

Environmental, Social, Governance (ESG) Framework

October 2023



NGM
GROUP

1. Our commitment	3
2. Our framework	4
3. Alignment with United Nations Sustainable Development Goals	5
4. Our customers	6
Customer experience	6
Financial inclusion	6
Financial education	6
5. Our people	9
Diversity, inclusion, and gender equality	9
Wellness of our people	9
Career development	10
Learning and organisational capability	10
Actively engaging with local communities	10
6. Our community	13
Community support	13
Charitable Foundations	13
Newcastle Permanent Charitable Foundation	14
Greater Charitable Foundation	14
Human rights and supply chain	14
Financial literacy	14
7. Our Reconciliation journey	16
NAIDOC Week 2023	18
Cultural Resurgence Exhibition	18
2023 Newcastle NAIDOC Festival	19
2023 Indigenous Storytellers Scholarship	19
8. Our environment	21
Engaging our people and community	21
Climate risk	21
Carbon reduction plan	21
Energy	21
Paper and waste	22
Transport	22
Climate Change Action Plan	22
Climate-related financial disclosure requirements	22
9. Governance	24
Board governance	24
Organisational governance	24
Customer-centric culture	24
Expectations of our people	24

1. Our commitment

This inaugural Newcastle Greater Mutual Group Ltd (NGM Group) Environmental, Social, Governance (ESG) Framework outlines NGM Group's guiding principles for embedding sustainable and ethical business practices in our operations.

This ESG Framework builds upon the foundations of practice that both Newcastle Permanent Building Society Limited (Newcastle Permanent) and Greater Bank Limited (Greater Bank) have been implementing over many years. Separately, both organisations have a history of delivering impactful social and sustainable outcomes. The opportunity to strengthen and deepen that impact together has been realised and reflected in this Framework.

As one of Australia's largest customer-owned financial institutions, having a focus on making decisions through a community lens, and acting in an ethical and responsible way, is part of NGM Group's DNA. We exist to serve the interests of our more than 600,000 customers and more than 1,600 employees who are an essential part of our local community.

NGM Group's core purpose is to help our customers and communities thrive. This purpose guides all of our decisions and is why we exist. It also sits at the heart of our ESG Framework; ensuring that we do our part to help support a sustainable, strong and, resilient community for our people and our customers.

At NGM Group:

- We are here for our customers and our people.
- We strive to act responsibly and ethically.
- We strive to be a sustainable organisation.
- We are focused on operating in an ethical manner that builds trusted and meaningful relationships.
- We work to support our local communities by providing opportunities for partnerships aimed at creating social equality, advocacy, and sustainability.

Our ESG Framework is a reference point on the minimum standards we strive to achieve, the goals and commitments we are working towards, and the governance in place to support our objectives.

This inaugural NGM Group ESG Framework is a collaborative and evolving framework that will continue to grow with the organisation.

2. Our framework

Environmental, Social, Governance (ESG) is a holistic framework for considering an organisation's ability to create and maintain ongoing impact. There are several global frameworks which support companies in their strategy and reporting on ESG. One of these is the Sustainable Development Goals (SDGs) adopted by the United Nations (UN). The SDGs provide a framework for understanding, articulating and reporting on ESG considerations. At NGM Group, our approach to ESG continues to evolve and mature to ensure it aligns with the expectations and aspirations of our people, our customers, the community, and relevant regulatory requirements and practices.

Our ESG Framework and progress so far is aligned with our five key pillars:

Our customers	Our people
<ul style="list-style-type: none"> Our brands represent two of the Forbes World's Best Banks 2023. More than 20 industry awards received by both brands over the last financial year. Both brands have award winning banking apps, including greater accessibility features, such as supporting customers with vision impairment who use screen reader technology. Proactive employee training and customer scam awareness programs. 	<ul style="list-style-type: none"> We seek to enhance the capabilities of our people, providing them with access to training and development opportunities. Our employees receive access to holistic wellbeing education, tools and access to initiatives that drive mental, physical, financial and social wellbeing. Over the last financial year, employees gave almost 3,000 hours to volunteering, and donated more than \$80,000 to charitable organisations and causes.
Our community	Our environment
<ul style="list-style-type: none"> More than \$5 million invested into the community over the last financial year via NGM Group's range of community initiatives, including two long-standing Charitable Foundations and two impactful sponsorship portfolios. A dedicated Reconciliation Action Plan (RAP) Coordinator has been employed, and an NGM Group employee RAP Working Group and Champion Group formed. The FY2022/23 Modern Slavery Statement for Newcastle Permanent, Greater Bank and NGM Group is currently being finalised as one statement and will be submitted by the end of 2023. 	<ul style="list-style-type: none"> Building climate-related financial disclosure reporting infrastructure to help improve and increase reporting of climate-related financial information. Undertaking climate risk loan portfolio analysis and investigation of transitional risk modelling capabilities. Work is underway to calculate NGM Group's Scope 1 and 2 carbon emissions baselines, positioning the business to be able to develop a carbon reduction plan. A two-year NGM Group Climate Change Action Plan is in development. Continuous benefits from planting 75,000 trees across regional NSW in recent years.
Governance	
<ul style="list-style-type: none"> NGM Group is proudly customer-owned. Comprehensive fraud and corruption processes, a considered privacy policy, and a simple and customer-friendly complaints process. Award winning Legal team (Financial Services Team of the Year – 2023 LawyersWeekly Corporate Counsel Awards.) Continuous oversight of ESG and climate regulatory and disclosure reporting requirements. 	

