

Annual Report 2026



Beyond Bank
AUSTRALIA



Acknowledgement of Country.

Beyond Bank proudly acknowledges Australia’s Aboriginal and Torres Strait Islander communities and their rich culture and pays respect to their Elders past and present.

We acknowledge Aboriginal and Torres Strait Islander peoples as Australia’s first peoples and as the Traditional Owners and custodians of the land and water on which we rely.

We recognise and value the ongoing contribution of Aboriginal and Torres Strait Islander peoples and communities to Australian life and how this enriches us. We embrace the spirit of reconciliation, working towards the equality of outcomes and ensuring an equal voice.

Contents.

Introduction	4
Message from our CEO and Chair	6
We’re proudly owned by our members	8
Our strategic focus	9
Celebrating 10 years as a Certified B Corp	10
Performance	12
Our members	14
Our community	20
Our people	26
Our Executives	30
Our Board of Directors	34
Directors’ report	38
Lead auditor’s independence declaration and directors’ declaration	42
Independent auditor’s report	43
Sustainability Report	46
Directors’ declaration	66
Independent auditor’s review report	67
Financial Report	70
Statements of Profit or Loss and Other Comprehensive Income	72
Statements of Financial Position	73
Statements of Changes in Equity	74
Statements of Cash Flows	75
Consolidated Entity Disclosure Statement	76
Notes to the Financial Statements	77
Glossary of terms and acronyms	116



About Beyond Bank and this report.

We are Beyond Bank Australia, one of the country’s largest member-owned banks.

Since 1958, we’ve proudly supported our members and communities across both metropolitan and regional areas, always placing our members’ interests at the centre of everything we do.

This report provides an overview of our financial and non-financial performance from 1 July 2025 to 30 June 2026 and highlights our commitment to our member-owners and our purpose – to create better lives by caring for our members and communities.

This report also includes our Sustainability Report, which is prepared in accordance with the *Corporations Act 2001* and the Australian Accounting Standards Board (AASB) S2 *Climate-related Disclosures*.

A bank with purpose.

Beyond Bank was founded on the ideas of cooperation and inclusion.

Those who founded the Bank felt left behind by the banking system and envisioned a financial institution that would empower Australians to take ownership of their financial futures.

Starting the Beyond Bank mutual lending story, founding members of the credit union pooled their savings together to fund loans for one another.

This began the values-driven philosophy to banking that Beyond Bank has held since our inception, keeping a community-focused approach to financial wellbeing.

With a nearly 70-year history, Beyond Bank has gone from strength to strength, growing from member adoption and through mergers with more than 50 credit unions across the country.

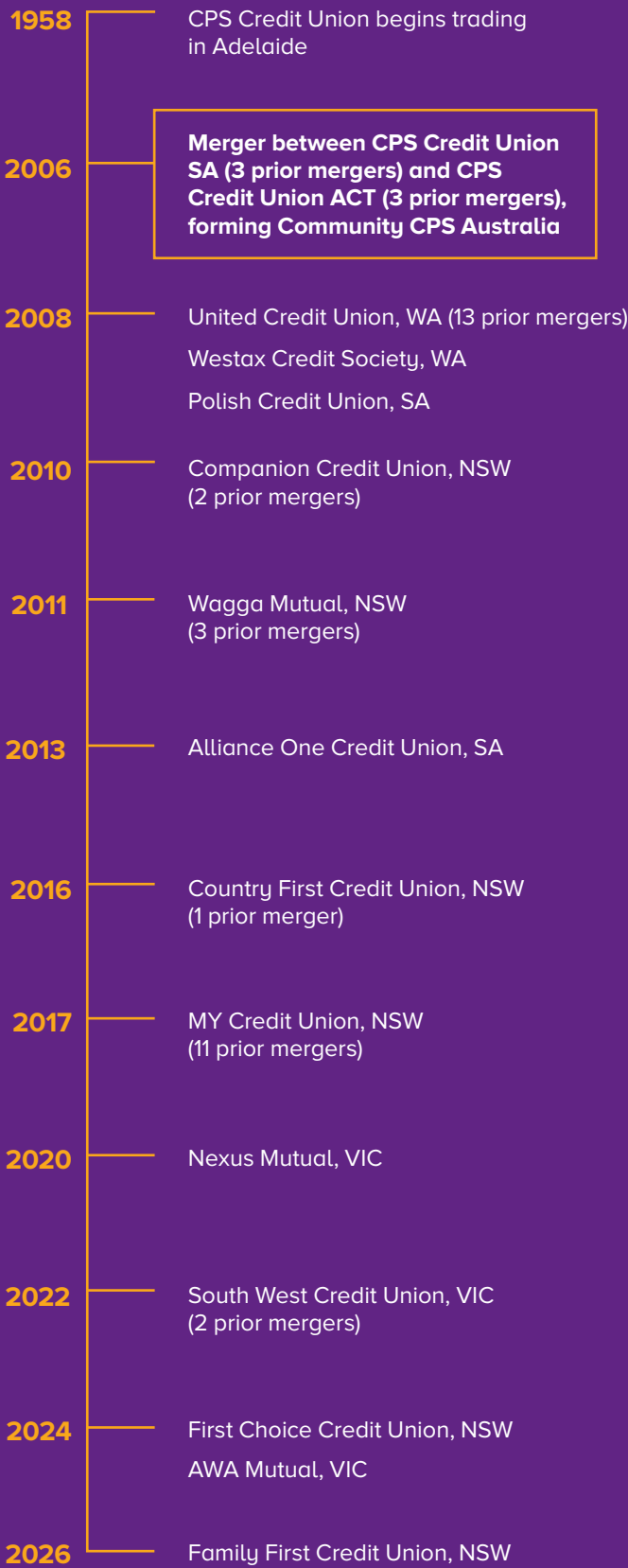
In 2013, the organisation leveraged regulatory reforms that allowed credit unions to call themselves a “bank” – a key milestone in our journey and making us officially a member-owned bank.

Now, Beyond Bank has a footprint that spans the country.

With \$12.7 billion worth of assets under management, we are proud to serve close to 350,000 members nationally.

Looking ahead, we will continue creating positive impact in the communities where we live, work and play, guided by the same values and purpose that inspired our creation.

Our merger milestones.



Message from our CEO and Chair.

To our members, thank you for your ongoing support of Beyond Bank. Your trust is central to our success and remains something we work hard to earn every day.

As a member-owned bank, our purpose is simple – to create better lives by caring for our members and communities. In practice, this means delivering for members today while building a stronger, more sustainable bank for the future, underpinned by relevant, competitive and accessible products and services.

The year was characterised by continued cost-of-living pressures, rapid technological change and heightened competition across the financial services sector. In this environment, we remained focused on what matters most – supporting our members, making banking easier and maintaining the strength, safety and resilience of our Bank.

We also continued our longstanding commitment to thousands of community organisations. These organisations, and the people behind them, are the true heroes of our society. Their extraordinary contribution to Australian communities generates significant positive social impact and cohesion.

A strong result built on member trust.

We are pleased to report that Beyond Bank delivered a strong financial result for the year, achieving a net profit after tax of \$49.6 million and growing managed assets to \$12.7 billion. We also welcomed more than 38,000 new member-owners.

These results reflect the trust of our members and the disciplined management of the organisation. They also provide the capacity to keep investing in improved member experiences, stronger communities and the long-term sustainability of the Bank.

Reinvesting in members and communities.

As a member-owned bank, our success is reinvested for the benefit of our members and communities.

Throughout the year, we continued to strengthen our services, technology and organisational capability, while maintaining a strong capital position and funding resilience. We also progressed important work to simplify our products, systems and ways of working, supporting greater efficiency and making banking easier for our members.

Our commitment to community was demonstrated in our contribution of more than \$2.5 million to communities in FY26 through grants, sponsorships and payments made to organisations through the Community Reward Program. We are proud of our ongoing work with community organisations across Australia to help build stronger, more inclusive and more resilient communities.

As a Certified B Corp, our commitment to positive impact is not separate from our business strategy; it is fundamental to who we are and is reflected in the way we make decisions, serve members and support communities.

During the year, we refreshed our purpose and sharpened our long-term ambition. We believe strong financial performance and positive social impact are mutually reinforcing. A successful bank should create value not only through the products and services it provides, but through the enduring difference it makes in people's lives and the communities it serves.

Our Next Horizon strategy.

Our Next Horizon strategy is built around four priorities: caring for members, powering communities, embracing simplicity and growing through values-aligned mergers.

Caring for members remains at the heart of everything we do. We continue to invest in more personalised, proactive and responsive support, helping members navigate important life moments and build greater financial confidence. These investments bring together the best parts of digital and human-centred banking to ultimately reduce the effort for our members to perform their day-to-day banking. We are also strengthening the way we measure and report on the difference we make.



Mr David Marshall
Chief Executive Officer
Beyond Bank Australia

During the year, we made important progress in developing our social impact framework and new ways of understanding the outcomes we create for members and communities. This work will help ensure our purpose continues to translate into meaningful and measurable positive impact, focusing on the big issues in our communities.

Looking ahead with confidence.

As we look ahead, we do so with confidence, as we pursue performance for purpose to support our people and strategic direction.

We would like to thank our Board for its stewardship and our people for the dedication, professionalism and care they bring to their work each day.



Mr John Evans
Chair
Beyond Bank Australia

We're owned by our members, and we're proud of it.

At Beyond Bank, we are 100% owned by our members.

As a member-owned bank, we are held accountable by our members as our only shareholders, whose interests drive our decision-making and governance.

Our principles of governance make sure that our members are fairly represented by the Board of Directors they elect, and that their voices are heard.

Day-to-day, we consider our members in all decisions across the Bank, from Board and executive level to every interaction we have with our members, working to understand what they need from their Bank.

At Beyond Bank, we believe in creating positive impact in the communities that we live, work and play in.

B Corp principles guide us as a purpose-led organisation to put people before profit; doing good for people, the planet and our communities.

The below circle of mutuality is a visual representation of our member-ownership model.

Member benefits include:



We are guided by the International Cooperative Alliance Principles and are members of the Customer Owned Banking Association (COBA) and the Business Council of Co-operatives and Mutuals (BCCM).

Our strategic focus.

Our purpose is to create better lives by caring for our members and communities.

We know that strong performance and social impact go hand in hand. When we perform well, we can invest more in our members, our people and our communities. When we deliver our purpose we build the trust, loyalty and relevance that support long-term performance.

Our strategy sets out how we will continue to deliver our purpose in a rapidly changing world.

We're building our future around four strategic priorities. Together, these priorities will help us become a simpler, stronger and more sustainable member-owned bank – one that delivers better outcomes for members while increasing its positive impact in communities.

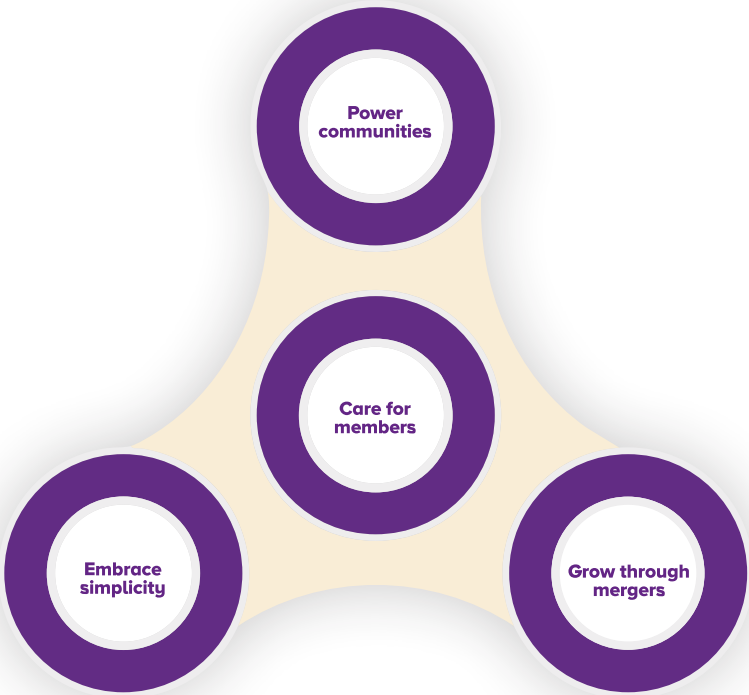
Our strategic priorities.

Caring for members means providing a more personal, proactive and supportive banking experience. We'll make it easier for members to get help, make confident financial decisions and feel supported through important life moments.

We'll **power communities** by working with community organisations, small businesses and partners to create shared value. By helping communities thrive, we'll strengthen local economies, expand financial inclusion and create better outcomes for members and communities.

Embracing simplicity means making banking easier to understand, easier to access and easier to use. We'll simplify products, improve communication, reduce friction and build more efficient ways of working so we can serve members better and grow sustainably.

Growing through mergers means pursuing selective, values-aligned opportunities that expand our reach, strengthen our financial resilience and help strengthen and protect the mutual sector.



To bring our strategy to life, we are investing in the capabilities, partnerships and experiences that matter most to members including simpler products, more proactive member care, stronger partnerships, better technology and data, more efficient ways of working, and a more engaging brand.

Our focus is clear – making banking simpler, strengthening communities and creating a sustainable future for our members, our communities and our Bank.

Celebrating 10 years as a Certified B Corp.



A purpose for people and the planet.

B Corps are businesses that meet high standards of social and environmental performance, accountability and transparency. At Beyond Bank, we believe banking can be a force for good.

As a member-owned bank, we have been putting our members and their communities at the heart of what we do for more than 65 years.

For us, our first B Corp Certification in 2015 felt like a natural step in the evolution of our business.

Getting B Corp Certification.

The B Corp Certification process is rigorous and historically assessed against five impact pillars: governance, customers, workers, environment and communities. We are currently recertifying against this framework.

Last year, B Lab introduced new standards that raise the bar on what it means to be a responsible business. We have started working towards these new standards.

Recognising the people behind our impact.

In December 2025, we marked 10 years as a Certified B Corp, recognising a decade of balancing purpose and profit while creating positive outcomes for our members, communities, people and the environment.

To celebrate this milestone, our people across Australia participated in a series of events to recognise their contribution to achieving and maintaining our certification, while deepening their understanding of the broader B Corp movement.

In addition to morning teas and a live Q&A with Andrew Davies, CEO of B Lab Australia and Aotearoa New Zealand, our people also participated in learning experiences hosted by fellow Certified B Corps. These experiences provided valuable insight into how organisations across a range of industries embed social and environmental impact into their operations.

Our people had the opportunity to attend a tour and participate in farm activities at the Jurlique Farm in Adelaide, coffee experiences at Pablo & Rusty's roastery in Sydney and Five Senses Coffee Roasters in Perth, a brewery tour at Capital Brewing Co. in Canberra, and a surf education lesson with Rip Curl at URBNSURF in Melbourne.

More than a celebration, these experiences provided an opportunity for our people to connect with the wider B Corp community, learn from different approaches to responsible business, and reflect on the role we play in creating positive impact through our work.

These visits were a positive reinforcement that being a B Corp is not defined by a single initiative, but by the everyday decisions and actions that contribute to better outcomes for members, communities and the environment.

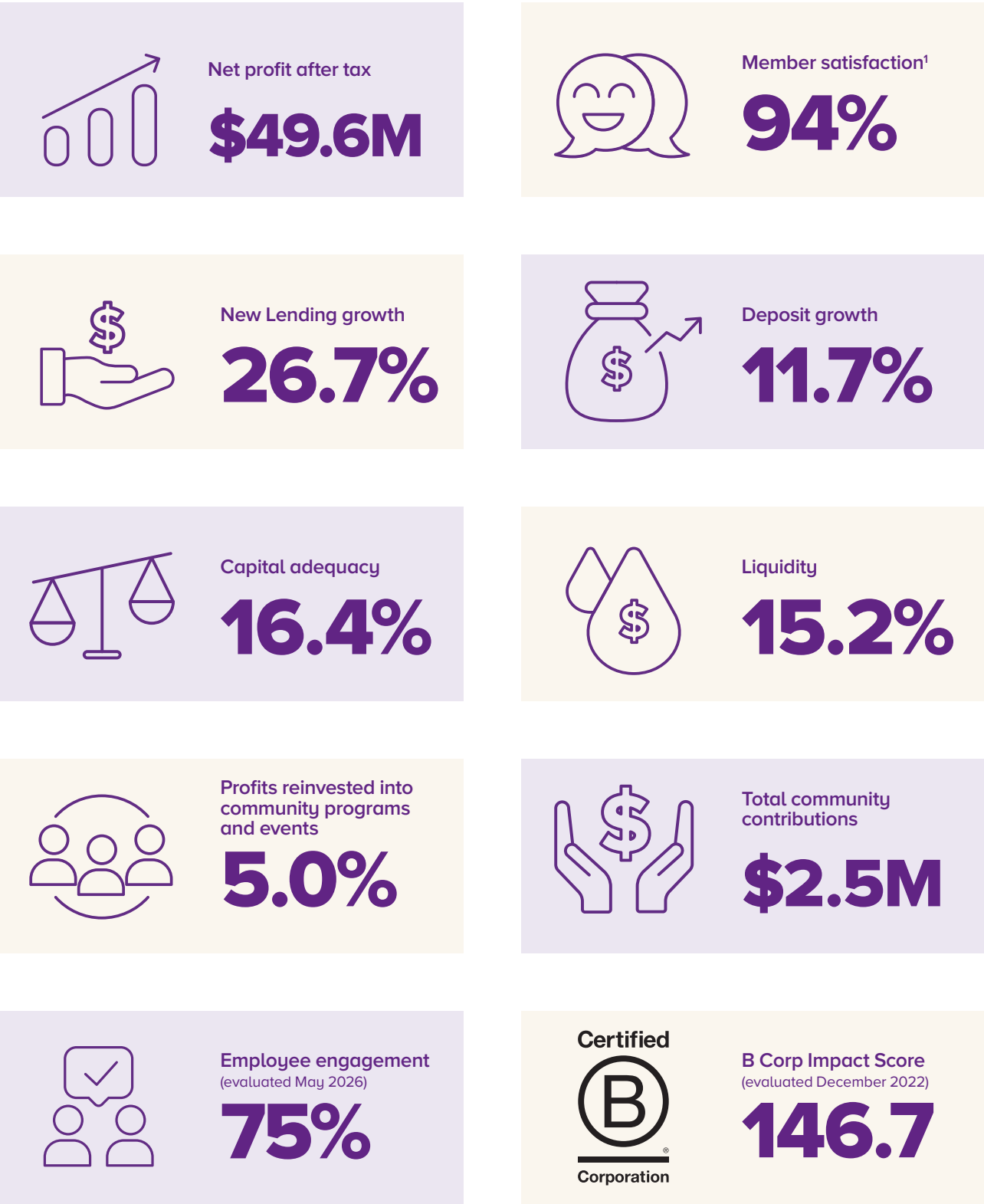


“Our visit to Jurlique provided insight into how other B Corps operate and contribute to the shared mission of making positive impact happen. While we are two very different organisations, we each play a role in practicing sustainable and meaningful actions that benefit us all.”

