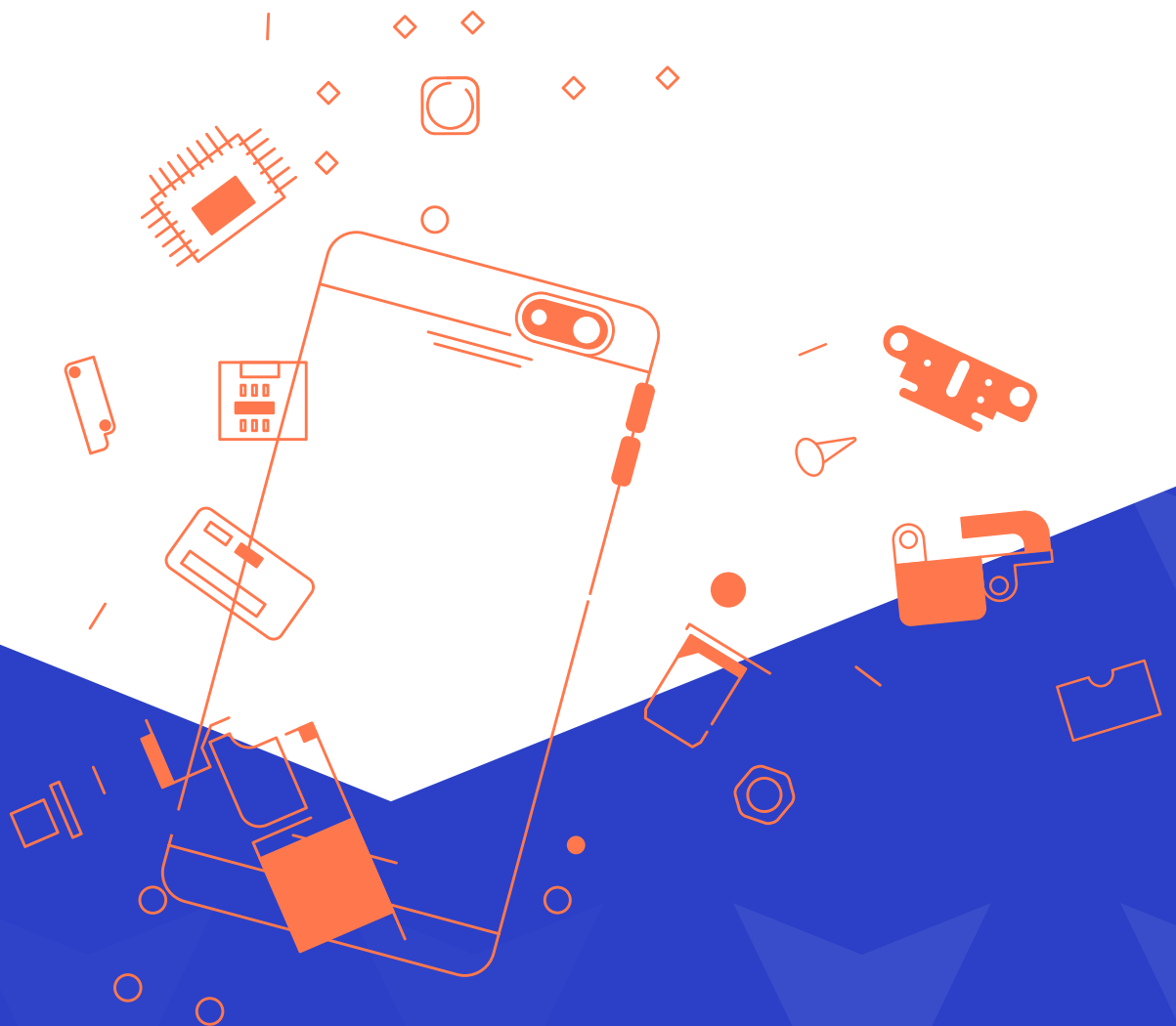
Our purpose, to go further for our members so they can go further in life, is not limited to our provision of banking services. It extends to going further to ensure that the operation of our business is not contributing to the harms of climate change.

That is why BankVic has begun taking steps to reduce the environmental impact across our business. We track our carbon emissions so that we can monitor and review usage and have commenced the development of a Sustainability program that will focus on reducing wastage and emissions, increasing recycling, and choosing best-practice suppliers.



MobileMuster is part of our focus on BankVic's environmental footprint and serves as a great way to encourage and engage our people on the role they can play in reducing impact via repair, reuse and recycling.

With MobileMuster we have encouraged our people to drop all personal technological items such as mobile phones, handset batteries, chargers and accessories into designated bins at our Melbourne office, with pickups scheduled for branches across the year.



Together. Honest. Brave.

- Being BankVic