3. Alignment with the United Nations Sustainable Development Goals

The NGM Group ESG Framework aligns with the principles of the United Nations Sustainable Development Goals (SDGs). The 17 SDGs were adopted by all United Nations Member States in 2015, and they provide a shared blueprint for peace and prosperity for people and the planet, now and into the future.

Many organisations around Australia, including ASX 200 organisations and organisations throughout the world, map their ESG frameworks and practices against the UN's SDGs. These enable organisations to have a way of measuring progress while maintaining alignment within a global framework.

The size, scope, and objectives of NGM Group's ESG Framework have been considered and six core SDGs that are most applicable to NGM Group's current strategy and five key pillars have been selected. The SDGs that align with our Framework will continuously evolve, as our Framework does.





4. Our customers

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

We're customer-owned and between our two brands have a long heritage of helping to build regions and communities that are vibrant and filled with opportunity. At NGM Group, we are passionate about delivering the banking services our customers need today and will want tomorrow.

We are one of Australia's largest customer-owned financial institutions, delivering banking to more than 600,000 customers. We help our customers by supporting a strong economy, offering products that are competitive, and providing retail banking services that meet their needs.

Customer experience

We are committed to delivering an exceptional customer experience. We have two iconic brands that our customers know and love, which is further supported through the expertise of our passionate employee network. We actively measure and monitor our customers' satisfaction with our service and our products to ensure our offering is relevant, competitive, and meets our customers' needs.

Financial inclusion

Periods of vulnerability may affect some customers' ability to control their finances. Certain circumstances may make them more susceptible to harm, loss, or disadvantage.

Additionally, customers can be faced with a number of life events, which have the potential to impact people very differently.

We understand that experiencing vulnerability isn't necessarily a long-term state and can be temporary, permanent, sudden, or gradual, depending on the event or circumstance. Individual customer circumstances often require individual consideration, and we encourage our customers to speak with us about their individual circumstances.

We are committed to offering support and helping our customers understand the options available to them. We are also committed to providing our current and future customers with accessible and equitable products and services.

Financial education

We believe in educating and supporting our customers to understand how banking can help them better manage their money. We know that some people face additional challenges in striving to achieve financial independence and security. We believe that everyone, regardless of background, race, or gender, is equally deserving of reaching their financial goals and financial security to lead a healthy financial life.

We are committed to supporting our customers to be in control of their money-matters to reduce financial stress and achieve security. Our series of masterclasses help to upskill our customers to become digitally savvy and understand how to digitally bank safely. We also support first home buyers through our online resource hub and through our lenders, who help to explain the jargon, how best to understand borrowing power, and how to obtain pre-approval for a loan, including accessing the Australian Government's Home Guarantee Scheme.