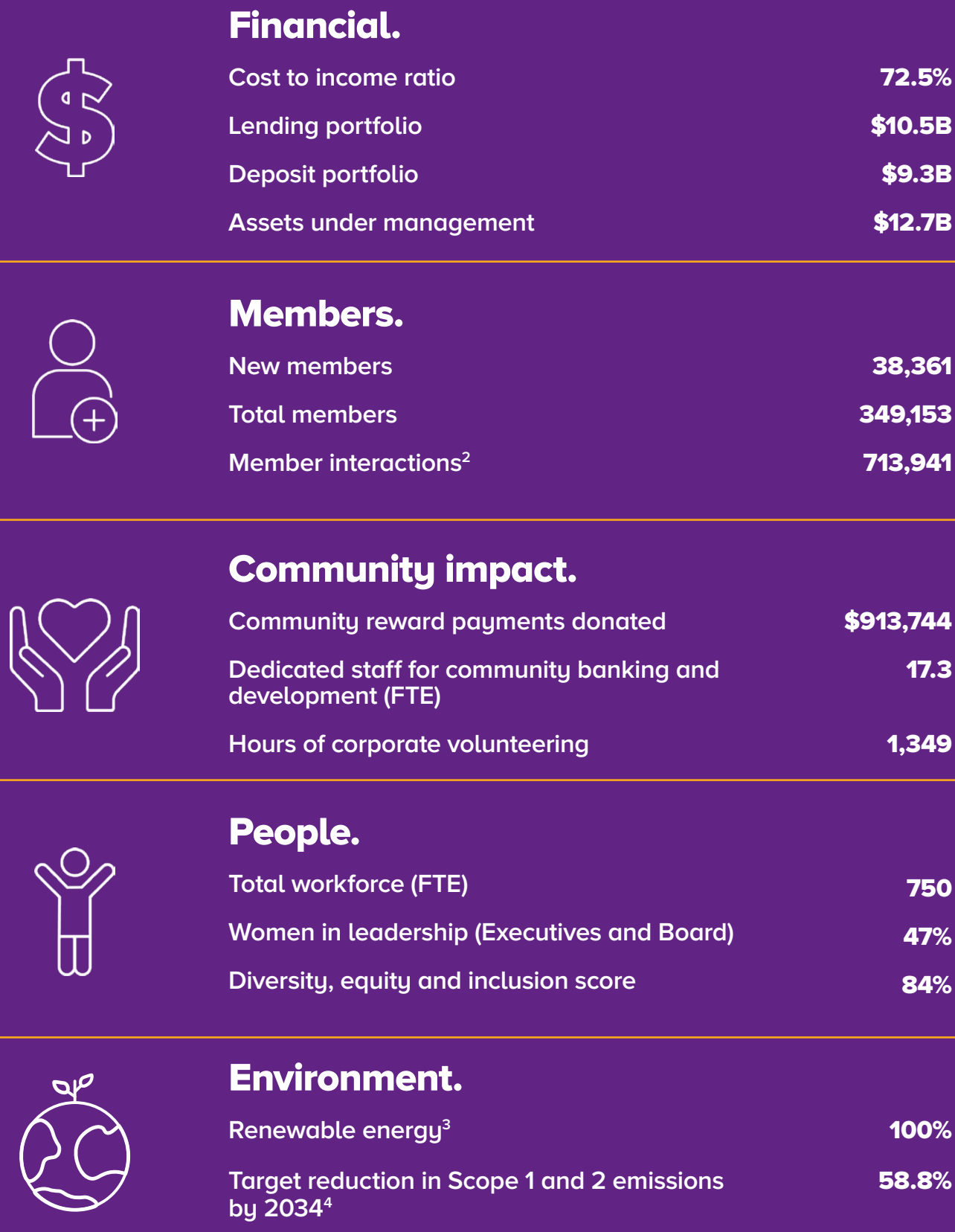
Ellie Hawke-Nesbitt,
Communications Officer

Performance.

Highlights for the financial year.



¹The score for every survey that was received in the full financial year.



²In-branch, phone, live chats, email, secure mail and social media
³Beyond Bank matches 100% of its electricity consumption with renewable energy through the purchase of GreenPower and Large-Scale Generation Certificates (LGCs). See Renewable Energy, page 117.
⁴ See details about climate-related metrics and targets on page 64, 5.3 Climate targets.

Award-winning service, backed by member feedback.

At Beyond Bank, the experiences of our members remain the clearest measure of our success. In FY26, our commitment to delivering exceptional banking experiences was recognised through industry-leading awards. Beyond Bank was named Canstar's Customer-Owned Bank of the Year for Online Banking for the twelfth consecutive year, recognising the quality, security and ease of use of our digital banking services.

Our focus on trust and service was also recognised in the Finder Customer Satisfaction Awards 2026, where Beyond Bank received awards for Most Trusted Bank Account and Legendary Service - Bank Account. These achievements reflect our ongoing commitment to delivering the products, support and member experience that Australians value most.

While industry recognition is important, the feedback we receive from members provides the most meaningful insight into the impact of our service.

Together, these comments reflect the qualities our members value most: trusted advice, genuine care and a banking experience built around people.

As a member-owned bank, we remain focused on delivering the service, support and relationships that help our members achieve their financial goals with confidence.

"It's been an emotional time and I want to thank the staff at Beyond Bank Prospect for assisting me over the years and months of late... a massive thank you to Frances for her kindness and Nic for his help to now have my home fully insured with Beyond Bank."

Shawn, following a family bereavement.

"Over twenty years with Beyond and they have not missed a beat. Consistently good service and advice. I especially appreciate the security steps that have been introduced over the last few years. A big tick from me."

Ken, long-term member, highlighting the value of consistency and trust.

"They don't just run numbers but take your actual situation and assess your finances fairly and accurately... they see you as a human not just a number."

Maia, on how Beyond Bank supported her when other lenders would not.



Reducing effort in our members' day-to-day banking.

At Beyond Bank, we believe banking should be simple, personal and focused on helping members achieve their goals. That's why we're always looking for ways to make everyday banking easier, while maintaining the trusted service our members value.

During FY26, we worked on embedding Open Banking into our lending process, reducing paperwork and making it easier for members to access the lending products they need. Members can choose to securely share the financial information needed for their application, reducing the need to collect and submit multiple documents. Information such as income, savings and liabilities can be transferred directly into the application, saving time and minimising manual administration.

Importantly, members remain in control of their information. Open Banking is designed to provide a secure and transparent way to share the information needed for a loan application, with a member's permission. It gives members greater control over how their information is used, while helping make the application process easier and more efficient.

The result is a simpler application experience, with fewer requests for supporting documents and faster processing. It also allows our people to spend less time gathering information and more time understanding each member's needs and circumstances. In many cases, members can provide the required information in as little as six minutes, helping create a faster path from application to approval.

"This is about putting our members in control of their own data and making the lending process as simple and transparent as possible. Our people can now have richer, more informed conversations, and members can get answers faster."

Wendy den Hartog,
Chief Operating Officer

By combining personalised service with practical technology, we're reducing effort for members and helping them spend less time on administration and more time focused on what matters most to them, while continuing to uphold the trust, security and transparency that are fundamental to our purpose as a member-owned bank.

Celebrating loyalty, life and a very special milestone.

As a member-owned bank, our members and their stories are part of who we are. We have shared life's milestones, challenges and celebrations with many members, connected by common values and a belief in the power of banking for good.

For members who have been part of Beyond Bank for at least 20 continuous years, Life Membership is one way we recognise their long-standing loyalty and the important place they hold in our story.

Life Membership gives us the opportunity to say a heartfelt thank you through a range of benefits, discounts and bonuses across our products and services. It recognises the enduring relationships that help shape our organisation and the contribution members make to who we are today.

One such member is Colin Wilson, who has banked with us for 43 years. When our Marion branch team learned that Colin was about to celebrate his 100th birthday, they wanted to mark the occasion in a way that reflected its significance. Colin visited the branch with his wife Roma (also a Life Member), and his grandson Brad, where the team surprised him with cake, a Haigh's gift basket and a collection of Beyond Bank keepsakes.

Colin brought along some of his birthday cards, proudly sharing congratulatory messages from King Charles, Queen Camilla and Prime Minister Anthony Albanese with the team.



The Marion team celebrating Colin Wilson's 100th birthday

Now 100 years young, Colin remains active and independent, playing nine holes of golf twice a week at Flagstaff Hill Golf Club and maintaining a regular exercise routine.

"It's a privilege to celebrate a centenarian who's full of vitality and to hear stories of a life lived through so many significant moments in history," said Elza Siklic, Marion Branch Manager.

Members like Colin remind us that banking is ultimately about people and relationships. His warmth, optimism and remarkable life story made the celebration as meaningful for our team as it was for him and his family. As a member-owned bank, members like Colin help define who we are. Their loyalty reflects the relationships we aspire to build with all our members: relevant, trusted and valued through every stage of life.



Beyond Bank Life Members Colin and Roma Wilson



Over 200 seniors attended the Scam Awareness Forum in Modbury North, SA

Protecting what matters most.

Helping members build the confidence and knowledge to stay safe from scams.

At Beyond Bank, supporting members goes well beyond everyday transactions. Our frontline teams are trained to recognise when someone may need extra care, and to provide patient, practical support so members feel informed, reassured and empowered to make decisions that are right for their circumstances.

This support is especially important as scams become more sophisticated. Older Australians can be particularly vulnerable to financial scams, with scammers often targeting people who have built up savings, superannuation and other assets over a lifetime.

Helping members protect themselves is an important part of our commitment to financial wellbeing. To help build awareness and confidence, the Beyond Bank team regularly participates in scam awareness sessions for seniors.

In a recent scam awareness forum hosted by Olivia Savvas, Labor MP for Newland SA, for residents in her electorate, Beyond Bank was invited as guest presenters alongside ScamWatch, SA Police and other organisations.

The forum attracted approximately 200 attendees, highlighting strong demand for trusted, practical information. For many, it was an opportunity to ask questions, hear directly from experts and gain simple tools to help protect themselves and the people they care about from financial scams.

Initiatives like these reflect our commitment to helping members feel safe, informed and supported when it matters most.



Beyond Bank's Anita King, Marie Fantasia, Piper Whitley and Rachael Hawke

I was so happy that Finn took the time and effort to make me feel confident my accounts were secure, and no money had been lost. Finn's assurance that I had acted accordingly and done the right thing by terminating the scammer's call made me feel less like a burden.

As a previous scam victim, I often feel self-doubt, regret and silliness when I call to confirm everything is safe. Finn took the time to reassure me, have a friendly chat and listen to my feedback.

Maureen,
a member from Lockleys, SA

When values meet action: how we helped turn our members’ eco-home vision into reality.

20 years ago, Ned Kilpatrick read environmental advocate and 2007 Australian of the Year Timothy Flannery’s *The Weather Makers*, sparking a lifelong commitment to leave the world better than he found it. That commitment culminated in the construction of Ned and Sarah Kilpatrick’s nine-star energy-rated modular home in an eco-village on Victoria’s Bass Coast. But financing the bespoke build proved challenging.

Ned and his wife, Sarah, were driven by a powerful vision to create an environmentally sustainable and thoughtfully designed home that reflected their values in a meaningful way.

In 2021, when they discovered that an eco-village was being developed at Cape Paterson, they purchased a block of land there so they could build their dream home and retire among a like-minded community after their children had flown the nest.

Ned and Sarah found an eco-friendly builder that could prefabricate approximately 95% of the build in a factory in four to six weeks, rather than relying on a traditional onsite build that could take 12 months or longer.

Financing a build that is almost finished before it is delivered to site is unconventional in the Australian market. With 95% of their house being built offsite, they needed access to funds weeks before it arrived on their block of land as a completed unit.

Unfortunately, despite reduced risks associated with a significantly shorter construction timeline, the project did not meet their bank’s credit approval requirements and their loan application was declined.

Disappointed, the Kilpatricks then made enquiries with other banks, including Beyond Bank, where Sarah held a Meal Entertainment Card that was provided through her not-for-profit employer.

Finding a solution through care, persistence and team collaboration.

When Beyond Bank Mobile Banker Jim Lekkas received the Kilpatricks’ enquiry, he understood the need to create a tailored solution to get the loan across the line.

The Kilpatricks had an excellent employment, income and credit history, an existing property with substantial equity and were seeking a loan with a low loan-to-value ratio.

“Ned had gone to great lengths in his due diligence of suppliers and materials to achieve a nine-star energy rating. I believed in their passion project and felt compelled to go all out to support them,” said Jim.

Jim set to work straight away and consulted Beyond Bank’s Member Credit Team and Building Loans Team. Through care, persistence and collaboration, they workshopped the proposal through multiple discussions and found a way forward together.

Listening first, then lending with purpose.

“One of the best parts of the Beyond Bank experience is the high level of personalised service in all our interactions with Jim,” said Ned.



Sarah Kilpatrick, Jim Lekkas and Ned Kilpatrick



Ned and Sarah's eco-house.
Photo courtesy of Kim Hauser

“With other banks, I was often made to feel like they were doing me a favour by providing me a service, setting all the rules and telling us what we needed to do to receive their service.

Beyond Bank listened to what we wanted, then negotiated with us as equals. That’s why I would recommend Beyond Bank and continue banking with them.”

Today, Ned and Sarah’s dream stands as a testament to what is possible when values and action come together. Their home is not only a place to live, it is a statement of sustainability, innovation and hope for a better planet that their children and future generations will inherit.

For Jim, this was more than a lending story. It reflected Beyond Bank’s B Corp commitment to higher environmental standards, creating positive and lasting impact, and supporting our members in ways that truly matter.

“It has been incredibly rewarding to have helped the Kilpatricks fulfil their lifelong vision,” said Jim.

Investing in stronger communities.

In FY26, Beyond Bank committed more than \$2.5 million to communities through grants, sponsorships and payments made to organisations through the Community Reward Program. This represented approximately 5% of the Bank's profits reinvested into communities during the year.

Through our Community Development Grants program, Beyond Bank provides funding to not-for-profit organisations and local initiatives addressing a broad range of community needs.

These grants help community organisations deliver grassroots programs that respond to genuine local needs, reflecting Beyond Bank's commitment to building stronger communities through support, shared responsibility, long-term partnerships and targeted investment.

In Western Australia, FY26 Community Development Grants supported initiatives including:

- **Youth Futures' Driving Futures Initiative** - supporting vulnerable young people to access employment, education and greater independence through driving support and mentoring
- **Sudbury Community House's School Holiday Program** - providing safe, engaging and supportive holiday experiences for children impacted by family and domestic violence
- **Nesti Housing's Maddington Specialist Disability Home Community Garden** - creating a shared outdoor space that promotes wellbeing, social connection and quality of life for residents living with disability
- **Women's Legal Service WA's Technology Facilitated Abuse Pilot Project** – supporting women experiencing family and domestic violence by addressing emerging forms of technology-facilitated abuse.



Restoring dignity through practical support.

ReLove, a Sydney-based charity, provides essential home furnishings for people experiencing domestic violence or homelessness, as well as those rebuilding their lives after incarceration.

In FY26, a \$20,000 grant from the Beyond Bank Foundation helped ReLove furnish 40 homes for people in need.

For Anna, a single mum of two children living with mental health challenges, this meant being able to have the furniture for social housing she had worked hard to secure and create a stable home for her family.

"You made our house a home. The incredible kindness you showed us on that magical day will stay with us forever. It provided us with comforts we had only dreamed of," said Anna.

For families like Anna's, practical support such as furniture can make a meaningful difference, helping create a safe, stable and welcoming place to start again.



Watch a short video of how ReLove helps to restore dignity to those in need.

20 years of purpose in action.

Established in 2006, the Beyond Bank Foundation is one of the ways we invest in the communities we serve. Through the contribution of a portion of the Bank's profits, the Foundation supports programs and initiatives that strengthen local communities and improve social outcomes.

Over the past 20 years, the Beyond Bank Foundation has provided more than \$6.8 million in grants and funding to charities and community organisations, helping them to respond to some of the most pressing challenges facing communities today.

The Foundation supported three key areas over the year to create meaningful and lasting outcomes: financial wellbeing, housing affordability and natural disaster support and recovery.

The Foundation aligns with our purpose of creating better lives for our members and communities through the work we do every day.

As the Beyond Bank Foundation celebrates its 20th anniversary, it remains committed to supporting organisations and initiatives that help build stronger, more resilient and more inclusive communities across Australia.



Beyond Bank's Shani Paget with Managing Director of Nesti Housing Jacqui Herring and her team

Double Donation delivers record community impact.

In 2026, our largest Double Donation fundraiser to date raised a record \$475,188 for 17 charities across Australia, helping community organisations deliver vital services and support where it is needed most.

Our annual Double Donation fundraiser helps charities accelerate their fundraising efforts through a dedicated 48-hour matched-giving campaign.

Through the Beyond Bank Foundation, every donation is dollar-matched up to \$10,000 per participating charity, enabling our community partners to significantly increase the funds they can raise in just two days. As a member-owned bank and Certified B Corp, we are committed to creating positive social impact alongside sustainable financial outcomes.

Launched in 2022 in response to growing demand for frontline services during the COVID-19 pandemic, the fundraiser continues to help charities raise more funds to support the communities they serve.

In 2026, we proudly supported these charities.

- Bloody Great Cause
- Canberra Symphony Orchestra
- Channel 7 Children’s Research Foundation
- Cherished Pets Foundation
- Gateway Health
- Hannah’s House
- Hunter Breast Cancer Foundation
- Kids With Cancer Foundation
- Leila Rose Foundation
- Lifeline Narm
- Little Dreamers Australia
- Neuromuscular WA
- Sleepy’s Foundation
- Southern Stay Disability Support Services
- StreetSmart
- Woden Community Service
- Youth Options



Hannah’s House CEO Jonine Collins and Beyond Bank Community Development Manager Bek Worthington

This record fundraising result reflects the power of community and the impact our members help create every day by choosing to bank with Beyond Bank. Together, we are supporting organisations that make a meaningful difference in people’s lives, while demonstrating the impact of banking with purpose.

David Marshall,
Chief Executive Officer
Beyond Bank Australia



Carrie-Ann Leeson, CEO of Lifeline Narm, at the InterEdge Summit

Our partnership with Lifeline Narm.

Lifeline Narm participated in our 2026 Double Donation fundraiser, strengthening a longstanding partnership focused on supporting the wellbeing of individuals and communities.

Beyond Bank was a major partner of Lifeline Narm’s InterEdge Psychosocial Safety Summit, which coincided with the fundraising campaign. The event brought together globally recognised speakers and changemakers, including Prince Harry, Duke of Sussex, Dr Amy Cuddy, Jelena Dokic and Hugh van Cuylenburg, to share insights on leadership, mental wellbeing and how to create environments where people can thrive at work, at home and in their communities.