Priorities	
Provide a customer experience aligned with our strategic ambition to deliver the future of trusted banking.	
Improve accessibility to our products and services for our customers.	
Proof Points	
Greater Bank: Highly Trusted – Mozo People's Choice Awards 2023	Greater Bank: Outstanding Customer Satisfaction – Mozo People's Choice Award 2023
Greater Bank: Customer-Owned Institution of the Year – <i>Money</i> magazine 2022	Greater Bank: Home Lender Bank of the Year – Mozo Expert's Choice Award 2022
Newcastle Permanent: Australia's Best Bank – Forbes World's Best Bank Awards 2023	Newcastle Permanent: Most Reputable Bank – DBM Australian Financial Awards 2023
Newcastle Permanent: Most Recommended Home Loan – DBM Australian Financial Awards 2023	Newcastle Permanent: Most Recommended Owner Occupier Home Loan – DBM Australian Financial Awards 2023
FY24 initiatives	FY24 plan
Continue to enhance Newcastle Permanent's award winning banking app to include greater accessibility features, starting with those customers with vision impairment who use screen reader technology.	Implement new accessibility features.
Continue to enhance Greater Bank's award winning banking app to include greater accessibility features.	Technology enablement plan in place, with design uplifts for Online Banking, iOS and Android app. Uplifts will be based on customer design research. Work has been undertaken with Autism Spectrum Australia (Aspect) to continue to improve accessibility.
Continue to provide proactive customer training and awareness to help safeguard our customers' funds and data against scams and financial crimes.	Hold regular training and awareness campaigns.
Continue to deliver training to our people to enable them to identify and best support vulnerable customers.	Proactively notify and train our employees on emerging types of scams.
Continue to roll out new digital features for our customers, such as digital home loan options.	Launch Digital Home Loan (Newcastle Permanent). Optimise websites for both brands to support enhanced customer experience.



5. Our people

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

Our NGM Group ESG Framework is led by our people, for our people, and for the broad communities in which our people reside. With more than 1,600 passionate people working across both of our brands, NGM Group's ESG Framework is about proactively supporting our people to be part of an organisation that truly cares about the impact we are having within the community.

We are dedicated to providing career opportunities for our people and to delivering a workplace that is diverse, supportive, and inclusive.

Diversity, inclusion, and gender equality

Diversity, equity, and inclusion are mutually reinforcing principles within our organisation, and we are passionate about establishing a workplace culture that fosters diversity and promotes inclusivity. Our NGM Group Respectful Workplace Executive Statement (for our staff) outlines the principles in which we are committed to preventing bullying, discrimination, and harassment of any type. Our annual participation in the Workplace Gender Equality Agency report and the corresponding development of formal strategies and policies, including formal pay equality objectives in our Remuneration Strategy and Policy, demonstrate our genuine commitment to support overall gender equality.

Wellness of our people

We encourage our employees to embrace a healthy lifestyle and believe in the importance of maintaining a positive work-life balance. Our Healthy Body and Mind Hub provides all employees with a wide range of resources including webinars, live classes, and tools to help make positive changes and build good health, safety and wellbeing habits. Our Employee Access Program supports healthy minds, and our Corporate Gym and Health Insurance Programs support healthy bodies. Further, to support our people in maintaining positive work-life boundaries, we encompass a receptive approach to flexible working arrangements, embedded in our hybrid work approach and everyday practice.



Our people volunteering at Camp Magic

Career development

The creation of diverse career opportunities enables an engaged workforce. To underpin our focus on continual career development, our THRIVE Performance Framework facilitates regular conversations between leaders and employees, supporting professional growth for all employees based on interests and career aspirations.

Our philosophy to open vacant roles to internal talent before accessing the external market has resulted in positive career advancement opportunities for our people. Further, our 'Own Your Career' Program assists our people in proactively managing their career and understanding professional areas in which they may be able to pursue further development to upskill capability.



Our people volunteering at We Care Connect

Learning and organisational capability

At NGM Group, learning is a continuous journey and we offer a variety of opportunities including: formal learning programs, on-demand digital learning resources, ongoing job training, in-person workshops, external training courses, as well experiential opportunities such as project-based learning, industry conferences, communities of practice, and coaching and mentoring activities.

As an organisation, we will continue to develop fit for purpose strategies, frameworks, programs and pathways to encompass the diverse nature and changing demands of a newly merged entity, support our people, and ultimately achieve better outcomes for our customers.

Actively engaging with local communities

We believe in supporting our local communities, and our employees are the champions behind our community support. At NGM Group, we are lucky to have a generous and passionate employee network that is proactive in giving back to the communities within which we live and work.

We provide our people with the opportunity to invest in their community with two paid leave days each year. These days can be used by employees to volunteer for a local charity of their choice or to support one of our community or Charitable Foundations' partners. Further, our Workplace Giving Program offers our people the opportunity to donate to community organisations.

Over the last financial year alone, employees from both brands gave almost 3,000 hours to volunteering and donated more than \$80,000 to various charitable organisations and causes. We recognise and celebrate the meaningful contribution our people have within the community throughout the year and via our Annual NGM Group Excellence Awards.

Priorities

Promote wellbeing and diversity within our workforce through creating programs, initiatives, and opportunities for our people.

Encourage our employees to proactively support their local community.