Throughout the summit, the Beyond Bank team encouraged attendees to support Lifeline Narm’s fundraising efforts. Together, we helped raise \$20,000, including a matched contribution from the Beyond Bank Foundation.



Beyond Bank’s Jim Lekkas, Warren Hackney, Anna Barney, Marlaina McPhillips and Elizabeth Liu

This funding enabled Lifeline Narm to support two additional trained crisis support volunteers, helping answer an estimated 513 additional calls from people seeking assistance during difficult times. For those who reached out for support, these calls provided timely access to help when it was needed most.

The partnership also provided valuable learning opportunities for our people, offering practical insights into leadership, wellbeing and the importance of creating supportive workplaces and communities.

We are proud to stand alongside Lifeline Narm in helping more people access support when they need it most while contributing to stronger, more connected communities.



When you find your voice, great things can happen.

The Find Your Voice Collective (FYVC) is helping people living with disability build confidence, connection and pathways to greater participation in their communities.

Based in Warrnambool, Victoria, FYVC has been a place for people living with disability to come together and sing with one voice since 2018.

Uniting more than 250 participants from numerous regional southwest Victoria communities, FYVC is more than a choir - it's a place of community and safety from marginalisation, exploitation and judgement.

Creating pathways to meaningful employment.

For many people living with disability, opportunities to participate in the workforce can be limited, despite the significant benefits employment brings to financial wellbeing, confidence and independence.

For Find Your Voice, creating employment pathways has become an important part of its mission. While the organisation began by bringing people together through music, its focus has expanded to helping participants build skills, confidence and experience that support meaningful employment.

Partnerships are an important way the Beyond Bank Foundation creates positive community impact. Through a \$60,000 grant, the Foundation enabled Find Your Voice to establish and support two paid internships, contributing to wages, mentoring and workplace support.

For people living with disability, access to employment can improve financial wellbeing, increase independence and foster a stronger sense of purpose and connection.

Executive Director Sean Kenny believes meaningful employment starts with creating workplaces where people can succeed on their own merits.

“If you identify with disability of a certain sort... people can sometimes be underestimated in the workplace or not be given the opportunity to demonstrate what they’re capable of.

So, our job largely is to scaffold all that to a point where the work’s not token and people have the best chance to succeed.”

Beyond the practical benefits of employment, the internships help foster belonging, confidence and stability through participation in a supportive workplace community.

“The community of the workplace offers psychological safety, purpose and stability,” Sean said.

Building stronger communities.

In Australia, people living with disability are significantly less likely to participate in the workforce than those without disability. By creating meaningful employment opportunities, Find Your Voice is helping address this disparity while supporting greater social and economic participation across regional Victoria.

The impact extends beyond the individual interns. Increased workforce participation contributes to more inclusive communities, stronger local economies and improved outcomes for people living with disability and their families.

For the Find Your Voice Collective, the stage is bigger than the theatres they perform in; it’s the journey to the performance of a lifetime, one of purpose and inclusion, and maybe, with a few songs along the way.



Photos in this story courtesy of Mark Gambino

Foundation investment.

\$60,000 grant over two years.

What the partnership enabled.

- Two paid internship opportunities for people living with disability
- Workplace mentoring, support and professional development
- Pathways into meaningful employment and increased workforce participation
- Employee volunteering opportunities at community events and performances.

Community benefits.

- Improved financial wellbeing, confidence and independence
- Greater social inclusion, connection and participation
- Increased workforce capability within regional communities
- Stronger social and economic outcomes through meaningful employment opportunities.

Playing it forward in our communities.

Beyond Bank's partnership with Professional Footballers Australia (PFA), the peak representative body for footballers in Australia, began in 2022 and is built on a shared commitment to fostering positive community impact.

The PFA represents professional footballers across the Socceroos, Matildas, A-League Men and A-League Women. Their Community Impact Fund gives players the opportunity to 'play it forward' by supporting causes that matter to them.

With Beyond Bank's support, the fund helps players take on social leadership positions and positively impact communities where it matters most.

This year, we wanted to bring that connection closer to home. Our Victorian and Western Australian Community Developments Managers invited our people to share their reflections on what community meant to them in their roles, for a chance to attend the Matildas' football matches in Perth.

The stories received were inspiring and showcased the many ways our people showed up, got involved and made a difference every day.

- For Emma Rose, Branch Manager at Mandurah, her approach to community was sleeves rolled up and heart first, whether that's volunteering, fundraising, or strengthening local ties.
- For Jonno Calcraft, Quality Assurance Analyst, his commitment ensured a vision-impaired member could access banking statements independently and with dignity.
- For Will Dobbs, Mobile Banker, it was about focusing on building long-lasting relationships that supported financial wellbeing.

These moments remind us that community impact isn't just something we support - it's something our people live and breathe.

It was wonderful to receive and share these reflections with the rest of the organisation through this staff competition, and to have the opportunity to offer memorable experiences to our people through our community connection with PFA.

Partnerships such as these reinforce the value of being part of an organisation where community impact is encouraged, recognised and celebrated.



Beyond Bank's Emma Rose and PFA's Rita Mankowska



Beyond Bank's Will Dobbs and Angela Scriva

Recognising our people who go beyond.

At Beyond Bank, recognising our people who go beyond is an important part of how we celebrate and reinforce our positive impact on members and communities.

Each year, the Beyond Awards acknowledge employees who demonstrate our values and behaviours through their actions. More than 30 employees and four teams received an award this year for their commitment to our purpose, values and behaviours.

One of this year's recipients was Clare George, a Member Service Consultant from our Member Service Centre. Clare was recognised for being member-obsessed – one of our organisational values – in her response to a complex power of attorney matter involving a vulnerable member.

After identifying red flags, Clare swiftly put restrictions in place, escalated concerns and worked with our Legal, Financial Crimes and frontline teams to protect the member's interests.

Her intervention ultimately led to a referral to the Department of Human Services' Adult Safeguarding Unit, helping safeguard the member's wellbeing, rights and financial security.

Reflecting on the experience, Clare said: "Working closely with the Adult Safeguarding Unit was incredibly valuable. They were genuinely impressed with Beyond Bank's proactive approach and the level of care we put into protecting vulnerable members."

Clare's story is one example of the many contributions recognised through the Beyond Awards. By recognising our people whose actions reflect our values, we reinforce the behaviours that help us deliver on our purpose and create impact where it matters most.



Clare George Beyond Award 2026



The long run.

From Everest Base Camp to the Executive team, Sophie Scott-Young's approach to leadership is grounded in what she calls "work fitness" - the mindset that confidence and capability are built through preparation, consistency and continuous improvement.

In more than a decade at Beyond Bank, Sophie has built experience across regional and national leadership roles, progressing to Chief Member Banking Officer within the Executive team.

Sophie attributes her career success to being tenacious, having a problem-solving attitude and confidence in the team of people around her. She is committed to making a meaningful contribution every day.

Sophie describes herself as naturally driven to find solutions when she identifies problems. She instils this in her team, mentoring them in preparedness as a key to confidence.

Work fitness.

Outside work, Sophie has completed five marathons, including the New York Marathon, walked 100 kilometres for charity in under 24 hours, and trekked to Everest Base Camp with her family.

Ask Sophie what sits behind those achievements and her answer is simple: "Whatever you do, give more than you take."

The lessons of endurance sport are central to Sophie's leadership philosophy.

"Running a marathon requires time, discipline, a positive mindset and a clear plan. Leadership is much the same."



"You can't expect yourself or your team to progress from a walk around the block to 42 kilometres overnight. With a plan, sustained focus and steady effort, anyone can get there."

Listening to others.

Feedback is part of that progress.

"Feedback from the team in the Member Service Centre is as important as feedback from my CEO. It all matters and helps shape your leadership style, and ultimately, your performance," said Sophie.

One of the most significant leadership lessons Sophie received came from a team member who told her she was stepping in too often. The feedback prompted her to create more space for others to learn, make decisions and build confidence.

The experience reinforced her belief that leadership is not about having all the answers but creating the conditions for others to succeed.

Helping others grow.

For Sophie, leadership means bringing people along the journey and helping them realise what they're capable of.

"Leadership is a privilege. You can help shape people's lives," said Sophie.

Today, she continues to invest in her team through the same principles that have shaped her own career: preparation, consistency and a commitment to continuous improvement.

For Sophie, that is the long run.

Our Executives.



David Marshall Chief Executive Officer

David Marshall became the Chief Executive Officer of Beyond Bank in 2025. He brings extensive experience in financial services, with a proven history of leading member-focused organisations. Previously, he served as CEO at Defence Bank and Hume Bank, and successfully managed retail financial networks at both the Commonwealth Bank of Australia and Westpac. Additionally, he has overseen national business and agribusiness segments for major and regional banks. A highlight of his career has been guiding organisations through diverse business, economic, and growth phases. David’s academic background includes studies at Lincoln College (Canterbury University), Wharton Business School, and London Business School. David sits on the Board of the Customer Owned Banking Association (COBA).

- | Chair Beyond Bank Australia Foundation Ltd, Director Customer Owned Banking Association
- | BCom(Ag), GradDip Com.
- | Adelaide, South Australia



Adam Alsbury Chief Product and Marketing Officer

Adam joined Beyond Bank as the Chief Product and Marketing Officer in 2026, with more than 20 years’ financial services experience and proven capability in developing and implementing marketing, digital and product strategies to transform and grow organisations. The majority of his career has been spent in the mutual bank sector, focused on leading high performing teams with clarity and empathy to deliver exceptional results on behalf of organisations and their member-owners. Adam is a passionate volunteer, having undertaken a variety of leadership roles in non-profit organisations for over 30 years, predominantly with Life Saving Victoria where he was most recently a Non-Executive Director and member of various Board councils and committees.

- | Director Beyond Bank Australia Foundation Ltd
- | B.Bus(Mkt), MBA, FAMI(CPM), FAICD
- | Melbourne, Victoria



Bradley (Brad) Markwart Chief Risk Officer

Brad has been in the finance industry more than 20 years, with extensive experience in banking, risk management, compliance, and financial crime prevention. Since joining Beyond Bank in 2001, he has held several senior leadership roles and has played a key role in strengthening its risk and compliance frameworks. Brad is passionate about leveraging people and technology to improve operational efficiencies and deliver better risk management outcomes for Beyond Bank and its members. He is accountable for its risk management, compliance and financial crimes functions.

- | Director Community CPS Services Pty Ltd
- | BSc, BEc, GradCert Acc, GAICD, ABSP
- | Canberra, Australian Capital Territory



Michelle Coelho Chief People Officer

Michelle joined Beyond Bank more than 20 years ago, beginning her banking career with United Credit Union. Prior to her appointment to the Executive Team in 2021, Michelle spent a decade leading Beyond Bank’s WA Operations as State Manager. As Chief People Officer, Michelle leads the People and Culture function, ensuring the organisation has the leadership, capability and culture needed to deliver on its purpose and strategic priorities. Her portfolio encompasses organisational development, leadership and capability, talent and succession, performance and reward, sustainability, employee experience and engagement, workplace relations, workplace health and safety, diversity, equity and inclusion, payroll and people governance. Michelle is passionate about creating an environment where people feel connected to Beyond Bank’s purpose, are empowered to perform at their best, and able to make a meaningful contribution to members, communities and each other.

- | Director Beyond Bank Australia Foundation Ltd
- | MBA, GAICD
- | Perth, Western Australia



Wendy Den Hartog Chief Operating Officer

Wendy joined Beyond Bank in 2021 and has leveraged her broad experience in financial services with more than 23 years’ experience leading complex operations, transformation and service delivery across banking environments. Since joining Beyond Bank, Wendy has taken on broad operational leadership responsibilities spanning Credit Assessment, Credit Management and Support Services, Loan Fulfilment, the Project Management Office and Change, Procurement, and Property and Facilities. Wendy focuses on simplifying operations, strengthening execution, compliance and improving outcomes for members. She brings deep expertise across operations, retail banking, mergers, business transformation and strategic project implementation, with a leadership approach focused on clarity, accountability, efficiency and delivering meaningful value.

- | AdDip Mgt, Cert Finance and Mortgage Broking
- | Adelaide, South Australia



Anthony (Tony) Maughan Chief Financial Officer

Tony joined Beyond Bank in 2023 as the Chief Operating Officer. Now the Chief Financial Officer, Tony brings extensive leadership experience across the entire banking value chain, including group strategy, mergers and acquisitions, front-line banking and large-scale transformation projects. At Beyond Bank, Tony is responsible for overseeing our Finance, Treasury, Corporate Development, Regulatory Reporting, Company Secretary, and General Counsel functions.

- | Director Community CPS Services Pty Ltd. Director Eastwoods Group Ltd. Director Eastwoods Wealth Management Pty Ltd. Director Beyond Bank Australia Foundation Ltd. Director AWA Mutual Limited
- | B.Com, MBA, CA, GAICD
- | Melbourne, Victoria

Our Executives.



Sophie Scott-Young Chief Member Banking Officer

Sophie brings more than 20 years of experience across Australia’s banking and financial services sector. She joined Beyond Bank in 2015 and now leads the organisation’s member facing teams, driving service excellence, operational performance, and initiatives that strengthen financial wellbeing for communities nationwide. Sophie’s career spans senior roles in financial planning, lending, and retail banking, where she has built a strong record in transformation, people leadership, and member-centred strategy. A regular contributor to industry publications, Sophie is committed to empowering Australians with clear, accessible financial insights.

- ✿ | Director Beyond Bank Australia Foundation Ltd
- 🎓 | DipFinMkts, GradDipFinPlan
- 🏠 | Adelaide, South Australia



Mark Angrish Chief Technology Officer

Mark joined Beyond Bank in 2026 as Chief Technology Officer, bringing more than 20 years of experience across banking, telecommunications and global financial services. Mark is an experienced technology leader with a strong track record in delivering large-scale transformation and modernising complex, highly regulated environments. He has led major customer platform transformations, enabling more modern, secure and resilient systems that improve both customer and employee experiences. At Beyond Bank, Mark is accountable for the organisation’s technology including strategy, platforms, engineering and operations, to support secure, resilient and member-focused outcomes. With deep expertise navigating APRA and ASIC regulatory frameworks, Mark brings a pragmatic and forward-looking approach to technology strategy. He is passionate about aligning technology to better serve members and communities, and about building high-performing teams that foster collaboration, curiosity and continuous improvement.

- 🎓 | B.Eng(Hons), GAICD
- 🏠 | Melbourne, Victoria



Our Board of Directors.



John Evans Chair

John was appointed to the Beyond Bank Australia Board in 2022. He was a former audit and assurance partner with global accounting firm KPMG and has over 40 years of Australian and international experience in business, finance, assurance and risk management. John specialised in financial services and has worked extensively with boards and mutual organisations in the financial services sector. He is currently on the Boards of The Australian String Quartet, where he is the Chair of the Audit and Risk Committee and Health Partners Australia, where he is a member of the Risk Committee and Audit Committee. He is also the Chair of the Audit and Risk Committee of the South Australian Government Department for Health and Wellbeing.

- ✿ | Chair of the Board, Chair Nomination Committee, Member Board Governance and Remuneration Committee, Independent Director
- 🎓 | BCompt, CA, MAICD
- 🏠 | Buderim, Queensland



Joanne (Jodie) Baker Director

Jodie was appointed to the Beyond Bank Australia Board in November 2017. She has over 30 years' experience in banking and funds management, in both front line and risk roles. Jodie's prior executive roles include being a Partner at governance and risk advisory firm, Blackhall & Pearl, CEO and Managing Director of Morgij Analytics, and senior executive risk roles at ANZ, Société Générale and BT Funds Management. Jodie is currently on the Boards of Janison Education Group and CareFlight Limited, and she chairs the Audit and Risk Committees of both organisations. She is also a member of the Managed Investment Scheme Committees of both eToro and Spaceship Capital, and a member of the Capital Markets Committee at iPartners.

- ✿ | Chair Board Risk Committee, Member Board Technology Committee, Independent Director
- 🎓 | BCom(Acc), GradDipAppFin, TFASFA, GAICD
- 🏠 | Sydney, New South Wales



Trent Bartlett Director

Trent was appointed to the Beyond Bank Australia Board in September 2016. He has over 25 years of CEO leadership and Board experience in listed public companies, large private companies, not-for-profits and 'for benefit' focused enterprises operating with diverse business models and scale across many industry sectors. Trent has a speciality in member-owned/member-governed businesses and is a Fellow and Faculty Member of the Australian Institute of Company Directors. Trent is currently the Chair of Rocky Bay and Travellers Choice, a Non-Executive Director of Sustainable Development Australia, and a committee member of the AICD National Education Advisory Committee and the CPA Nominations Committee.

- ✿ | Chair Board Governance and Remuneration Committee, Member Board Audit Committee, Independent Director
- 🎓 | GradDipBus, GradDipCom, FAICD, IDP-C
- 🏠 | Perth, Western Australia



Cynthia (Cindy) Batchelor Director

Cindy joined the Beyond Bank Board in February 2025. Over the past 30 years, she has gained extensive experience as a senior leader in banking and financial services in front line, strategy development/implementation and human resources roles. Cindy has previously held a range of senior executive roles across business banking, not-for-profit and professional services with National Australia Bank Ltd, Australian Red Cross and Pitcher Partners. Cindy is currently Chair and Non-Executive Director of Auto & General Insurance Company and also serves as a Director of Spiritum Pty Ltd. She is the Victorian Chapter Chair of Chief Executive Women and brings extensive expertise in leadership, organisational transformation and governance to her Board roles.

- ✿ | Member Board Risk Committee, Member Board Governance and Remuneration Committee, Independent Director
- 🎓 | BCom (Accounting/Commercial Law), Grad Dip Bus (HRM), GAICD
- 🏠 | Melbourne, Victoria

Our Board of Directors.



Steven (Steve) Coles Director

Steve was appointed to the Beyond Bank Australia Board in 2022. He has nearly 30 years' experience operating at C-level across global financial services businesses. Steve's prior executive roles include the Global CTO for Allianz. He has a passion for improving and protecting member services through technology and effectively managing cyber risk. Steve is currently a Non-Executive Director of Youi Holdings Pty Ltd and a Director of Instech Advisory Pty Ltd. He also serves as an Adviser to Arch LMI, is a member of the Technology Committee of State Cover Mutual, and chairs the Group Technology Committee of the Outsurance Group.

🌐 | Chair Board Technology Committee, Member Board Audit Committee, Independent Director

🎓 | GAICD

🏠 | Sydney, New South Wales



Helen Thornton Director

Helen joined the Board of Beyond Bank Australia in November 2025. She brings more than 35 years of experience in financial management, audit, risk, and governance across a diverse range of industries, including APRA-regulated financial services and member-owned organisations. A Chartered Accountant, Helen has held senior executive roles at Deloitte, KPMG, BHP Ltd, and BlueScope Steel Ltd. With over 20 years as a non-executive director, Helen currently serves as Chair of Ansvar Insurance Ltd and Non-Executive Director and Audit Committee Chair of McPherson's Ltd and Arena REIT Ltd.