Proof Points

NGM Group Engagement Survey – June 2023: 77% positive response to "I feel supported in my efforts to adapt to organisational changes", exceeding the Banking Finance and Insurance (BFI) industry benchmark of 75%.	Both brands collectively gave almost 3,000 hours to volunteering, and donated more than \$80,000 to charitable organisations and causes over the last financial year.
High participation rates in NGM Group's Leading Through Change Program, designed to upskill our people with strategies and techniques to adapt to change effectively.	Volunteering awards incorporated into broader NGM Group Excellence Awards framework to recognise the meaningful contribution our people have within the community.
FY24 initiatives	FY24 plan
Continue to provide 100% of our people with access to holistic wellbeing education, tools, and access to initiatives that drive mental, physical, financial and social wellbeing.	Ongoing access to existing and new education and tools to support holistic wellbeing.
Enhance our personal and professional development offerings to assist our people with navigating the complexities of the modern workplace.	Ongoing professional development offerings.
Encourage our people to embrace the opportunity to use their community leave and increase the volunteer hours taken by our people year on year.	Volunteer hours undertaken in FY24 to be at least 10% higher than FY23.
Equal employment opportunity.	NGM Group is an equal opportunity employer and is committed to the fair treatment and provision of equitable outcomes for NGM Group employees, contractors, directors, and prospective employees as outlined in the Respectful Workplace Executive Statement.
Annual Workplace Gender Equality Agency reporting.	2022–23 NGM Group Gender Equality Reporting submission completed in May 2023 with benchmarking to be received in November 2023. Submit 2023–24 NGM Group Gender Equality Reporting document in May 2024.
Employee Assistance Program (EAP) and EAP Ambassadors providing holistic support for our people.	NGM Group EAP Program has been implemented and EAP Ambassadors selected. The Program will continue through FY24.
Flexible and remote working arrangements.	Continued flexible and remote working opportunities available to all employees formalised in the NGM Group Flex Your Way Employee Guide and Leader Toolkit.
Family and Domestic Violence Leave.	All employees are entitled to Family and Domestic Violence Leave.
Workplace giving and charitable giving Programs.	Employees continue to give to charitable causes via a formalised "Giving Platform" and community fundraising initiatives.



batyr, a youth mental health organisation, has been supported by both our Charitable Foundations

6. Our community

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

We are dedicated to supporting the various local communities within which we operate across NSW and SE QLD. We do this by forming meaningful partnerships within our communities that are based upon delivering impactful, inclusive, and sustainable change.

As one of Australia's largest customer-owned financial institutions, we see it as our responsibility to treat our people, our customers, and our broader community with care and respect.



Our people delivering Mother's Day gifts to Ronald McDonald House, Newcastle.

Community support

NGM Group's sponsorship portfolios are providing opportunities for holistic community impact and encouraging social equality, collaboration, and advocacy.

Each year, over \$2 million is invested back into the community through the sponsorship and community engagement programs delivered by both brands across our geographic footprint. Sport, art, culture, and education are just some of the key areas supported through our dual sponsorship portfolios.

In addition to supporting grassroots community organisations, both brands have also facilitated impactful, long-term partnerships with several community organisations, such as Newcastle Permanent's 40-plus-year partnership with a number of Surf Life Saving branches, and Greater Bank's 30-plus-year support for grassroots regional netball.

Charitable Foundations

NGM Group's holistic community commitment is enhanced by the significant financial and altruistic support provided by our two Charitable Foundations: Greater Charitable Foundation and Newcastle Permanent Charitable Foundation. The collective social impact and value-add that both Charitable Foundations deliver within and across NGM Group's broad geographic footprint is significant. Both are creating long-term change for thousands of beneficiaries, in addition to helping to enhance the capacity of community organisations in an effort to increase their ability to acquire additional philanthropic support and establish sustainable business practices.

Newcastle Permanent Charitable Foundation

Newcastle Permanent created the Newcastle Permanent Charitable Foundation over 20 years ago as a gift to the community with a \$30 million endowment. These funds have been invested to generate an income stream that is used to support worthy and important community projects and initiatives to help rewrite the future of those in need. Now. And for generations to come. Since its establishment, the Newcastle Permanent Charitable Foundation has provided over \$26 million in grants to more than 540 projects.

The Newcastle Permanent Charitable Foundation provides significant grants annually supporting three focus areas:

- **Health:** Projects that provide improved health outcomes for the most disadvantaged, isolated, and vulnerable in our community.
- **Young people:** Projects that focus on improved life outcomes for marginalised and at-risk young people in our community.
- **Social wellbeing:** Projects that look to improve the social wellbeing for the people in our community who need it most.

Greater Charitable Foundation

Established in 2011 with an initial allocation of \$1 million from Greater Bank on behalf of its members and staff, the Greater Charitable Foundation funds practical, life-changing initiatives, with a key focus on enhancing the financial wellbeing of individuals, families and communities.

Greater Bank continues to fund the Foundation from its profits and since establishment, the Greater Charitable Foundation has allocated more than \$12.6 million in funding to 35 different charity partners. It has a proactive funding approach, seeking to partner with organisations that are addressing the barriers to financial wellbeing through education, employment, health-based, and/or social welfare initiatives.

Human rights and supply chain

We have a responsibility to both report and lead by example to protect the human rights of those we employ directly and those whose employment we support through our supply chain.

We continue to make significant progress in the review and analysis of our investments and procurements and have made further progress to identify and respond to the risks of modern slavery in our operations and supply chains.

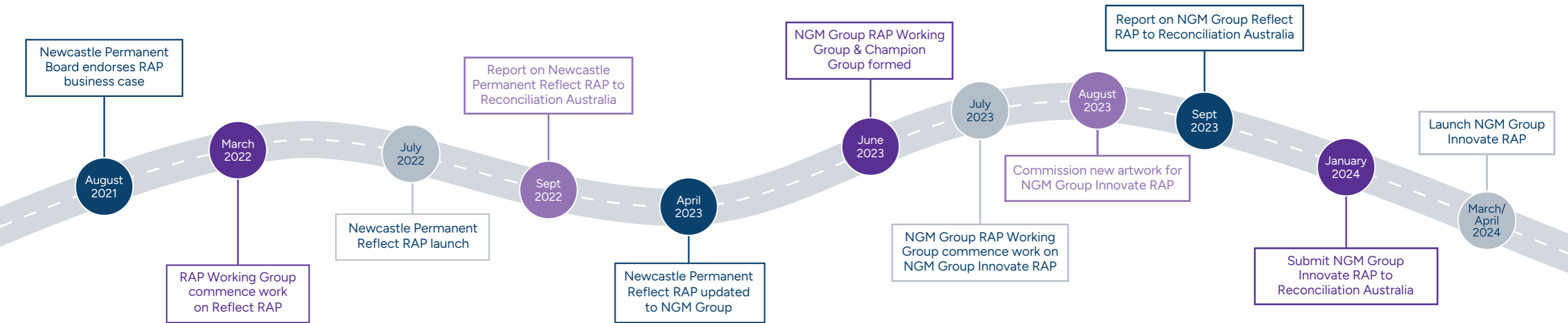
The FY22/23 Modern Slavery Statement for Newcastle Permanent Building Society, Greater Bank and NGM Group is currently being finalised as one statement and will be submitted to Border Force by 31 December 2023. Our FY23/24 Modern Slavery Statement will solely be an NGM Statement and will aim to reflect our continued progress and showcase our commitment to continue to evolve and support the rights of decent work for all.

Financial literacy

The Greater Bank Finance Academy is a financial literacy outreach program delivered to high school students across the Hunter, Central Coast, and Northern regions of NSW. With course content created in partnership with the University of Newcastle (UoN), the course is delivered by UoN students and Greater Bank employees. The Finance Academy program integrates into various subjects across the year 9 and 10 curriculum. In FY23, 26 financial literacy lessons were delivered in 24 high schools to 752 students across our regional footprint. The program has also been extended to support some of our other community and Charitable Foundation partners.