🌐 | Chair Board Audit Committee, Independent Director

🎓 | BEc(Acc), CA, GAICD

🏠 | Melbourne, Victoria



Christine (Chris) Yates Director

Chris was appointed to the Beyond Bank Australia Board on 1 February 2026. She has over 35 years' experience in financial services. Chris's former roles include CEO Retail at member-owned Australian Unity, Chief Customer Officer at Bank of New Zealand, Executive General Manager NAB Private, as well as senior management roles in wholesale and institutional banking. Chris has previously held board positions at Australian Unity Bank Limited, Australian Unity Health Limited, JBWere and BNZ Life. She is currently a Director of FINSIA and Company B Limited. Chris is also a member of the Board and Nomination and Remuneration Committee of FINSIA, Chair of the Finance, Audit and Risk Committee of Company B Limited, and Chair of the Academic Board of Grey Matters.

🌐 | Member Board Risk Committee, Member Board Technology Committee, Independent Director

🎓 | BEc, MHRM, DBA, CA, GAICD, SF FIN

🏠 | Sydney, New South Wales



Directors’ report.

The Directors of Beyond Bank Australia Limited (the Company) present their report together with the financial report of the Company and its controlled entities (the Consolidated Entity) for the financial year ended 30 June 2026.

Principal activities.

The principal activities of the Company and the activities within the Consolidated Entity during the financial year were to provide financial services to members.

Significant changes in the state of affairs.

There were no significant changes in the state of affairs of the Consolidated Entity that occurred during the financial year not otherwise disclosed in the financial statements of the Consolidated Entity.

Review of operations.

The Consolidated Entity delivered a strong financial and operational result while continuing to support members and communities in a dynamic operating environment. Net Profit for the year (after tax) was \$49.6m, which was \$2.0m or 4.3% higher than the 2024/25 result of \$47.6m. The result reflected growth in net interest revenue, disciplined management of funding and operating costs, continued lending and deposit growth, and the contribution from the Family First Credit Union portfolio following the merger on 1 March 2026.

The Company continued to invest in technology, IT security, operational resilience and member experience, while also managing integration activity associated with the Family First merger. The cost-to-income ratio improved from 74.9% to 72.5%, reflecting stronger operating income and ongoing focus on efficiency.

Consistent with the strategy of maintaining a diverse funding profile, the Company successfully completed its second Medium Term Notes (MTN) issue, raising \$300m in April 2026.

In assessing the underlying performance of the business, the Consolidated Entity has adjusted statutory profit for material one-off or non-recurring items, including business combination costs and gain on sale of investment securities. The resulting underlying profit is set out in Table 1 and provides additional insight into the performance of the core business.

Table 1 – Consolidated Underlying Earnings

For the Year Ended 30 June 2026			
	Before Tax	Tax	After Tax
	\$m	\$m	\$m
Per Statement of Profit or Loss	69.3	19.7	49.6
Business Combination costs	3.6	1.1	2.5
Data Action share sale true-up payment	-2.1	-0.6	-1.5
Consolidated Entity Underlying Profit	70.8	20.2	50.6
For the Year Ended 30 June 2025			
	Before Tax	Tax	After Tax
	\$m	\$m	\$m
Per Statement of Profit or Loss	65.9	18.3	47.6
Business Combination costs	2.1	0.6	1.5
Data Action special dividend	-4.8	0.0	-4.8
Gain on sale of held for sale investment securities	-1.1	-0.3	-0.8
Consolidated Entity Underlying Profit	62.1	18.6	43.5

Climate change.

This year, the Company has prepared climate-related financial disclosures in accordance with applicable Australian sustainability reporting requirements. These disclosures are included in the Sustainability Report on pages 46 to 65.

Significant events after the balance date.

Other than matters disclosed in the financial statements, no matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect, the Consolidated Entity's operations, results or state of affairs in future financial years.

Likely developments.

The Company and Consolidated Entity will continue to create better lives by caring for our members and our communities, through the provision of financial services. Further information about likely developments in the operations of the Consolidated Entity and the expected results of those operations in future financial years has not been included in this

report because disclosure of the information would be likely to result in unreasonable prejudice to the Consolidated Entity.

Indemnification and insurance of officers.

During the year, the Company paid insurance premiums to insure current and former officers of the Consolidated Entity against liabilities incurred in their capacity as officers, to the extent permitted by law. Disclosure of the amount of the premium and the nature of the liabilities covered by the insurance contract is prohibited by a confidentiality clause in the contract.

The Company's Constitution indemnifies current and former directors and officers, to the extent permitted by the *Corporations Act 2001* (Cth) and the *Banking Act 1959* (Cth) and against liabilities incurred in their capacity as officers of the Company.

The Company has also entered indemnity arrangements, including Deeds of Indemnity, Insurance and Access, with current and former directors and officers. These arrangements provide indemnity rights to the extent permitted by law.

Directors.

Individual Directors’ details are set out on pages 34 to 36.

Board Committees.

In addition to exercising oversight through Board meetings, directors contribute to the governance of the Company through four standing Board Committees. Membership of each Committee is structured to ensure an appropriate balance of skills, expertise and experience relevant to the Committee’s responsibilities. Each Committee comprises at least three directors. The Chief Executive Officer and members of management attend Committee meetings as appropriate to support the discharge of the Committees’ responsibilities.

Director attendance.

The names of directors who held office during the financial year and at the date of this report, together with their attendance at Board and Committee meetings, are set out in Table 2. Where non-attendance is recorded, an apology was received or a leave of absence was granted.

Table 2 – Board and Standing Board Committee Meetings

Directors	Board Meetings		Board Audit Meetings		Board Risk Meetings		Board Governance and Remuneration Meetings		Board Technology Meetings	
	Eligible to Attend	Meetings Attended	Eligible to Attend	Meetings Attended	Eligible to Attend	Meetings Attended	Eligible to Attend	Meetings Attended	Eligible to Attend	Meetings Attended
Sam Andersen Retired - 24 November 2025	3	3	4	4	-	-	2	2	-	-
Cindy Batchelor	10	10	-	-	6	6	5	5	-	-
Trent Bartlett	10	9	3	3	-	-	5	5	-	-
Jodie Baker	10	10	-	-	6	6	-	-	2	2
Steve Coles	10	10	7	7	4	4	-	-	2	2
John Evans	10	10	4	4	-	-	3	3	-	-
Helen Thornton Appointed - 25 November 2025	7	7	3	3	-	-	-	-	-	-
Christine Yates Appointed - 1 February 2026	5	5	-	-	2	2	-	-	2	2

A dash (-) indicates the Director was not a member of the relevant committee and was therefore not eligible to attend.

Company Secretaries.

Kristyn Verrall was appointed Company Secretary in 2024 and is responsible for the Company’s governance, Board support, legal, compliance and company secretarial functions. Kristyn has over 25 years’ experience advising clients on complex commercial and legal matters and over 15 years’ experience working in the financial services industry.

Anthony (Tony) Maughan was appointed Chief Financial Officer in 2025 and is responsible for overseeing the Group’s Finance, Treasury, Corporate Development, Regulatory Reporting, Company Secretariat and General Counsel functions. Tony brings extensive leadership experience across the entire banking value chain, including group strategy, mergers and acquisitions, front-line banking and large-scale transformation projects. He was appointed as an additional Company Secretary in 2025.

Signed this 1st day of September 2026, in accordance with a resolution of the directors made pursuant to s.298(2) of the *Corporations Act 2001*.

John Evans
Chair

Helen Thornton
Director

Rounding off.

The amounts contained in this report and in the financial statements have been rounded in accordance with ASIC’s *Corporations (Rounding in Financial/Directors’ Reports) Instrument 2026/183*, unless otherwise stated.

Lead auditor’s independence declaration.

The auditor’s independence declaration is included on page 42.

Lead auditor’s independence declaration and directors’ declaration.



Lead Auditor's Independence Declaration under
Section 307C of the Corporations Act 2001

To the Directors of Beyond Bank Australia Limited:

I declare that, to the best of my knowledge and belief, in relation to the audit of the financial report and the review of specified sustainability disclosures in the sustainability report of Beyond Bank Australia Limited for the financial year ended 30 June 2026 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Neil Ediriweera
Partner
Adelaide
1 September 2026

KPMG, an Australian partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation. Liability limited by a scheme approved under Professional Standards Legislation.

Beyond Bank Australia Limited
Directors' Declaration

For the year ended 30 June 2026

In the opinion of the directors of Beyond Bank Australia Limited (the “Company”):

- a) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- b) the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with Australian Accounting Standards, the Corporations Regulations 2001, International Financial Reporting Standards (as disclosed in Note 1b) and giving a true and fair view of the Company’s and the consolidated entity’s financial position as at 30 June 2026 and their performance for the financial year ended on that date; and
- c) the Consolidated Entity Disclosure Statement is true and correct as at 30 June 2026.

Signed this 1st day of September 2026, in accordance with a resolution of the Directors, made pursuant to s.295(5) of the *Corporations Act 2001*.

On behalf of the Directors.

John Evans
Chair

Helen Thornton
Director

Independent auditor’s report.



To the members of Beyond Bank Australia Limited:

Opinions.

We have audited the consolidated *Financial Report* of Beyond Bank Australia Limited (the Group Financial Report). We have also audited the Financial Report of Beyond Bank Australia Limited (the Company Financial Report).

In our opinion, each of the accompanying Group Financial Report and Company Financial Report gives a true and fair view, including of the *Group’s* and of the *Company’s* financial position as at 30 June 2026 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The respective *Financial Reports* of the Group and the Company comprise:

- Statements of Financial Position as at 30 June 2026
- Statements of Profit or Loss and Other Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flows for the year then ended
- Consolidated Entity Disclosure Statement and accompanying basis of preparation as at 30 June 2026
- Notes, including material accounting policies
- Directors’ Declaration.

The *Group* consists of Beyond Bank Australia Limited (the *Company*) and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion.

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Company and Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 Code of *Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other Information.

Other Information is financial and non-financial information in Beyond Bank Australia Limited’s annual report which is provided in addition to the Financial Reports and the Auditor’s Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Reports do not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the specified sustainability disclosures within the Sustainability Report and our respective assurance conclusion.

In connection with our audits of the Financial Reports, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Reports or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor’s Report we have nothing to report.

Responsibilities for the Directors for the Financial Reports.

The Directors are responsible for:

- preparing the Financial Reports in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of each of the Group and Company, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*
- implementing necessary internal controls to enable the preparation of Financial Reports in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of each of the Group and Company, and that is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group or Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report.

Our objective is:

- to obtain reasonable assurance about whether each of the Financial Reports as a whole are free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinions.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audits of the Financial Reports is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/media/apzlw0y/ar3_2024.pdf. This description forms part of our Auditor's Report.

KPMG

KPMG

Neil Ediriweera

Neil Ediriweera

Partner

Adelaide

1 September 2026





Beyond Bank Australia

Sustainability Report.

For the year ended 30 June 2026

Sustainability Report.

1. BASIS OF PREPARATION.

1.1 Reporting Entity.

The 2026 Sustainability Report (this Report) of Beyond Bank Australia Limited (the Company) and its controlled entities (the Consolidated Entity), should be read in conjunction with the Consolidated Entity's financial statements.

1.2 Statement of compliance.

This Report is prepared in accordance with the *Corporations Act 2001* and the Australian Sustainability Reporting Standards AASB S2 *Climate-related Disclosures* (AASB S2), as set by the Australian Accounting Standards Board (AASB). As this is the first year of adopting AASB S2, the Consolidated Entity has applied the transitional relief which permits entities not to disclose Scope 3 greenhouse gas (GHG) emissions or comparative information.

1.3 Connected information.

This Report contains climate-related financial information for the financial year ended 30 June 2026, which aligns with the reporting period of the consolidated financial statements. The presentation currency in this Report is Australian dollars, which aligns with the presentation currency used in the consolidated financial statements. Climate-related information disclosed throughout this Report is connected to information provided in the consolidated financial statements through the application of the results of the climate scenario analysis to inform Expected Credit Loss (ECL) provisioning, as described in Section 3.3.

1.4 Limitations and assumptions.

This Report contains forward-looking statements and estimates which reflect the Consolidated Entity's views and assumptions with respect to future events as at the date of this Report. Climate-related disclosures are subject to significant limitations and assumptions due to known and unknown factors such as the nature of climate outcomes, including timing and magnitude of those outcomes, evolving regulatory developments, and other variables, many of which are beyond the Consolidated Entity's control.

The identification of climate-related risks and opportunities (CRROs) was based on an assessment of the Consolidated Entity's value chain and organisational boundary at a point in time during the reporting period. Following the inclusion of Family First Credit Union in the Consolidated Entity on 1 March 2026, an assessment of its products, services and geographical risk factors was undertaken. This assessment did not result in any changes to the CRROs identified for the Consolidated Entity.

The Consolidated Entity applied an operational control approach to define its organisational boundary for GHG emissions accounting, consistent with the Greenhouse Gas Protocol. This approach was selected because it aligns emissions reporting with operations over which the Consolidated Entity has operational decision-making authority and the ability to implement and monitor emissions reduction initiatives and targets.

Assumptions were also made in respect of the physical and transition risk scenario analysis and are outlined in more detail in Sections 3.3.1 and 3.3.2.

The assessment of climate-related opportunities is primarily based on qualitative analysis. While climate-related opportunities have been identified that could reasonably be expected to affect the Consolidated Entity, the potential financial effects of all identified opportunities cannot currently be estimated on a reasonable and supportable basis. This is due to limitations in available data and the degree of measurement uncertainty associated with estimating future impacts. Accordingly, qualitative disclosures have been provided describing the nature of the opportunities and their potential impacts on the Consolidated Entity. The Consolidated Entity has not yet conducted a scenario analysis to assess climate-related opportunities across short, medium and long-term horizons.

1.5 Judgements.

In preparing these disclosures, the Consolidated Entity has applied judgements, including, but not limited to, how CRROs that could reasonably be expected to affect the Consolidated Entity's prospects

are defined, the interpretation of climate-related data, the selection of the climate scenarios used, the methodologies employed in relation to estimating and calculating emissions, and the usage of data from third-party sources.

The Consolidated Entity used qualitative and, where available, quantitative data to assess the financial and non-financial impacts of its CRROs over short-, medium- and long-term time horizons aligned with strategic planning cycles and the Consolidated Entity's Risk Management Framework. An internal materiality assessment, applying this data and management judgement, was used to identify CRROs that may reasonably be expected to affect the Consolidated Entity's financial performance, financial position, or cash flows. In line with this, CRROs that may affect the Consolidated Entity's prospects have been disclosed in Section 3.4 and 3.5.

The Consolidated Entity partnered with an independent third-party consultancy to identify climate scenarios based on a set of internally assessed physical and transition risks. While input provided by the third-party informed the final scenarios chosen, management retained ownership of the scenario selection process. These scenarios align with internationally recognised frameworks, including the Intergovernmental Panel on Climate Change (IPCC)'s Representative Concentration Pathways (RCP) and Network for Greening the Financial System (NGFS) scenarios, and were chosen to reflect a range of plausible low-to-high emissions and transition pathways relevant to the Consolidated Entity's risk profile.

Judgement has been applied in the selection and application of GHG approaches. For Scope 1 emissions, judgement was applied in selecting emissions factors that best represented the underlying activity data, including fuel consumption and refrigerant emissions. For Scope 2 electricity emissions, judgement was applied to adopt the location-based accounting methodology and the relevant state and grid-region emission factors under the Greenhouse Gas Protocol.

Where activity data across Scope 1 and Scope 2 was unavailable or incomplete at the time of reporting, estimation methodologies were applied.

1.6 Measurement uncertainty.

The Consolidated Entity recognises that the preparation of this Report required the use of estimates where direct measurement was not possible. It also required assumptions to be made using management judgement in respect of forward-looking statements. The Consolidated Entity recognises the following uncertainties:

- **Climate-related physical risks:** the high uncertainty around future physical climate hazards (including bushfires, floods, cyclones and sea level rise) and their associated physical risks. Actual future GHG emissions will depend on global actions to reduce emissions, the extent of which is unknown and outside the control of the Consolidated Entity.
- **Climate-related transition risks:** that its transition risks are dependent on a range of variables outside its direct control (including government policy, macro-economic trends, and technology uptake). These factors are difficult to model and require sets of assumptions to qualify and/or quantify their impact on the Consolidated Entity.
- **GHG calculations:** the preparation of the Consolidated Entity's GHG inventory requires the use of estimates where complete activity data is unavailable. As a result, actual emissions may differ from reported emissions if more complete activity data becomes available or if future refinements are made to data collection processes.

Over time, these uncertainties are expected to reduce as climate-related modelling is refined through the use of improved inputs to scenario analyses and as more reliable data on physical climate hazards and transition pathways becomes available.

2. GOVERNANCE.

2.1 Board oversight of ESG-related risks and opportunities.

The Board is responsible for providing strategic guidance to the Consolidated Entity and for effective oversight of management. This includes ultimate accountability for the Consolidated Entity’s approach to Environment, Social and Governance (ESG) performance and disclosures and the consideration, where appropriate, integration of ESG-related risks and opportunities, including those relating to climate change, as part of the annual strategic planning process.

ESG governance at the Consolidated Entity is supported through:

- Board committee charters that outline each committee’s responsibilities in relation to ESG matters and CRROs (where relevant to that committee). Charters are reviewed annually and enhancements were made during the reporting period to strengthen oversight and governance of ESG matters including in respect of CRROs
- standing agenda items in the relevant Board committee work plans where ESG and climate-related matters are discussed throughout each year
- an ESG Governance Policy which details Board and executive-level responsibilities for ESG and how these responsibilities are integrated at the operational level. This policy is reviewed annually and approved by the Board
- a Climate Risk Policy outlining how the Consolidated Entity identifies, assesses and manages CRROs. This policy is reviewed annually and approved by the Board Risk Committee.

The Board is informed about CRROs as part of the annual strategic planning process, through updates from the relevant Board committee at least annually, as well as on an ad hoc basis as recommended by management.

The Board approved the Consolidated Entity’s Scope 1 and 2 emissions reduction targets during the 2024/25 financial year. During the current reporting

year, progress against the target was monitored twice by the Executive Committee and Board.