Priorities	
Support individuals and organisations that contribute to positive social outcomes.	
Encourage and support community advocacy, in view of our purpose to help our customers and communities thrive.	
Contribute to social equality through the activities we undertake in our local communities.	
Proof Points	
More than \$5 million invested into the community over the last financial year via NGM Group's range of community initiatives.	Specified Reconciliation Action Plan (RAP) coordinator employed to support RAP deliverables.
Two long-standing Charitable Foundations having allocated a collective \$38.6 million to more than 575 charitable organisations across NGM Group's geographic footprint since their inception.	RAP Working Group and Champion Groups formed to provide employee and leadership support for the NGM Group RAP, and broader reconciliation education within NGM Group culture.
Two impactful sponsorship portfolios contributing more than \$2 million annually to support the activation, scalability and impact of community organisations.	
FY24 initiatives	FY24 plan
Maintain the \$4.5 million invested into the community annually via NGM Group's range of community initiatives.	Further enhance NGM Group's various community investments to increase social impact and align with other areas of the ESG Framework.
Publish our annual Modern Slavery Statement.	The FY22/23 Modern Slavery Statement for Newcastle Permanent Building Society, Greater Bank and NGM Group is currently being finalised as one statement and will be submitted to Border Force by 31 December 2023. Our FY23/24 Modern Slavery Statement will solely be an NGM Group Statement.
Finalise all initiatives as outlined in the NGM Group Reflect RAP and progress working on the NGM Group Innovate RAP.	Submit NGM Group Reflect RAP report to Reconciliation Australia in September 2023. Submit NGM Group Innovate RAP to Reconciliation Australia by early 2024. Continue to implement deliverables as outlined in both the Reflect RAP and the Innovate RAP.
Continue to implement cultural awareness sessions for the NGM Group Board, management and employees to facilitate learning and understanding, with a focus on creating meaningful change.	A schedule of cultural awareness training to continue to be delivered to the NGM Group Board and across the business.

Our journey to Innovate



7. Our Reconciliation journey

At NGM Group, we support reconciliation with the aim of building an understanding of the needs of Aboriginal and Torres Strait Islander peoples in our communities and forming partnerships that provide opportunities for economic prosperity and social inclusion. We are currently at an exciting point in our reconciliation journey, which has been one of deep listening, learning and growing.

Reconciliation is about strengthening relationships between Aboriginal and Torres Strait Islander peoples and non-Indigenous peoples for the benefit of all Australians. We know we have an important role to play in furthering reconciliation, and we are committed to doing so in an authentic and collaborative way.



Representatives from the NGM Group RAP Working Group

We are now working towards our NGM Group Innovate RAP, which will allow us to develop and strengthen our partnerships with our Aboriginal and Torres Strait Islander communities and further explore our sphere of influence as a business in relation to further progressing cultural understanding, awareness and unity.

We are already taking important steps such as delivering cultural awareness sessions for our Board and our people and have implemented a dedicated working group with people from across the organisation – including our customer support, people and culture, risk, legal and communications teams – to advocate and advance reconciliation across the organisation.

We have also formed a committed 'champion group', comprised of senior leaders from across the business. The role of these leaders is to champion the agreed actions and influence and engage the broader organisation.

Getting these early steps right will ensure the sustainability of our reconciliation initiatives, and support NGM Group as we seek to do our part in making a meaningful and authentic contribution to Australia's reconciliation journey. We also see an opportunity for us to truly and authentically embed reconciliation across our entire ESG Framework. We are passionate about considering ways in which the strong principles that bound First Nations cultures for thousands of years can become part of our organisation's engagement with our customers and our communities, and across all aspects of our business. Equally, there is a lot to learn from First Nations principles of governance. These ideals centre around stewardship of country and looking at how things work together holistically, inclusively, and collegially.

NAIDOC Week 2023 – A time for partnerships

NAIDOC Week 2023 was the first time our people have observed this important occasion as NGM Group. We chose to recognise the significance of that by supporting, championing, and attending a number of different community events celebrating the history, culture, and achievements of Aboriginal and Torres Strait Islander peoples.



2023 NAIDOC Event, Newcastle

Cultural Resurgence Exhibition

Our Newcastle Permanent brand sponsored the Speaking in Colour, 'Cultural Resurgence' Exhibition at the Newcastle Museum from 11 May – 31 July. This exhibition offered the opportunity for Aboriginal students and community members to learn about Aboriginal cultural practices and share their creations with the community at the museum, with a view to not only connect Aboriginal people with culture, but to also share that knowledge with all Australians.

Leading into NAIDOC Week, NGM Group employees participated in a special viewing of the exhibition and a presentation from Speaking in Colour Founding Director (and our RAP cultural consultant), Cherie Johnson.

"Our resurgence programs are so important for Aboriginal people to connect with culture but also for all Australians to learn more about our ancient culture. To be able to share knowledge, create culturally appropriate artworks, and have them on display in such a popular venue is a real privilege for all involved."

Cherie Johnson,
Speaking in Colour Founding Director.

2023 NAIDOC Week march participants, Newcastle



2023 Newcastle NAIDOC Festival

In the spirit of reconciliation, NGM Group employees participated with the community in a flag raising ceremony during NAIDOC Week, before walking alongside community members in a march to Foreshore Park in Newcastle.

Both our Greater Bank and Newcastle Permanent brands were proud sponsors of the NAIDOC event that was held in Pacific Park at the end of the march.

NGM Group employees proudly attended and volunteered at this event, utilising the opportunity to immerse themselves in the true meaning behind NAIDOC: celebrating, recognising, and learning the history, culture, and achievements of Aboriginal and Torres Strait Islander peoples.

The Indigenous Storytellers Scholarship

The Indigenous Storytellers Scholarship (or "Djuyalgal Scholarship" in the traditional Gathang language of the Worimi People) is a collaboration between Façon Magazine and Greater Bank. This inaugural scholarship was designed to celebrate, sustain, and grow the culture, art, and creativity of our First Nations peoples.

The program provided the winner with a \$10,000 scholarship and the opportunity to work closely with a renowned mentor in their chosen field. During NAIDOC Week, film finalist, Jahvis Loveday was announced as the scholarship recipient for 2023.

The Scholarship program also unearthed a wealth of gifted and talented artists, with more than 70 quality entries received overall. Nine finalists, each deserving in their own right, were shortlisted in the fields of fashion design, art, dance, writing, digital art, music, photography, and jewellery design. All finalists received access to the renowned mentor from their relevant category.



2023 Djuyalgal Scholarship recipient, Jahvis Loveday



8. Our environment

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.

At NGM Group, we are committed to delivering a fit-for-purpose strategy aimed at reducing our use of natural resources, improving our efficiency practices, and reducing our overall environmental impact.

Our two brands have strong regional ties; we are committed to our customer-owned status and focus our offerings on providing retail banking services to individuals, families, and small business. We are also committed to embedding sustainable environmental practices within our own operations.

Our focus on climate is across a number of key areas, including:

- Identification of 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 a net zero declaration by NGM Group.

Engaging our people and community

Implementing an effective climate strategy and bringing this strategy to life involves collaboration across all dimensions of the business.

We are also taking a proactive role to educate and engage our people on this climate journey, empowering them with the knowledge and skills to become agents of change. We continue to share initiatives our people can play an active role in – at work and at home. We showcased and encouraged employee participation in Earth Day, World Environment Day, Plastic Free July, National Recycling Week, and Clean Up Australia Day. In recent years, we have also planted 75,000 trees from the NSW South Coast, to the QLD border.

Climate risk

With external advisory support, we have been able to analyse the climate risk impact on the NGM Group loan portfolio. While climate physical risk impacts on the NGM Group loan portfolio are assessed as being relatively low, NGM Group will continue to identify, monitor, and assess climate related risks.

Carbon reduction plan

With external advisory support, work is underway to calculate NGM Group's Scope 1 and 2 carbon emissions baseline. By doing so, we will gain a better understanding of our emissions footprint – data that we will be able to utilise to develop an NGM Group carbon reduction plan.

Energy

We proactively seek to minimise our energy consumption and, where possible, have implemented energy saving practices across our business.

Looking ahead, we will continue to consider greener energy suppliers in future energy tenders and where possible, augment building management control systems to increase energy efficiency. As we continue to replace assets and commence new facility fit outs, we will seek to update to the latest energy efficient technologies and materials.



Paper and waste

We continue to reduce our paper consumption through the implementation of digital processes and communications. We continue to embed digital systems and encourage our customers to select digital communication preferences.

Working with our Waste Contractor within our owned premises and sites, we have embedded a waste and recycling program reducing the impact of our waste in landfills and creating more efficient recycling outcomes from our waste.

Transport

We monitor our motor fleet usage and are reviewing potential suppliers to deliver a single hybrid fleet outcome for NGM Group.



Climate Change Action Plan

The above-mentioned components are being developed within our NGM Group two-year Climate Change Action Plan. This plan will clearly articulate our forward approach to climate, incorporating our commitments towards prioritised climate action targets.

Climate-related financial disclosure requirements

The Government is committed to internationally-aligning and standardising requirements for the disclosure of climate-related financial risks and opportunities in Australia. NGM Group is continuing to engage on changing regulatory and legislative requirements, and will build climate-related financial disclosure reporting infrastructure in FY24.