In the oversight and management of ESG-related risks and opportunities, including those in respect of climate change, the Board is assisted through its committee structure. In particular:

- **Board Governance and Remuneration Committee** (BGRC) provides oversight of ESG and climate-related policy development, Board capability, and remuneration frameworks. The BGRC endorses climate-related targets for Board approval and monitors progress towards them twice annually. This process involves a review of management proposals for climate-related targets and providing endorsement of targets to the Board, as well as overseeing and monitoring progress towards any claims, or actions disclosed in public-facing, non-mandated disclosures
- **Board Audit Committee** (BAC) reviews, with management, the annual audited financial statements, including climate-related disclosures in the Annual Report (or other periodic reports) and recommends to the Board whether the financial statements should be approved for issue. The BAC is also responsible for discussing with management and the external auditor judgements on the quality and appropriateness of the Consolidated Entity’s accounting principles as applied in its climate-related reporting
- **Board Risk Committee** (BRC) assists the Board in overseeing the management of risks that could reasonably be expected to affect the Consolidated Entity’s prospects by providing objective, non-executive oversight of the implementation and operation of the Consolidated Entity’s Risk Management Framework across all categories of risk. This includes a responsibility to:
 - effectively monitor and oversee climate-related risks governed by management through the Enterprise Risk Management Framework;
 - oversee the adequacy and effectiveness of controls across the Consolidated Entity, including those related to climate change; and
 - review and approve the Climate Risk Policy.

- **Board Technology Committee** (BTC) oversees technology strategy, operational resilience and digital transformation, including data governance, cyber security and the responsible use of emerging technologies. It also provides oversight of the systems and controls that support sustainability, including climate-related data, ensuring these capabilities align with the regulatory requirements and the Consolidated Entity’s broader ESG objectives.

An overview of Board and Board committee-level accountabilities for CRROs is provided in the diagram below:



2.2 Board skills and competencies.

The Board Chair is responsible for overseeing the composition, performance, and renewal of the Board to ensure an appropriate diversity of skills, experience, and perspectives.

The Board self-assesses its skills across a range of competencies including ESG on an annual basis, using a six-point scale with zero being ‘no skills’ and five being ‘expert’.

ESG literacy, which includes CRROs, is a core competency for all directors and executives as expressly captured in the Consolidated Entity’s skills matrix, which incorporates skills and competencies relevant to climate change.

An internal Board performance assessment is performed annually and the Board commissions an independent performance review at least once every three years. The last independent Board performance assessment was completed in 2026. External specialists are engaged to provide additional guidance or training as required. During the reporting period, the Board and Executive Team received guidance on AASB S2 disclosures, including directors’ obligations.

2.3 Management responsibilities.

The Chief Risk Officer (CRO) is the policy owner for the Climate Risk Policy and is responsible for the review of this policy. The Climate Risk Policy is applicable to all staff involved in the operations of the Consolidated Entity, where their role significantly impacts, influences or may give rise to increasing the risk profile of the organisation. Policy compliance for all policies across the organisation is monitored through management oversight, compliance attestations, control testing, incident reporting, quality assurance reviews and independent audit.

Climate-related risk is managed through the Consolidated Entity’s broader Risk Management Framework and is overseen by the Board Risk Committee.

The CRO reports to the Board Risk Committee annually on climate-related risks, including key risk exposures, the effectiveness of controls, and progress against agreed management actions. The Chief Executive Officer (CEO) is responsible for embedding the Consolidated Entity’s response to risks that may reasonably be expected to affect the Consolidated Entity’s prospects into the overall strategy.

2.4 Remuneration.

The Consolidated Entity does not have any performance metrics included in remuneration policies that cover or include CRROs.

3. STRATEGY.

Climate change is a global challenge that poses far-reaching implications for economies, communities and the natural environment, and has the potential to affect financial systems and institutions worldwide.

The Consolidated Entity considers CRROs in the decision-making around the key activities of the business including within the strategic planning process, and the services provided to its members. It recognises that CRROs may impact its business model and value chain, which could influence its prospects and resilience over different time horizons.

3.1 Time horizons.

The following definitions are used for the time horizons for assessing and managing climate-related risks and opportunities:

Table 1: Time horizon definitions.

Time frame	Duration	Alignment to
Short-term	0-1 year	Company's annual strategic planning process
Medium-term	1-5 years	Scenario analysis projections to 2030
Long-term	5+ years	Scenario analysis projections to 2050 Company's approach to considering greenhouse gas emissions reduction target to 2034

3.2 Climate-related risks.

Climate-related risks have been identified in two categories:

- 1. Physical risk:** resulting from both increasing frequency and severity in weather-related events (e.g. floods and bushfires) and longer-term shifts in climatic patterns (e.g. rising global temperature averages and sustained sea-level rise), which may lead to damage to assets, disruption to operations and supply chains, and broader impacts on employee safety, service delivery, and financial performance. Physical risks can undermine the wellbeing of the Consolidated Entity’s members in the case where natural disasters damage their homes, make home insurance unaffordable or result in a loss of savings.
- 2. Transition risk:** resulting from the process of transitioning to a lower carbon economy, including changes in climate-related policy and regulation, legal and litigation exposure, technological developments, market dynamics, and shifting stakeholder and community expectations. The transition may also result in higher energy costs and employment disruption in carbon-intensive regions, potentially affecting some members’ financial resilience and their ability to meet home loan repayments.

3.3 Climate scenario analysis.

In September 2024, the Consolidated Entity partnered with an actuarial and strategic analytics firm to conduct quantitative scenario analysis to help it understand more about its resilience to climate-related changes, assessing how physical and transition risks are likely to impact its members and lending activities. The scenario analysis did not include climate-related opportunities.

The Consolidated Entity also applied the scenario analysis results to inform how natural hazards are likely to affect its operations. The analysis was based on the 2024/25 residential home loan book, which comprised 94% of the Consolidated Entity’s lending activities.

The Consolidated Entity reviewed the scenario analysis assessment during the reporting period and determined that it remained relevant given the geographic spread of the loan book. Analysis of the 2024/25 residential home loan book did not produce outcomes significantly different from those based on 30 June 2026 data.

The scenarios for inclusion in the analysis, described in more detail below, were selected because they are:

- considered the most appropriate for the Consolidated Entity and its approach to climate risk; and
- based on scenarios grounded in the latest climate science, with assumptions related to current and future Australian government policies.

The frequency at which the Consolidated Entity undertakes scenario analysis is controlled by its Climate Risk Policy which requires scenario analysis to be undertaken at least once every three years.

The Consolidated Entity annually reassesses the resilience of its strategy and business model through a review of its climate risk and opportunity profiles, climate-related risk exposures, key assumptions and changes in the operating environment. Additionally, the Consolidated Entity undertakes annual operational resilience testing against a series of plausible scenarios. It is possible that these scenarios

could arise directly or indirectly as a result of climate change. Through its Internal Capital Adequacy Assessment Process (ICAAP), the Consolidated Entity models the impacts to its capital holdings should certain risk events occur, including risks associated with climate change.

The results of the climate scenario analysis for physical and transition risks across low and high GHG emissions scenarios informed the Consolidated Entity’s assessment of climate-related impacts on its lending portfolio and were incorporated into the ECL provision recognised in the financial statements through a Climate Change Overlay as at 30 June 2026.

The Climate Change Overlay is reviewed annually and applied through the year-end provisioning process.



3.3.1 Physical risk scenarios.

The scenarios used to assess physical risks to the Consolidated Entity are aligned with the lowest and highest RCPs considered in the IPCC’s Fifth Assessment Report. These scenarios, summarised in Table 2, represent low and high GHG emissions pathways, with corresponding projected warming outcomes and sea level rise.

Table 2: Climate-related physical risk scenarios and assumptions.

Scenario	Emissions Pathway	Likely global socio-economic pathway	Average Australian sea level rise (m)	Average Australian warming* (°C)	Key assumptions
Low GHG emissions	RCP2.6	SSP1	0.1 - 0.3 by 2050	0.5 - 1.5 by 2050	• Rapid and sustained global emissions reductions • Global action broadly consistent with Paris-aligned mitigation efforts¹.
High GHG emissions	RCP8.5	SSP5	0.1 - 0.3 by 2050	1.8 - 3.0 by 2050	• Continued growth in global GHG emissions with limited additional mitigation • Delayed or insufficient global policy response to climate change.

*Relative to 1986-2005

The physical risk analysis compared the locations where the Consolidated Entity currently lends at the SA4² level, to how they are likely to be affected by natural perils, such as floods, coastal erosion, storms and heat stress today and in 2030 and 2050 based on the two scenarios. Geographically across Australia, coastal and northern Queensland returned the highest physical risk. The analysis determined the Consolidated Entity has limited exposure in its lending to this risk, with less than 3% of the loan book concentrated in non-metropolitan areas of Queensland, and total Queensland lending less than 9%. Given this, the Consolidated Entity’s current exposure to physical risk is low.

The physical risk analysis was based on a static 2024 loan portfolio which does not account for any changes in exposure or insurance settings over time. The assessment focused on key physical climate perils, including bushfires, cyclones, floods, storms, coastal inundation and erosion, and heat stress.

¹ The Consolidated Entity notes that at the date of issue of this Report, available indicators suggest that global decarbonisation efforts are not progressing at the pace or scale required to support a pathway consistent with the Paris Agreement objective of limiting long-term warming to 1.5°C above pre-industrial levels.

² SA4 or Statistical Area Level 4 represents the largest sub-state regions from the Australian Statistical Geography Standard (ASGS).

3.3.2 Transition risk scenarios.

The Consolidated Entity used the Green Road, current policies and Hot House scenarios (the Scenarios) to assess its transition risks, broadly aligned to the NGFS climate scenarios. The table below provides a description of the Scenarios along with associated assumptions, including policy and economic assumptions associated with different levels of global warming. The Scenarios were separately applied to the Consolidated Entity’s FY24 loan book to model ECL, without adjusting for changes in exposure over time. Further information on how the results of the climate scenario analysis were incorporated into the Consolidated Entity’s ECL provision model is provided in Section 3.3.

Table 3: Climate-related transition risk scenarios and assumptions.

Scenario	Key assumptions
Green road (‘GR’) Reflecting a policy landscape aligned with Australia’s commitment to achieving net-zero GHG emissions by 2050 and a 50% reduction by 2030, consistent with the low global warming pathway required under the <i>Climate Change Act 2022</i> , and the goals of the Paris Agreement to limit warming to 1.5°C.	• Early and coordinated policy action supports an orderly economic transition • Structural shifts in energy, transport and industry occur gradually • Introduction of a uniform GHG tax to drive emissions reductions consistent with a 50% reduction in 2030 and net zero by 2050 • Global average temperature change remains below 1.5°C^{3,4} and • Other assumptions as per the Current Policies scenario (see below).
Current policies (‘CP’). Reflecting actual policy action taken by the Australian Government and expected industry or sector action to achieve emissions reduction (consistent with the low global warming scenario required under the <i>Climate Change Act 2022</i>).	• Phasing out of coal and electricity generation by 2035 • Electric vehicle (EV) penetration increasing to 90% by 2050 • 50% biodiesel share for heavy vehicles • Replacement of gas and coal with electricity for industrial heat by 2050 • Agricultural practices evolve to reduce livestock methane emissions and fertiliser application to reduce nitrous oxide emissions • Action by other countries reducing demand for Australian coal and liquified natural gas (LNG) as the European Union (EU), North America, China and East Asia pursue net zero emissions targets by 2050-60 • Global average temperature rise by approximately 2.7°C by 2100⁵.
Hot house (‘HOT’). Reflecting a high-warming scenario in which global temperature rise well exceeds 2°C due to limited additional climate policy action and a delayed transition, consistent with the high-warming scenario (required under the <i>Corporations Act 2001</i> and the <i>Climate Change Act 2022</i>).	• Includes current expectations of growth in each sector (mining, electricity generation, transport, manufacturing, agriculture) without allowing for climate change • No increase in share of electric vehicles (EVs) • Modest increase in renewable electricity generation • Global average temperature rise by more than 3°C by 2100⁶.

³ Australian warming projections are relative to 1986-2005 and are based on those from the IPCC Fifth Assessment Report.

⁴ The Consolidated Entity notes that at the date of issue of this Report, available indicators suggest that global decarbonisation efforts are not progressing at the pace or scale required to support a pathway consistent with the Paris Agreement objective of miting long-term warming to 1.5°C above pre-industrial levels.

⁵ Australian warming projections are relative to 1986-2005 and are based on those from the IPCC Fifth Assessment Report.

⁶ Ibid

The following additional overarching assumptions were applied to the transition risk scenario analysis. The analysis:

- is based on a static loan portfolio with no changes in exposure between 2023 and 2050;
- applies fixed relationships between unemployment, underemployment and borrower financial margins; and
- assumes no asset value appreciation and considers only the economic impacts of the transition to net zero, excluding physical climate risks and broader socioeconomic effects.

As a result, the analysis may understate the potential magnitude of transition-related credit impacts, as physical climate risks and broader socioeconomic effects are not considered.

3.4 Climate-related risks assessment methodology and outcomes.

To understand the extent of its resilience to climate change, the Consolidated Entity considered the likelihood and consequences of its climate-related risks that could reasonably be expected to affect the Consolidated Entity’s prospects over the short (‘S’), medium (‘M’) and long term (‘L’), under each scenario relevant to each physical and transition risk. Each risk was assessed and given an inherent risk rating before the application of any controls.

Risks were then subsequently reassessed on a residual basis after existing controls and mitigation measures were considered.

The Consolidated Entity’s climate-related risks have been assessed and rated based on quantitative and qualitative consequence categories as per its internal

Risk Management Framework, applying a scale from very low to extreme across inherent and residual risks:

Table 4: Climate-related risk ratings and categories

Risk rating	Very low	Low	Medium	High	Extreme
Inherent					
Residual					

The qualitative and quantitative factors in these categories included: impact on operations, compliance and legal, and reputation, as well as financial impacts (where low is <\$100k, moderate is <\$5m, high is <\$25m and extreme is >\$25m).

Quantitative assessment on CRRs 1-3 was undertaken for short, medium and long-term anticipated financial effects. As the inherent uncertainty involved in estimating those effects was high, meaning the resulting quantitative information would not be useful, the Consolidated Entity assessed physical and transition risks qualitatively, which included CRR 4, over the short, medium and long term, using reasonable and supportable information available at the reporting date, including scenario analysis, management judgement and the assumptions described in this Report.

Financial effects associated with climate-related physical risks.

The Consolidated Entity expects financial impacts for climate-related physical risks to be low in the short and medium term horizons under both low and high GHG emissions scenarios reflecting its existing risk mitigation approaches as described in Table 5. Over the long-term, the anticipated financial impact increases to moderate as climate change is projected to increase exposure to physical perils including flood, bushfires, and coastal inundation in some lending regions affected by more acute and frequent weather events that impact members’ insurance affordability, property values and loan-to-value ratios, resulting in potentially higher expected credit losses.

Climate-related impacts are expected to have a limited and low effect on the Consolidated Entity’s financial performance, position and cash flows through reduced collateral recovery and the resulting increase to expected credit losses over time.

Financial effects associated with climate-related transition risks.

Potential financial impacts are expected to be low over the short and medium term across each scenario for CRR 3. Under the Current Policies and Green Road scenarios, early policy tightening and technological shifts in the transition to a lower-emissions economy are expected to affect regional economic activity, employment, household income and property values, particularly in regions with greater exposure to emissions-intensive industries. These effects, however, are also only anticipated to have low impacts on assets under management and fee income. Over the longer term this may affect the Consolidated Entity’s prospects through higher probabilities of default and changes in exposure at default, resulting in higher expected credit losses. However, effects will likely be concentrated in a small number of regions exposed to economic restructuring associated with the transition. Under a Hot House scenario, the financial effects are likely to be limited and low as little to no action is taken to transition to a lower carbon economy.

Potential financial effects are expected to be moderate over the short and medium term for CRR 4. As the economy transitions to lower emissions under the Green Road and Current Policy scenarios, the introduction of mandatory climate-related reporting and associated assurance requirements is expected to increase compliance and reporting costs for the Consolidated Entity. The risk of unintentional misstatements and any associated regulatory penalties may also contribute to these financial effects. Under a Hot House scenario, these effects are expected to decrease over the long term as climate-related reporting requirements are assumed to lessen.

The assessment of physical and transition risks did not identify any significant risk of adjustment to the carrying amounts of assets and liabilities in the next annual reporting period. Consistent with the broader assessment of CRROs, including scenario analysis and resilience assessments, no changes to the Consolidated Entity’s strategy and business model were identified as necessary during the reporting period.



Table 4: Climate-related risk ratings and categories

Risk rating	Very low	Low	Medium	High	Extreme
Inherent					
Residual					

Table 5: Climate-related physical risks, scenarios and current and anticipated effects.

Physical risks					
Current and anticipated effects					
Description	Low GHG emissions		High GHG emissions	Anticipated impacts to business model and value chain	Financial effects
Increased risk of loss on mortgage loans in some areas due to adverse impact on security values in areas of high risk of floods, bushfires, other natural disasters.	S		S	- Physical climate impacts may reduce property values in high-risk regions, weakening collateral and increasing loan-to-value ratios, with a greater likelihood of these impacts realised under a high GHG emissions scenario. - Damage to properties, rising insurance costs, loss of income and displacement may place financial stress on members, elevating the risk of arrears and default. Insurance availability may decrease in some climate-exposed areas, increasing underinsurance and amplifying credit losses in the event of default. - Over time, repeated climate events may reduce insurance availability and buyer demand, potentially disrupt local property markets and limit the recovery values of defaulted loans. These impacts may increase credit losses, pressure provisioning and capital, and drive greater demand for hardship assistance in affected communities.	The financial effects of this risk on the Consolidated Entity were limited and assessed as low during the current reporting period. Under both a low and high emissions scenario, the level of risk exposure for the existing residential mortgage portfolio and resulting financial effects over the short term is expected to be low.
	M		M		
	L		L		
Stranded assets from inability to sell repossessed properties located in areas no longer insurable due to risks caused by climate change.	S		S	- Under a high GHG emissions scenario, increasingly severe and repeated weather events may render properties in higher-risk areas uninsurable or unmarketable, increasing financial stress for members through property damage and loss of affordable insurance. - Follow-on consequences may see higher arrears and defaults, and in cases where the Consolidated Entity repossesses affected properties, limited insurance coverage and weakened local property markets may significantly reduce recovery values or make sale impractical. These outcomes may result in stranded assets, higher holding costs, increased credit losses and pressure on provisioning and capital, while limiting lending and support in climate-exposed communities.	Lending in high physical risk regions may lead to stranded assets. This exposure is limited by a diversified lending portfolio and low lending in higher-risk geographical regions. The financial effects of this risk on the Consolidated Entity were limited and assessed as low during the current reporting period. Similarly, the financial effects over the short-term are also expected to remain low.
	M		M		
	L		L		

Mitigation and adaption measures:

- a diversified lending portfolio is maintained across geographies. Lending in regions estimated being at high physical risks of climate change subject to stricter credit thresholds.

Table 6: Climate-related transition risks, scenarios and current and anticipated effects.

Transition risks						
Description	Current and anticipated effects					
	Risk across climate scenarios			Potential impacts to business model and value chain	Financial effects	
	GRN	CP	HOT			
Increased default rates on loans due to increasing living costs from the transition to lower carbon economy.	S			S		
	M			M		
	L			L		
Current and emerging climate regulations and compliance obligations.	S			S		
	M			M		
	L			L		
				- Under a more rapid transition to a lower carbon economy, rising living costs - including higher energy, transport and goods prices - may reduce members' disposable income and net monthly surplus. This may increase financial stress, leading to higher arrears and defaults across mortgage and consumer loan portfolios, and increased demand for hardship support. - For the Consolidated Entity and its value chain, these impacts may translate into higher credit losses, increased provisioning and capital pressures, and cost pass throughs from suppliers facing their own transition-related cost increases.	The Consolidated Entity maintains a diversified lending portfolio across states and regions. Given this, the financial effects of this risk on the Consolidated Entity were limited and assessed as low during the current reporting period. Over the short term, the financial effects of the exposure to this risk are also expected to remain low.	
				- Under a more rapid transition to a lower carbon economy, climate-related regulatory frameworks are likely to mature and corporate disclosures increasingly scrutinised over the medium and long term, with less relief measures for reporting entities. With the uncertainties associated with forward-looking statements, this may increase the chances of unintentional misstatements and associated financial penalties or costs of legal action. - These potential impacts may translate into reputational damage and a loss of trust among stakeholders. - The inherent risk is medium over the short term where relief measures are in place and audit, and assurance obligations are less stringent.	The current financial effects of this risk for the Consolidated Entity have been assessed as moderate as mandatory climate-related reporting requirements and prudential guidance have increased compliance obligations and associated assurance, verification and reporting costs. This included the establishment and maintenance of systems, processes and governance arrangements needed to identify, assess, manage and monitor CRRs, support public disclosures, and maintain appropriate oversight. Over the short term these costs have also been assessed as moderate.	

Mitigation and adaption measures:

- a diversified lending portfolio is maintained across geographies
- prudent credit policies mitigate the impact of changes in living costs on a borrower's ability to meet their obligations
- Actions outlined in Section 5.3, including transitioning fleet vehicles to hybrids and EVs, improving energy efficiency of operational assets and increasing renewable electricity procurement, support the management of climate-related regulatory and compliance risks associated with the transition to a low-carbon economy.

3.5 Climate-related opportunities.

Climate-related opportunities were identified and developed in consultation with a cross functional team using the process outlined in Section 4.1.1. Opportunities reasonably expected to affect the Consolidated Entity’s prospects were considered by management and the Board as part of the annual strategic planning process.

One opportunity, under the category Products and Services, was reasonably expected to affect the Consolidated Entity’s prospects and was assessed in terms of time horizons and potential impacts on the Consolidated Entity’s business model and value chain.

Products and services.

The Consolidated Entity considered secured and unsecured lending solutions which could support current and future members to take up more sustainable, lower-emission options across housing and motor vehicles. These opportunities are not currently deemed to be financially sustainable or sufficiently desirable for the Consolidated Entity’s members. Such opportunities will be revisited periodically through the strategic planning process. The Consolidated Entity continues to monitor the market for opportunities that align to its strategy, and which meet the needs of its members.

Table 7: Climate-related opportunities, time horizons and potential impacts.

Description	Time Horizon	Potential impacts to business model and value chain
Expand the Consolidated Entity’s product offering by introducing and scaling green secured and unsecured lending products that support member electrification, emissions reduction and resilience building.	S	-
	M	-
	L	✓

3.6 Capacity to adjust or adapt strategy and business model.

Resourcing.

The Consolidated Entity’s efforts to mitigate and adapt to the effects of climate change, including climate-related reporting are delivered through its Sustainability team in collaboration with other business units.

Resources to respond to climate-related risks and opportunities, and to implement actions identified through climate-related scenario analysis are considered and approved through the Consolidated Entity’s existing budgeting, and strategic planning processes. Further information on current and planned climate-related mitigation activities is provided in Section 5.3.

Redeploying, repurposing and upgrading assets.

The Consolidated Entity incorporates climate-related considerations into asset replacement, refurbishment, and upgrade decisions. Where practical, opportunities to redeploy, reuse or repurpose assets during property refurbishments are also considered before replacement or disposal. Current and planned activities include fleet transition initiatives and energy efficiency and emissions reductions initiatives across occupied premises. These activities support achievement of the Consolidated Entity’s Scope 1 and Scope 2 emissions reduction target outlined in Section 5.3.

Investment in climate-related mitigation, adaptation and opportunities for climate resilience.

The Consolidated Entity considers investment in climate-related mitigation, adaptation and opportunities for climate resilience through its strategic planning and budgeting processes. Current and planned mitigation and adaptation activities are assessed and prioritised alongside other business initiatives, considering strategic objectives, risk management considerations and resource availability. Further information on current and planned activities is provided in Sections 3.4, 3.5 and 5.3.

Climate-related transition planning.

The Consolidated Entity has a climate-related transition plan focused on achieving its Scope 1 and Scope 2 GHG emissions reduction target. The plan outlines key mitigation activities and the monitoring of progress against that target. Key mitigation initiatives and planned activities to support the achievement of the target is described in Section 5.3.

4. RISK MANAGEMENT.

The Board is ultimately responsible for overseeing the risks faced by the Consolidated Entity and has established a risk appetite for the relevant risk categories it manages.

The Consolidated Entity’s Risk Management Strategy comprises the Risk Management Framework, Risk Appetite Statement and supporting policies, practices and reporting. Together, these provide the structure for identifying, assessing, managing and monitoring risks across the Consolidated Entity, including CRROs.

4.1 Risk and opportunity management process.

The Consolidated Entity’s approach to managing CRROs is set out in the Climate Risk Policy which supports the implementation of the Risk Management Framework. The process for identifying, assessing, prioritising, monitoring and managing CRROs, including consideration of mitigation actions where required, is summarised below.

Table 8: Climate-related risk and opportunity management process



Risk	Opportunities
4.1.1 Identification	
Climate-related risks were identified in line with the Risk Management Strategy, with reference to the Australian Prudential Regulation Authority's CPG 229 and are documented in the Consolidated Entity's Climate Risk Profile. During the reporting period, a value chain assessment was undertaken to support the identification and validation of climate-related risks across the Consolidated Entity's operations, supply chain, customers and distribution partners and regulators. Existing climate-related risks within the Climate Risk Profile were mapped against the assessment to confirm that key impacts, dependencies and risk drivers, including third-party suppliers and relevant service providers, employees, customers, lending activities and regulatory obligations, had been appropriately considered and to identify any additional risks. The non-personal (business banking and community organisation) lending portfolios were considered during the scoping of the climate-related risk identification process but were not included for further analysis as they were not considered large enough to affect the Consolidated Entity's prospects.	Climate-related opportunities were identified through a structured value chain mapping exercise, applying the categories: resource efficiency, products and services, market expansion, energy transition, and resilience opportunities. A structured, judgement-based process incorporating peer benchmarking and internal stakeholder interviews was used to develop a long list of climate-related opportunities. Potential opportunities were listed within each opportunity category and refined to reflect those most relevant to the Consolidated Entity's business model, strategic priorities and operating context. Identified opportunities were recorded in a consolidated opportunities register and assigned to an appropriate owner or stakeholder.
4.1.2 Assessment	
Climate scenario analysis was undertaken to assess climate-related physical and transition risks across relevant time horizons. The Consolidated Entity also sought advice from its insurance partner to support its assessment of how climate-related physical risks could affect the residential mortgage portfolio. Climate-related risks from the Climate Risk Profile were assessed using an enterprise risk matrix, with inherent and residual risk ratings determined based on the likelihood and consequence across time horizons and climate scenarios. Likelihood reflects the estimated probability of occurrence over the relevant time horizon and scenario, informed by available historical data, forward-looking climate projections, and management judgement. Consequence reflects the severity of potential impacts across relevant dimensions (including financial, regulatory/legal and reputational impacts), with ratings determined using predefined impact thresholds aligned to the enterprise risk matrix. All risks were assigned an inherent risk rating based on their likelihood and consequence before the application of controls. Risks were then reassessed considering existing controls and assigned a residual risk rating. Following the completion of the scenario analysis, risks within the Climate Risk Profile were reviewed and updated where appropriate based on the scenario analysis results.	The Consolidated Entity developed an opportunity assessment methodology to evaluate each opportunity in respect of its operating context, strategic priorities, the practical feasibility of implementation and value creation. Management judgement was applied to assign and validate assessment scores and interpret the results.

Risk	Opportunities
4.1.3 Prioritisation	
Risks were prioritised based on residual risk ratings and time horizons. Where residual ratings were similar, consequence severity was used to inform prioritisation.	Opportunities were prioritised based on assessment scores that reflected each opportunity's potential effect on the Consolidated Entity's prospects, having regard to the assessment criteria described in Section 4.1.2. Higher-scoring opportunities were shortlisted and progressed for further consideration and development.
4.1.4 Monitoring and management	
Climate-related risks from the Climate Risk Profile are reviewed annually, or more frequently where required and monitored as described in Section 2.3. Appropriate strategic responses are implemented where necessary. Where climate-related risks require action, treatment plans and controls may be implemented in accordance with the Consolidated Entity's Enterprise Risk Management Framework and monitored through the Enterprise Risk Management system. These actions may include the implementation of controls, policy or process enhancements, risk transfer arrangements or other measures designed to manage climate-related risk exposure. There were no climate-related risks outside tolerance during the reporting period.	Potential opportunities are monitored as part of the Consolidated Entity's strategic planning process and as part of the annual review of the Climate Risk Policy.

5. METRICS AND TARGETS.

5.1 Greenhouse gas emissions.

The Consolidated Entity calculates GHG emissions in accordance with the Greenhouse Gas Protocol. GHG emissions are measured using an operational control approach to define the organisational boundary, as described in the Limitations and Assumptions Section 1.4.

Emissions calculations are based on actual activity data where available, including energy consumption and fuel use, with emissions factors sourced from the Australian National Greenhouse Accounts Factors. Where activity data is unavailable or incomplete, estimation methodologies are applied in accordance with the Greenhouse Gas Protocol.

During the reporting period the Consolidated Entity increased the use of direct measurement when calculating Scope 1 emissions from refrigerants with the calculation reflecting any changes in the level of site usage. No other significant changes were made to the measurement approach, calculation methodologies, emissions factors or key assumptions used to prepare the FY26 GHG inventory compared to those applied in the FY24 baseline inventory. The total FY24 baseline (which was prepared in alignment with the Greenhouse Gas Protocol) operational GHG emissions for Scope 1 and 2 (using the location-based methodology) totalled 1,274⁷ tCO2e: 552 tCO2e for Scope 1 and 723 tCO2e for Scope 2.

Table 9: FY26 Scope 1 and 2 GHG emissions.

Metric	Unit	FY26 [*]
Scope 1 GHG emissions	tCO2e	220
Scope 2 emissions (location based)	tCO2e	626
Total Scope 1 and 2 GHG emissions	tCO2e	846

These emissions relate solely to the Consolidated Entity. The Consolidated Entity does not have any investees, associates, joint ventures or unconsolidated entities.

An internal carbon price has not been set, although this approach will be reviewed in future periods.

5.2 Cross-industry metrics.

Cross-industry metrics relating to the proportion of assets or business activities exposed to climate-related physical and transition risks have not been disclosed as the underlying exposures were not assessed as significant enough to affect the Consolidated Entity’s prospects.

5.3 Climate targets.

In 2025, the Consolidated Entity set a target to reduce its near-term⁸ absolute gross Scope 1 and 2 emissions (tCO2e) by 58.80% by 2034 against a 2024 base period. The objective of the target is to reduce the Consolidated Entity’s gross operational Scope 1 and 2 to contribute to global climate change mitigation efforts in accordance with the latest climate science.

The target applies to all GHG emissions included within the Consolidated Entity’s GHG inventory and is measured in tons of carbon dioxide equivalent (tCO2e). The Consolidated Entity does not use carbon offsets, including Australian Carbon Credit Units, to achieve the target.

The target was developed using publicly available Science Based Targets initiative’s (SBTi) target-setting tools and the Consolidated Entity’s FY24 baseline GHG emissions inventory. The resulting target is consistent with the SBTi Financial Institutions’ Near-Term criteria and a 1.5°C pathway under the Paris Agreement.

⁷ Scope 1 and 2 emissions total is 1,274 tCO2e due to rounding.
⁸ Near-term as defined by the Science based Targets Initiative refers to emissions reductions commitments which are within five to ten years.

Following development of the target, several implementation pathways were assessed to determine how the target could be achieved in practice, with a preferred implementation pathway identified. The preferred implementation pathway was used to inform the Consolidated Entity’s climate transition plan and assumes the Consolidated Entity will:

- have ongoing access to renewable electricity procurement
- adopt electric vehicles within its fleet
- replace and upgrade air-conditioning units with lower-emissions alternatives at the time of replacement, and
- maintain business growth and operational requirements broadly consistent with current assumptions.

Key limitations in the target setting process included the use of projections to estimate changes in electricity and EV adoption and the use of estimated data for refrigerants in the FY24 baseline inventory

when activity data was unavailable. Accordingly, actual outcomes may differ from the modelled implementation pathway due to changes in operational requirements, technology availability, market conditions or other factors outside the Consolidated Entity’s control.

The performance against this target is monitored quarterly and reported to the Board periodically. This target was set during FY25, and no revisions or adjustments were made during the reporting period. The target has not been externally validated by the SBTi at the time of reporting.

Table 10 summarises how the Consolidated Entity plans to achieve its Scope 1 and 2 GHG emissions reduction target, including key mitigation actions such as heating, ventilation and air conditioning upgrades, fleet transition, and improvements in energy efficiency and electricity sourcing. These activities also support the Consolidated Entity to manage the climate-related transition risks in respect of emerging climate regulations and compliance obligations identified in Section 3.4.

Table 10: Climate Transition Plan key activities.

Resource efficiencies	Emissions Category	Current and planned mitigation activities (2026-2034)
	Scope 1 - Fleet vehicles	Transition fleet vehicles from internal combustion engine to hybrid and EVs.
	Scope 1 - Refrigerants	Upgrade air-conditioning units and refrigerators with lower emissions and more energy efficient alternatives as equipment reaches the end of its useful life or sites are refurbished.
	Scope 2 – Electricity use	• Transition sites to renewable electricity sources, including GreenPower products where available • Consider site energy efficiency in leasing decisions to maximise energy efficiency of buildings.

Directors’ declaration.

Under Section 296A of the *Corporations Act 2001* for the year ended 30 June 2026, the directors of Beyond Bank Australia Limited declare that:

In the opinion of the directors:

The Consolidated Entity has taken reasonable steps to ensure the substantive provisions of the Sustainability Report for the year ended 30 June 2026 are in accordance with the *Corporations Act 2001*, including complying with:

- (i) the Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures*, and any further requirements contained in Section 296C(2); and
- (ii) the requirements of the climate statement disclosures contained in Section 296D.

This declaration is made in accordance with a resolution of the directors pursuant to section 296A(6) of the *Corporations Act 2001* as modified by Section 1707C(2).

On behalf of the Directors.

John Evans
Chair

Helen Thornton
Director

1 September 2026

Independent auditor’s review report.

This is the original version of the audit report over the financial statements signed by the Directors on 1 September 2026. Page references should be read as follows to reflect the correct references now that the financial statements have been presented in the context of the Annual Report in its entirety.



To the members of Beyond Bank Australia Limited:

Report on specified Sustainability Disclosures of Beyond Bank Australia presented in the Sustainability Report titled “Sustainability Report” prepared in accordance with the Corporations Act 2001.

Review Conclusion on specified Sustainability Disclosures as required under the Corporations Act 2001.

We have conducted a review of the following specified Sustainability Disclosures presented in the Sustainability Report of Beyond Bank Australia Limited titled “Sustainability Report” for the year ended 30 June 2026 in accordance with Australian Standards on Sustainability Assurance (ASSA) 5010 Timeline for Audits and Reviews of Information in Sustainability Reports under the *Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB).

specified Sustainability Disclosures	Reporting requirement of Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures (AASB S2) (including related general disclosures required by Appendix D) (the Criteria)	Locations in Sustainability Report
Governance disclosures	Paragraph 6	Section 2 “Governance”, on Pages 3-5
Strategy (risk and opportunities) disclosures	Subparagraphs 9(a), 10(a) and 10(b)	Section 3 “Strategy”, subsection “3.2 Climate-Related Risks” on page 5 & subsection “3.5 Climate-Related Opportunities” on page 13
Scope 1 greenhouse gas emissions	Subparagraphs 29(a)(i)(1) to (2) and 29 (a)(ii) to (v)	Section 5 “Metrics and Targets”, Table 9 “FY26 Scope 1 and 2 GHG emissions.”, on page 16, including the emissions calculation methodology described in section 1. “Basis of Preparation” on pages 1-3 and the accompanying notes to the table
Scope 2 greenhouse gas emissions (location-based)		

The requirements of AASB S2 identified in the table above form the Criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the Corporations Act 2001 (the Act).

We have not become aware of any matter in the course of our review that makes us believe that the specified Sustainability Disclosures specified in the table above do not comply with Division 1 of Part 2M.3 of the Corporations Act 2001.

Basis for conclusion.

Our review has been conducted in accordance with ASSA 5000 *General Requirements for Sustainability Assurance Engagements* issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures are free from material misstatement.

In applying the relevant Criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the “Summary of the Work Performed” section of our report.

Our responsibilities under ASSA 5000 are further described in the “Auditor’s Responsibilities” section of our report.

We comply with the independence and other ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited.

Our firm applies Auditing Standard ASQM1 *Quality Management for Firms that Perform Audits or Reviews*

of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements, issued by the AUASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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

Other matter.

The comparative information, being the 2024 baseline for Scope 1 and Scope 2 greenhouse gas emissions, was not subject to our review engagement and, accordingly, we do not express a conclusion or provide any assurance on such information.

Our conclusion is not modified in respect of this matter.

Other information.

The Directors of Beyond Bank Australia Limited are responsible for the other information. The other information comprises the financial and non-financial information included in Beyond Bank Australia Limited’s 2026 Annual Report including the Financial Report and Sustainability Report but does not include the specified Sustainability Disclosures and our review report thereon.

Our conclusion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of conclusion thereon, with the exception of the Financial Report and our respective audit reports.

In connection with our review of the specified Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review, or otherwise appears to

be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities for the specified Sustainability Disclosures.

The Directors of Beyond Bank Australia Limited are responsible for:

- The preparation of the specified Sustainability Disclosures in accordance with the Act; and
- Designing, implementing and maintaining a system of internal control that it determines is necessary to enable the preparation of specified Sustainability Disclosures in accordance with the Act that are free from material misstatement, whether due to fraud or error.

Inherent limitations.

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or material misstatement in the specified Sustainability Disclosures may occur and not be detected. Non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating, and estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time.

For climate risks and opportunities, there is inherent uncertainty as a result of using assumptions about future events and management’s actions that may not occur.

Greenhouse gas quantification is subject to inherent uncertainty due to the nature of the information and the uncertainties inherent in: (i) the methods used for

determining or estimating the appropriate amounts, (ii) information used to determine emission factors and (iii) the values needed to combine emissions of different gases.

Auditor’s responsibilities.