Priorities	
Reduce our use of natural resources in our business operations.	
Engage in efficiency practices that reduce our environmental footprint.	
Share information with, and engage, our people and community partners on sustainability practices.	
Form meaningful partnerships and relationships with local stakeholders engaged in creating a positive impact for both people and planet.	
Proof Points	
We have continued to reduce paper consumption with initiatives to support digital solutions.	Removal and replacement of R22 gas air-conditioning units in 12 Newcastle Permanent branches as they reach end of life has commenced and will continue into FY24
Lighting upgrades to more energy efficient solutions have commenced across both head offices.	Environmental awareness and participation programs rolled out to all of our people.
FY24 initiatives	FY24 plan
Focus on climate related disclosure requirements.	Build climate related financial disclosure reporting infrastructure in FY24.
Continue the climate risk loan portfolio analysis across NGM Group's geographic footprint.	Continue to identify, monitor, and assess climate related risks and investigate transitional risk models.
Continue the NGM Group carbon emission baseline analysis on Scope 1 and 2 emissions.	Utilise emissions data to identify and develop carbon reduction plan.
Develop the NGM Group Climate Change Action Plan.	Develop, finalise, and implement a two-year Climate Change Action plan for NGM Group.
Transition to a hybrid motor vehicle fleet.	Review supply pipeline and develop plan to transition to a hybrid motor vehicle fleet.
Remove and replace R22 gas air-conditioning units in Newcastle Permanent branches as they reach end of life.	Continuing into FY24.
Drive further reductions in paper usage.	Further reduce paper consumption through supporting employee and customer digital solutions.

9. Governance

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

We are committed to operating a business that is ethical and honest, and delivers beneficial outcomes for our customers and local communities.

Board governance

The NGM Group Board recognises that a cohesive corporate culture is the cornerstone of an effective governance framework, and that it is responsible for establishing the “tone from the top”. Our Board is committed to excellence in, and promotes a best practice approach to corporate governance that is efficient, transparent, and where practicable for NGM Group, aligned with the 4th edition of the ASX Corporate Governance Council’s *Corporate Governance Principles and Recommendations* (ASX Principles).

Our approach is detailed in the Corporate Governance Statement included in the Annual Report.

Organisational governance

Our high governance expectations are communicated to, and delivered on, by our people, with our culture focused on adopting ethical, transparent, and honest behaviours at all times.

We are regulated by the *Banking Act 1959* (Cth), and supervised by a number of different regulators, including the Australian Prudential Regulation Authority (APRA), Australian Securities and Investments Commission (ASIC), and Australian Transaction Reports and Analysis Centre (AUSTRAC).

We have sound governance standards in place to support the objectives identified within our ESG Framework. We are in the process of establishing an NGM Group Sustainability Council that will assist in identifying, implementing, and delivering key sustainability strategies across the organisation.

Customer-centric culture

We have a customer-centric culture; our customers are at the heart of everything we do, and all decisions made are to enable the best outcomes for them. Our purpose is to help our customers and communities thrive, and we are passionate about delivering the banking services our customers need today and will want tomorrow. We aim to achieve this by offering our customers great deals and competitive rates, award-winning customer service, and a commitment to supporting and giving back to our local communities.

As a mutual, we are here for our customers and our communities, we are 100% customer-owned with no shareholders to consider. We also have a series of frameworks and policies in place that ensure our customers remain at the heart our decisions, including: comprehensive fraud and corruption processes, a considered privacy policy, a simple and customer-friendly complaints process, and a comprehensive financial hardship support program and dedicated team.

Expectations of our people

All employees, including our Board of Directors, agree to a Code of Conduct which sets the minimum expectations for all our people.

We also have a series of policies in place to support and protect our people and encourage honest and ethical behaviours, including: our Whistleblower Protections Policy, Conflicts of Interest Policy, Privacy Policy and comprehensive training on privacy obligations, and a reward and recognition framework for employees focused on promoting our values and desired behaviours.



Smoking ceremony at our King Street office as part of the merger Day 1 celebrations

Priorities

Strive to achieve high standards of corporate governance.

Customers are at the centre of our decisions.

Set the high expectations for our people, with our people, including in relation to adopting ethical, transparent and honest behaviours.

Proof Points

Long-term financial sustainability.

We strive to apply best practice to corporate governance operations in line with regulator expectations.

Comprehensive fraud and corruption processes, a considered privacy policy, a simple and customer-friendly complaints process.

NGM Group Legal team named Financial Services Team of the Year at the 2023 LawyersWeekly Corporate Counsel Awards.

Our Board is focused on delivering best-practice governance through ongoing education, engagement, and training.

FY24 initiatives

FY24 plan

NGM Group Sustainability Council.

Comprehensive Board and Board Committee evaluation.

Continue to have oversight of progressive ESG and climate regulatory and disclosure reporting requirements.

ESG regulatory and disclosure reporting suite to be developed.

Continued participation in industry initiatives and partnerships.

Retain and expand our participation in industry initiatives and partnerships, such as the Customer Owned Banking Association (COBA).



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