Our objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of a review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal controls relevant to the engagement to identify and assess the risks of material misstatement, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity’s internal control.
- Design and perform procedures responsive to the assessed risks of material misstatement at the disclosure level.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed.

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures. The nature, timing and extent of procedures selected

depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

- Inquired with management to understand the governance structure and reporting processes;
- Enquired with management to understand the process for developing the climate governance, strategy and metrics disclosures;
- Obtained an understanding of relevant processes, information flow and related systems for key data sets;
- Reviewed internal documentation including policies, charters, minutes of meetings, risk management frameworks and basis of preparation documents;
- Reviewed Beyond Bank Australia Limited’s process undertaken to identify climate-related risks and opportunities that could reasonably be expected to affect the entity’s prospects;
- Assessed the suitability and application of the Criteria in respect of the specified Sustainability Disclosures;
- For Scope 1 and 2 greenhouse gas emissions, tested underlying data to source documentation on a sample basis; and
- Reconciled specified Sustainability Disclosures to underlying information

KPMG

KPMG

Neil Ediriweera

Neil Ediriweera
Partner
Adelaide
1 September 2026

Beyond Bank Australia

Financial Report.

For the year ended 30 June 2026



Statements of Profit or Loss and Other Comprehensive Income.

		CONSOLIDATED		COMPANY	
	Note	2026 \$m	2025 \$m	2026 \$m	2025 \$m
For the year ended 30 June 2026					
Interest revenue	2	578	561	576	561
Interest expense	3	338	344	341	348
Net interest revenue		240	217	235	213
Net fair value adjustment on interest rate swaps	2	(5)	2	(7)	10
Non interest operating income	2	34	36	36	38
Total operating income		269	255	264	261
Impairment losses on loans and advances and investment instruments	3	2	1	2	1
Business combination costs	3	4	2	4	2
Other expenses	3	196	187	195	187
Net operating income		67	65	63	71
Gain on sale of investment securities		3	1	3	1
Profit before income tax expense		70	66	66	72
Income tax expense	4	20	18	19	21
Net Profit for the year		50	48	47	51
Other comprehensive income, net of tax					
Items that are or may be reclassified to profit or loss:					
Effective portion of changes in fair value cash flow hedges		(1)	-	(1)	-
Items that will not be reclassified to profit or loss:					
Change in equity securities at fair value through other comprehensive income		9	7	9	7
Total comprehensive income for the period		58	55	55	58

The Statements of Profit or Loss and Other Comprehensive Income are to be read in conjunction with the notes to the financial statements.

Statements of Financial Position.

		CONSOLIDATED		COMPANY	
	Note	2026 \$m	2025 \$m	2026 \$m	2025 \$m
As at 30 June 2026					
Assets					
Cash and cash equivalents	5	204	186	204	186
Prepayments and other receivables	6	77	52	77	52
Current tax assets	4	-	-	-	-
Other financial assets	19	2	2	-	2
Investment instruments	7	1,822	1,466	1,822	1,466
Other investments	11	30	18	32	20
Loans and advances	8,9	10,488	9,272	10,488	9,272
Right of use assets	12	18	18	18	18
Property, plant and equipment	13	17	15	17	15
Held-for-sale assets	13	6	6	6	6
Intangible assets	14	7	6	7	6
Net deferred tax assets	4	7	8	8	9
Total assets		12,678	11,049	12,679	11,052
Liabilities					
Deposits from members	15	9,318	8,339	9,344	8,365
Trade and other payables	16	37	14	37	14
Current tax liabilities	4	5	6	5	6
Lease liabilities	17	22	23	22	23
Borrowings	18	2,425	1,878	2,425	1,878
Other financial liabilities	19	8	1	8	-
Employee benefits	23	16	15	16	15
Total liabilities		11,831	10,276	11,857	10,301
Net assets		847	773	822	751
Equity					
Reserves	20	236	217	221	202
Retained earnings	21	611	556	601	549
Total equity		847	773	822	751

The Statements of Financial Position are to be read in conjunction with the notes to the financial statements.

Statements of Changes in Equity.

	Fair Value Reserve (FVOCI Equity Instruments)	Hedging Reserve	Asset Revaluation Reserve	Redeemed Share Reserve	Transfer of Business Reserve	Retained Earnings	Total Equity
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Consolidated							
Balance at 30 June 2024	5	-	6	2	196	509	718
Net profit for the year	-	-	-	-	-	48	48
Other comprehensive income							
Fair value adjustment on other investments taken to equity	7	-	-	-	-	-	7
Total comprehensive income	7	-	-	-	-	48	55
Transfers to / (from) reserves	1	-	-	-	-	(1)	-
Balance at 30 June 2025	13	-	6	2	196	556	773
Net profit for the year	-	-	-	-	-	50	50
Other comprehensive income							
Fair value adjustment on other investments taken to equity	9	-	-	-	-	-	9
Effective portion of changes in fair value cash flow hedges through other comprehensive income	-	(1)	-	-	-	-	(1)
Total comprehensive income	9	(1)	-	-	-	50	58
Attributable to business combinations	-	-	-	-	16	-	16
Transfers to / (from) reserves	(5)	-	-	-	-	5	-
Balance at 30 June 2026	17	(1)	6	2	212	611	847
Company							
Balance at 30 June 2024	5	-	6	2	181	499	693
Net profit for the year	-	-	-	-	-	51	51
Other comprehensive income							
Fair value adjustment on other investments taken to equity	7	-	-	-	-	-	7
Total comprehensive income	7	-	-	-	-	51	58
Transfers to / (from) reserves	1	-	-	-	-	(1)	-
Balance at 30 June 2025	13	-	6	2	181	549	751
Net profit for the year	-	-	-	-	-	47	47
Other comprehensive income							
Fair value adjustment on other investments taken to equity	9	-	-	-	-	-	9
Effective portion of changes in fair value cash flow hedges through other comprehensive income	-	(1)	-	-	-	-	(1)
Total comprehensive income	9	(1)	-	-	-	47	55
Attributable to business combinations	-	-	-	-	16	-	16
Transfers to / (from) reserves	(5)	-	-	-	-	5	-
Balance at 30 June 2026	17	(1)	6	2	197	601	822

The Statements of Changes in Equity are to be read in conjunction with the notes to the financial statements.

Statements of Cash Flows.

		CONSOLIDATED		COMPANY	
	Note	2026 \$m	2025 \$m	2026 \$m	2025 \$m
For the year ended 30 June 2026					
Cash flows from operating activities					
Interest received		579	559	578	559
Net increase in loans, advances and other receivables		(1,002)	(617)	(1,002)	(617)
Net decrease / (increase) in investment instruments		(338)	(256)	(338)	(256)
Other non interest income received		36	36	38	38
Interest and other costs of finance paid		(336)	(352)	(338)	(355)
Net increase in deposits from members		747	611	748	613
Payments to suppliers and employees		(185)	(190)	(185)	(190)
Income tax paid		(21)	(8)	(21)	(9)
Net cash from / (used in) operating activities	22 (a)	(520)	(217)	(520)	(217)
Cash flows from investing activities					
Proceeds from sale of other investments		(3)	17	(3)	17
Payment for property, plant and equipment	13	(6)	(7)	(6)	(7)
Payment for intangible assets - capitalised software	14	(3)	(3)	(3)	(3)
Payment for expenses directly attributable to business combinations		(4)	(2)	(4)	(2)
Increase in cash balances via business combination	10	16	-	16	-
Net cash from / (used in) investing activities		-	5	-	5
Cash flows from financing activities					
Increase in borrowings		1,861	1,468	1,861	1,468
Repayment of borrowings		(1,314)	(1,280)	(1,314)	(1,280)
Payment of lease liabilities		(9)	(9)	(9)	(9)
Net cash from / (used in) financing activities		538	179	538	179
Net increase / (decrease) in cash and cash equivalents		18	(33)	18	(33)
Cash and cash equivalents at the beginning of the financial year		186	219	186	219
Cash and cash equivalents at the end of the financial year	22 (b)	204	186	204	186

The Statements of Cash Flows are to be read in conjunction with the notes to the financial statements.

Consolidated Entity Disclosure Statement.

As at 30 June 2026

Name	Body corporate, partnership or trust	Place of incorporation	Consolidated Entity Interest		Australian or Foreign Resident	Jurisdiction for Foreign Resident
			2026 %	2025 %		
Beyond Bank Australia Limited	Body Corporate	Australia	N/A	N/A	Australian	N/A
AWA Mutual Pty Ltd	Body Corporate	Australia	100	100	Australian	N/A
Eastwoods Wealth Management Pty Ltd	Body Corporate	Australia	100	100	Australian	N/A
Eastwoods Group Pty Ltd	Body Corporate	Australia	100	100	Australian	N/A
Beyond Employee Benevolent Fund Pty Ltd	Body Corporate	Australia	100	100	Australian	N/A
Community CPS Services Pty Ltd	Body Corporate	Australia	100	100	Australian	N/A
Beyond Bank Australia Foundation Ltd (Trustee*)	Body Corporate	Australia	100	100	Australian	N/A
Beyond Bank Australia Foundation Master Support Fund	Trust	N/A	100	100	Australian	N/A
Beyond Bank Australia Foundation Master DGR Fund	Trust	N/A	100	100	Australian	N/A
The Barton W Warehouse Trust	Trust	N/A	100	100	Australian	N/A
The Barton A Warehouse Trust	Trust	N/A	100	100	Australian	N/A
The Barton Series 2013-1R Trust	Trust	N/A	100	100	Australian	N/A
The Barton Series 2017-1 Trust	Trust	N/A	100	100	Australian	N/A
The Barton Series 2019-1 Trust	Trust	N/A	100	100	Australian	N/A
The Barton Series 2023-1 Trust	Trust	N/A	100	100	Australian	N/A
The Barton Series 2025-1 Trust	Trust	N/A	100	-	Australian	N/A

The Consolidated Entity Disclosure Statement is to be read in conjunction with the notes to the financial statements.

*Beyond Bank Australia Foundation Ltd is the Trustee of the Beyond Bank Australia Foundation Master Support Fund and the Beyond Bank Australia Foundation Master DGR Fund.

Refer Note 1(c) Material accounting policies for details of basis of preparation of Consolidated Entity Disclosure Statement.

Notes to the Financial Statements.

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES.

(a) Financial reporting.

Beyond Bank Australia Limited (“the Company”), is a company domiciled in Australia. The consolidated financial report for the year ended 30 June 2026, comprises the Company and its controlled entities (together referred to as the “Consolidated Entity”). The Consolidated Entity is a for-profit entity and primarily is involved in providing a range of financial services including personal and business banking and insurance. The financial report was authorised for issue by the directors on 1 September 2026.

(b) Statement of compliance.

This financial report is a general-purpose financial report which has been prepared in accordance with Australian Accounting Standards (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The financial report of the Consolidated Entity and the Company comply with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board (IASB).

(c) Basis of preparation and areas of estimation.

The financial report has been prepared in Australian dollars and in accordance with the accruals basis of accounting using historical costs, except where described otherwise in the notes to the accounts. Cost is based on the fair values of the consideration given in exchange for assets.

ASIC *Corporations (Rounding in Financial/Directors’ Reports) Instrument 2026/183* dated 24 March 2026, permits the rounding of amounts in financial statements and directors reports. In accordance with that Instrument, all financial information has been rounded to the nearest one million unless otherwise stated.

The Company holds an Australian Financial Services Licence and has therefore applied ASIC *Corporations (Parent Entity Financial Statements) Instrument 2021/195* and has presented both parent company and consolidated entity financial statements in this financial report.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by the Consolidated Entity and the Company. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

In particular, areas of estimation uncertainty and critical areas where judgement has been applied are as follows:

- Loans and receivables are carried at amortised cost, requiring estimates to be made of their expected life. The expected life of mortgage secured loans is estimated at 62 months (2025: 58 months) while other loans have an estimated expected life of 30 months (2025: 28 months). In addition, loans and receivables are carried net of impairment provisions which are determined based on estimates of default probabilities and the loss incurred in the event of default. The impairment provision estimates are uncertain with an analysis of the sensitivity of the recognised impairment provision to changes in the estimates is provided at Note 1(p).
- Judgement has been exercised in assessing that not all the risks and rewards of ownership of securitised loans have been transferred.
- The obligation for long-term employee benefits is determined based on statistical estimates of the amount and timing of related future cash flows with Australian high-quality corporate bond rates applied to discount cash flows.

Section 295(3A) of the *Corporations Act 2001* requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. In the context of an entity which was an Australian resident, “Australian resident” has the meaning provided in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

The Company has determined that each entity included in its CEDS is an Australian tax resident. In determining Australian tax residency, the Consolidated Entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation’s public guidance in Tax Ruling TR 2018/5. Australian tax law does not contain specific residency tests for trusts. Generally, those entities are taxed on a flow-through basis so there is no need for a general residence test. There are some provisions which treat trusts as residents for certain purposes, but this does not mean the trust itself is an entity that is subject to tax.

AASB 101 Presentation of Financial Statements allows assets and liabilities to be presented in order of their relative liquidity. As this presentation provides information that is more relevant, assets and liabilities are not presented as current and non current on the face of the Statements of Financial Position.

(d) Principles of consolidation.

The consolidated financial statements are prepared by including the financial statements of all the entities that comprise the Consolidated Entity, being the Company (the parent entity) and its controlled entities as defined in AASB 10 *Consolidated Financial Statements*. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its powers over the entity.

Notes to the Financial Statements.

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED).

(d) Principles of consolidation (continued).

A list of controlled entities appears in Note 11. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

The consolidated financial statements include the information and results of each controlled entity from the date on which the Company obtains control and until such time as the control ceases. In preparing the consolidated financial statements, all inter-company balances and transactions, and unrealised profits arising within the Consolidated Entity are eliminated in full.

Business combinations.

Business combinations are accounted for using the acquisition method as at acquisition date, which is the date on which control is transferred to the Consolidated Entity.

The identifiable assets and liabilities of the acquiree are recognised at their fair value at acquisition date. Goodwill is recognised if, and to the extent that, the consideration transferred exceeds the fair value of the acquiree's identifiable assets acquired and liabilities assumed.

Transaction costs that the Consolidated Entity incurs in connection with a business combination are expensed as incurred.

(e) New and amended standards adopted by the Group.

The Consolidated Entity has not early adopted any accounting standards.

(f) Borrowings.

Interest on wholesale borrowings and other interest-bearing liabilities is brought to account on an effective yield basis. The amount of the accrual is measured on a nominal basis and recognised as a liability in the Statements of Financial Position. These liabilities are initially recognised at fair value and subsequently measured at amortised cost.

(g) Cash and cash equivalents.

Cash and cash equivalents comprise cash at branches plus deposits at call with Approved Deposit-taking Institutions. Interest income on cash and cash equivalents is recognised using the effective interest method in the Statements of Profit or Loss and Other Comprehensive Income. Cash and cash equivalents are recognised at amortised cost. Bank overdrafts that are repayable on demand and form an integral part of the Consolidated Entity's cash management are included as a component of cash and cash equivalents for the purpose of the Statements of Cash Flows but as part of Borrowings in the Statements of Financial Position.

(h) Deposits.

Interest on deposits is credited in accordance with the terms of each deposit and brought to account on an effective yield basis.

Interest is accrued as part of the deposit balances which are carried at amortised cost.

(i) Derivative financial instruments.

The Consolidated Entity enters into interest rate swap agreements for the sole purpose of managing interest rate risk exposures in the Statements of Financial Position and not for speculative (trading) purposes. Derivative financial instruments are recognised at fair value. Realised gains and losses on interest rate swaps are recognised immediately in the Statements of Profit or Loss and Other Comprehensive Income via inclusion in the determination of interest revenue. Where not classified as a cash flow hedge, unrealised changes in the fair value of interest rate swaps is included as Other Income.

Derivatives are initially measured at fair value and are subsequently re-measured to fair value at each reporting date with movements recorded in the Statements of Profit or Loss and Other Comprehensive Income. Fair values are calculated by discounted cash flow models using yield curves that are based on observable market data or are based on valuations from counterparties. All derivatives are classified as assets where their fair value is positive and liabilities where their fair value is negative. Where there is the legal ability and intention to settle net, the derivative is classified as a net asset or liability, as appropriate.

Interest rate swaps that do not qualify for hedge accounting or have been de-designated are accounted for at fair value and any changes in fair value are recognised immediately in profit or loss. Further details of derivative financial instruments are disclosed in Note 29(h).

Cash flow hedges.

The Consolidated Entity enters into floating for fixed interest rate swap transactions that are designated as an effective hedging instrument against a specified dollar value of floating rate borrowings exposures, which will reprice in the same specified month and year. Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in other comprehensive income. When the forecast transaction subsequently results in the recognition of a non-financial asset or liability, the associated cumulative gain or loss is removed from other comprehensive income and included in the initial cost or other carrying amount of the non-financial asset or liability.

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or liability, then the associated gains or losses that were recognised directly in other comprehensive income are reclassified into profit or loss in the same period or periods during which the asset acquired or liability assumed affects the Statements of Profit or Loss and Other Comprehensive Income (i.e. when the interest income is recognised).

Effectiveness tests are performed on derivative financial instruments to determine if they are still providing the protection originally intended when entered into by the Consolidated Entity. Hedge accounting is discontinued when the hedge instrument

Notes to the Financial Statements.

expires, is sold, terminated, exercised or no longer qualifies for hedge accounting. Where a derivative financial instrument that was previously considered to be effective no longer satisfies the effectiveness test criteria, any gain or loss on the instrument previously recognised in other comprehensive income is reversed through profit or loss with all subsequent gains or losses recognised through profit or loss.

(j) Employee benefits.

A defined contribution plan is a post-employment benefits plan under which an entity pays fixed contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations to defined contribution plans are recognised as a personnel expense in profit or loss when they are due.

Long-term employee benefits.

The Consolidated Entity's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related oncosts and that benefit is discounted to determine its present value. The discount rate is the yield at the reporting date on Australian high quality corporate bonds that have maturity dates approximating the terms of the Consolidated Entity's obligations.

Termination benefits.

Termination benefits are recognised as an expense when the Consolidated Entity is committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer encouraging voluntary redundancy, and it is probable that the offer will be accepted.

Short-term benefits.

Liabilities for employee benefits for wages, salaries, and annual leave represent present obligations resulting from employees' services provided to reporting date and are expected to be settled wholly within 12 months and hence are calculated at undiscounted amounts based on remuneration wage and salary rates that the Consolidated Entity expects to pay as at reporting date including related on-costs, such as payroll tax. Non-accumulating non-monetary benefits, are expensed based on the net marginal cost to the Consolidated Entity as the benefits are taken by the employees.

A liability is recognised for the amount expected to be paid under short-term cash bonus plans if the Consolidated Entity has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(k) Financial assets and liabilities.

The Consolidated Entity initially recognises loans and advances, deposits, debt securities issued and subordinated liabilities at fair value on the date they are originated. All other financial assets and liabilities (including assets and liabilities designated at fair value through profit or loss) are initially recognised on the trade date at which the Consolidated Entity becomes a party to the contractual provisions of the instrument. These financial assets

and liabilities are subsequently measured at amortised cost using the effective interest method unless otherwise stated in the notes to the accounts.

The Consolidated Entity derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. An interest in transferred financial assets that is created or retained by the Consolidated Entity is recognised as a separate asset or liability.

The Consolidated Entity derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Consolidated Entity enters into transactions whereby it transfers assets recognised in its Statements of Financial Position but retains either all the risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised from the Statements of Financial Position.

The Consolidated Entity securitises various consumer financial assets, which generally results in a sale of these assets to special-purpose entities, which in turn issue securities to investors.

(l) Impairment of non-financial assets.

The carrying amounts of the Consolidated Entity's non-financial assets, other than deferred tax assets, are reviewed at each balance date to determine whether there is any indication of impairment. If any such impairment exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset (either in its own right or as part of a cash-generating unit) exceeds its recoverable amount. Impairment losses are recognised in the Statements of Profit or Loss and Other Comprehensive Income, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal of that previous revaluation with any excess recognised through the Statements of Profit or Loss and Other Comprehensive Income.

(m) Income tax.

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance date, and any adjustment to tax payable in respect of previous years. Current tax for current and prior years is recognised as a liability to the extent that it is unpaid.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base of those items. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Consolidated Entity expects, at reporting date, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantially enacted at the balance date.

Notes to the Financial Statements.

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED).

(m) Income tax.

A deferred tax asset is recognised only to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be used.

Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are not recognised if the temporary differences affect neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

The Company's disclosed available franking credits are based on the balance of its franking account at year end adjusted for:

- (a) franking credits that will arise from the payment of current tax liabilities or franking debits that will arise from the receipt of current tax asset refunds;
- (b) franking debits that will arise from the payment of dividends recognised as a liability at year end;
- (c) franking credits that will arise from the receipt of dividends recognised as receivables at year end; and
- (d) franking credits that the Company may be prevented from distributing in subsequent years.

The controlled entities of the Consolidated Entity are not part of a tax consolidation group and are taxed as individual entities. As a result, the individual entities continue to recognise current and deferred tax amounts in their own right which are then consolidated into the accounts of the Consolidated Entity.

(n) Intangible assets.

Computer software.

For software to be recognised as an intangible asset, it needs to be both identifiable and the entity must have control over the asset. Software that meets this criterion and that is acquired by the Consolidated Entity is stated at cost less accumulated amortisation. Amortisation is charged from the date the asset is available for use on a straight line basis over a period of 2-3 years.

Software-as-a-Service (SaaS) arrangements provide the Consolidated Entity with the right to access the provider's application software over the contract period and as such the Consolidated Entity does not recognise an intangible asset for such services.

The Barton Securitisation Program.

Costs associated with establishing the program and each Series issue are amortised over the weighted average life of the notes for each Series. This generally results in amortisation over 4 - 5 years on a straight-line basis and is reflected as part of borrowing costs.

Other intangible assets.

Other intangible assets, including customer relationships that are acquired by the Consolidated Entity and have finite useful lives, are measured at cost less accumulated amortisation and any impairment losses. Amortisation is charged from the date the asset is acquired on a straight-line basis over the estimated useful life of the asset.

(o) Other investments.

Other Investments securities are measured at fair value through other comprehensive income (FVOCI). For Equity investments, AASB 9 requires the Consolidated Entity to consider whether those assets are held for trading. As our Equity investments are not held for trading, the Consolidated Entity has irrevocably elected to designate the instruments at FVOCI. In the Company's financial statements, investments in controlled entities are carried at cost.

Other Investments securities are subject to annual testing as to whether there is objective evidence of impairment (refer Note 1(l)). If assessed as impaired, any loss is recognised in profit or loss. Any subsequent recovery in the fair value of an impaired investment security would also be recognised in profit or loss.

(p) Loans and advances.

Loans and advances are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, after assessing required provisions for impairment. Loan and credit limit interest is calculated on the daily balance outstanding and is charged to members' accounts on the last day of each month. Overdraft interest is calculated on the daily balance outstanding and is charged in arrears to members' accounts at the beginning of the following month. Housing loans are secured by registered mortgages.

Impairment.

All loans and advances are subject to regular management review to assess whether there is any objective evidence of impairment. Impairment of a loan is recognised when there is reasonable doubt that not all the principal and interest can be collected in accordance with the terms of the loan agreement.

Bad debts are written off when identified. Bad debts are written off against the Provision for Impairment. Adjustments to the Provision for Impairment are taken to the Statements of Profit or Loss and Other Comprehensive Income and reported with Impairment Losses. Recovery of loans previously written off is recognised in the Statements of Profit or Loss and Other Comprehensive Income only when the recovery amount has been received from the debtor.

Statutory reporting requirements for impaired loans.

All loans and advances are reviewed and graded according to the anticipated level of credit risk. *AASB 7 Financial Instruments: Disclosures* prescribes specific reporting requirements of impaired loans, acquired assets and past-due loans.

Notes to the Financial Statements.

The following classifications have been adopted:

- **Restructured loans** are those where the original contractual terms have been modified to provide for concessions of interest, principal or repayment for reasons related to financial difficulties of the member and the revised terms are not comparable to new facilities.
- **Past-due loans** are loans where the borrower has failed to make a repayment when contractually due. Provision for these loans is made according to the period of arrears and with regard to the underlying security.
- **Assets acquired through the enforcement of security** are assets acquired in full or partial settlement of a loan or similar facility through the enforcement of security arrangements.

Loans and advances – provision for impairment.

The components of the aggregate provision as set out in Note 9 are described in the following paragraphs.

Specific provision.

The specific provision against impaired loans exists to provide for loans that are 90 days or more in arrears (being a loss event) and for which there is evidence based on past history that a loss will occur and impact on future cash flows.

Collective provision.

The Expected Credit Loss (ECL) provision is calculated based on current credit delinquency, historical default probabilities and rates of loss in the event of default. The provision is calculated on all loan and credit limit balances, and on committed, undrawn exposures, including credit cards and loan commitments; except exposures for which a specific provision has been raised. The ECL for credit impaired financial assets is generally measured as the difference between the contractual and expected cash flows from the individual exposure. For credit-impaired exposures that are modelled collectively, ECL is measured as the product of the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD), based on a range of possible scenarios for the future value of security held and adjusted for forward looking macroeconomic information.

The ECL is determined with reference to the following stages:

Stage 1: 12-month ECL.

At initial recognition, and for financial assets for which there has not been a significant increase in credit risk (SICR) or for those financial assets for which the credit risk is considered to be low, ECL is determined based on the PD over the next 12 months and the life time losses associated with such PD, adjusted for forward looking macroeconomic information.

Stage 2: Lifetime ECL not credit-impaired.

When there has been a SICR, the ECL is determined with reference to the financial asset's lifetime PD and the lifetime losses associated with that PD, adjusted for forward looking macroeconomic information. The Consolidated Entity assesses whether there has been a SICR since initial recognition. This assessment is based on qualitative information but primarily

relies on AASB 9's rebuttable backstop of a credit balance being greater than 30 days past due as the most reasonable and effective way of consistently determining when a significant increase in credit risk has occurred. Use of alternative criteria could result in significant changes to the timing and amount of the ECL to be recognised.

Stage 3: Lifetime ECL credit-impaired.

Financial assets are classified as Stage 3 where they are determined to be credit impaired, which generally matches the Australian Prudential Regulation Authority (APRA) definition of default and includes exposures that are at least 90 days past due.

The measurement of ECL for credit impaired financial assets is based on estimates that are inherently uncertain. PD and LGD rates are calculated from the Consolidated Entity's actual default and loss experience over the last five years which may not accurately reflect its future default and loss experience. EAD is calculated as the maximum available exposure amount at balance date, net of available security at its most recently recorded valuation estimate (but not less than zero). Lenders' Mortgage Insurance, if any, is not factored into the EAD calculation. Forward looking security value scenarios and macroeconomic factors are estimated from a range of publicly available economic sources but, by their nature, are not certain.

The statutory collective component of the provision is contingent upon the length of time loan repayments are in arrears and the security held. The provision varies according to the type of security attached to the loan and the number of days each loan is in arrears.

Reversals of impairment losses.

An impairment loss in respect of Loans and Advances measured at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

(q) Member share capital.

Withdrawable member share capital (redeemable preference shares) is classed as a liability (at amortised cost) and is therefore reported under the classification of Deposits from members (Note 15). Each member holds one redeemable preference share.

The Redeemed Share Reserve represents the amount of Preference Shares redeemed by the Company during the period 1 July 1999 to the date of this financial report. The *Corporations Act 2001* requires that redemption of these shares is to be made out of retained profits or through a new issue of shares for the purpose of the redemption. Since the value of the shares redeemed have been paid to the members in accordance with the terms and conditions of the share issue, the account balance represents the amount of profits appropriated to the account for the period stated above.

Notes to the Financial Statements.

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED).

(r) Investment instruments.

Investment Instruments are initially recognised at fair value and subsequently measured at amortised cost. An ECL provision is calculated based on current credit delinquency, historical default probabilities and rates of loss in the event of default. Because credit risk for these assets is considered to be low, the ECL is determined based on the PD over the next 12 months and the life time losses associated with such PD, adjusted for forward looking macroeconomic information.

Investments in Bank Bills and Bank and Government Bonds are initially recognised at fair value and subsequently measured at amortised cost. Discounts or premiums are amortised over the period of investment through the Statements of Profit or Loss so that the investments attain their redemption values by maturity date.

The Company's *Counterparties and Credit Limits* policy limits the Company to investing in counterparties with a Credit Rating Grade (CRG) above 3 as defined under Prudential Standard 112 *Capital Adequacy*. The *Counterparties and Credit Limits* policy also sets exposure limits for each counterparty type and investment grade.

(s) Property, plant and equipment.

Assets acquired are initially recognised at the cost of acquisition, being the fair value of the consideration provided plus costs incidental and directly attributable to the acquisition.

Costs incurred on assets subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the Consolidated Entity in future years, otherwise the costs are expensed as incurred.

Items of property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses.

Depreciation is provided on property, plant and equipment and is calculated on a straight line basis from the date the asset is held ready for use so as to write-off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight line method.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

The following estimated useful lives are used in the calculation of depreciation:

	For Current and Comparable Period
Buildings	40 years
Fit-out and leasehold improvements	5 to 10 years
Plant and equipment	3 to 7 years

Held for sale assets.

Non-current assets that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. The assets are measured at the lower of their carrying amount or fair value less cost to sell. Impairment losses on initial classification as held for sale, and subsequent gains and losses are recognised in profit or loss.

(t) Leases.

The Consolidated Entity is required to assess at the inception of a contract whether a contract is, or contains, a lease. To assess whether a contract is, or contains, a lease, the Consolidated Entity applies judgement as to whether:

- the contract involves the use of an identified asset;
- the Consolidated Entity has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Consolidated Entity has the right to direct the use of the asset.

Recognition.

The Consolidated Entity recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus an estimate of costs associated with restoring the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is tested for impairment and if there is an indicator, it is adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at present value of the lease payments that are not paid at the commencement date, discounted using the Consolidated Entity's incremental borrowing rate. The lease liability is remeasured when there is a change in future lease payments. This includes adjusting for variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

The carrying amounts are remeasured if there is a change in any of the future lease payments arising from a change in an index rate used, lease term and termination penalties. When a lease liability is remeasured, an adjustment is made for the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Notes to the Financial Statements.

The incremental borrowing rate is determined by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease. The Consolidated Entity has elected not to recognise right-of-use assets and lease liabilities for low value assets.

(u) Provisions.

Provisions are recognised when the Consolidated Entity has a present, legal or constructive obligation as a result of a past event, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the expected consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation and those cash flows are discounted to the present value where appropriate.

(v) Revenue recognition.

To determine whether to recognise revenue, the Consolidated Entity follows a 5-step process:

- Identifying the contract with a customer
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised either at a point in time or over time, when (or as) the Consolidated Entity satisfies performance obligations by transferring the promised goods or services to its members.

The Consolidated Entity recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the Statement of Financial Position. Similarly, if the Consolidated Entity satisfies a performance obligation before it receives the consideration, the Consolidated Entity recognises either a contract asset or a receivable in its Statement of Financial Position, depending on whether something other than the passage of time is required before the consideration is due.

Dividend income.

Dividend income is recognised when the right to receive the dividend has been established, which in the case of unlisted securities is when the dividend is declared.

Interest income and expense.

Interest income and expense on all financial instruments are recognised in interest revenue or expense in the Statements of Profit or Loss and Other Comprehensive Income. Interest income and expense are calculated using the effective interest method for financial assets and liabilities held at amortised cost and at FVOCI.

The effective interest method is a method of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts over the expected life of the financial instrument.

Specifically, for mortgage assets, the effect of this policy is to spread the impact of loan establishment fees, and costs directly attributable and incremental to setting up the loan, over the expected life of the mortgage. Other transaction related loan fees, including loan break fees, are recognised at the point of rendering the service to the member and reported as part of Other Income.

Due to the short-term nature and reviewability of Revolving Credit facilities, all associated fees, including establishment fees, are recognised at the time the related service is performed.

Sale of assets.

Income from the sale of assets is recognised when the significant risks and rewards of ownership of the asset passes from the Consolidated Entity to the buyer.

Notes to the Financial Statements.

	CONSOLIDATED		COMPANY	
	2026	2025	2026	2025
	\$m	\$m	\$m	\$m
2 REVENUE				
Revenue from operations consisted of the following items:				
Interest revenue	578	561	576	561
Fair value adjustment on interest rate swaps	(5)	2	(7)	10
Non interest operating income				
Fees and commissions				
- Loan fee income	10	8	10	8
- Member fee income	7	7	7	7
- Insurance commissions	6	6	6	6
- Other commissions	8	8	8	8
Dividend income	1	6	1	6
Other	2	1	4	3
Total non interest operating income	34	36	36	38
Total revenue	607	599	605	609

Notes to the Financial Statements.

	CONSOLIDATED		COMPANY	
	2026	2025	2026	2025
	\$m	\$m	\$m	\$m
3 EXPENSES				
Profit before income tax expense has been arrived at after charging the following expenses:				
Interest Expense	338	344	341	348
Bad debts written off	1	1	1	1
Increase / (decrease) in loans and advances impairment provisions	1	-	1	-
Impairment losses on loans and advances	2	1	2	1
Business combination costs	4	2	4	2
Other expenses				
Depreciation				
- Plant and equipment	2	2	2	2
- Right of use assets - property	7	7	7	7
- Right of use assets - motor vehicles	1	1	1	1
- Leasehold improvements	2	2	2	2
	12	12	12	12
Amortisation				
- Software	2	1	2	1
	2	1	2	1
Staff costs	90	86	90	86
Contributions to defined contribution superannuation funds	10	8	10	8
Employee entitlements expense	2	2	2	2
General administrative expenses				
- Fee and commission expense	23	21	23	21
- Information technology	31	33	31	33
- Occupancy	6	5	6	5
- Brand & marketing	4	4	4	4
- Communication	3	3	3	3
Other operating expenses	13	12	12	12
Total other expenses	196	187	195	187
Total non interest expense	202	190	201	190
Total expenses	540	534	542	538

Notes to the Financial Statements.

	CONSOLIDATED		COMPANY	
	2026	2025	2026	2025
	\$m	\$m	\$m	\$m
4 INCOME TAXES				
(a) Income tax recognised in the Statements of Profit or Loss				
Tax expense comprises:				
Current tax expense				
Current year	22	23	21	23
Capital gains tax on other investments recognised in FVOCI reserve	-	(4)	-	(4)
Current tax expense	22	19	21	19
Deferred tax expense				
Origination and reversal of temporary differences	-	-	-	3
Change in deferred tax balances	(2)	(1)	(2)	(1)
	(2)	(1)	(2)	2
Total tax expense	20	18	19	21
The prima facie income tax on profit from operations reconciles to the income tax provided in the financial statements as follows:				
Profit from operations	70	67	66	72
Income tax expense calculated at 30% (2025: 30%)	21	20	20	21
Franked dividends received	-	(2)	-	(2)
Capital gain on equity accounted investments	(1)	-	(1)	-
Net fair value adjustment on interest rate swaps	2	(1)	2	1
Fixed assets	-	1	-	1
Change in recognised temporary differences	(2)	-	(2)	-
	(1)	(2)	(1)	-
Under / (over) provision of income tax in previous year	-	-	-	-
Income tax expense	20	18	19	21
(b) Income tax recognised directly in equity				
The following deferred amounts were charged directly to equity during the period:				
Deferred tax arising from business combinations	(1)	-	(1)	-
Deferred tax arising from fair value adjustments	(2)	-	(2)	-
Deferred tax on other investments recognised in FVOCI reserve	-	2	-	2
	(3)	2	(3)	2
(c) Current tax balances				
Current tax assets comprise:				
Tax refund receivable	-	-	-	-
	-	-	-	-
Current tax liabilities comprise:				
Income tax payable	5	6	5	6
	5	6	5	6

Notes to the Financial Statements.

	CONSOLIDATED		COMPANY	
	2026	2025	2026	2025
	\$m	\$m	\$m	\$m
4 INCOME TAXES (CONTINUED)				
(d) Deferred tax balances				
Deferred tax assets comprise:				
Loans and advances to members	2	-	2	-
Other financial assets	-	-	1	1
Property, plant and equipment	7	7	7	7
Trade and other payables	1	1	1	1
Loans and advances - specific provisions	2	2	2	2
Employee benefits	5	5	5	5
Lease liabilities	30	29	30	29
Black hole expenditure (\$40-880)	1	1	1	1
	48	45	49	46
Deferred tax liabilities comprise:				
Prepayments	-	1	-	1
Other investments	7	4	7	4
Remeasurement of contract receivable	1	1	1	1
Right of use assets	30	28	30	28
Property, plant and equipment	2	2	2	2
Intangible assets	1	1	1	1
	41	37	41	37
Net deferred tax assets	7	8	8	9
(e) Franking credits				
Adjusted franking account balance (tax provision basis)			307	290

5 CASH AND CASH EQUIVALENTS

Cash on hand and deposits at call	204	186	204	186
Cash on hand and deposits at call	204	186	204	186

6 PREPAYMENTS AND OTHER RECEIVABLES

Prepayments and other receivables	48	28	48	28
The Barton Trust liquidity buffer swap deposits	6	3	6	3
Trailing commission receivable	5	4	5	4
Interest receivable	18	17	18	17
	77	52	77	52

Notes to the Financial Statements.

	CONSOLIDATED		COMPANY	
	2026	2025	2026	2025
	\$m	\$m	\$m	\$m
7 INVESTMENT INSTRUMENTS				
Bank deposits	41	25	41	25
Negotiable certificates of deposit and floating rate notes	1,058	933	1,058	933
Bonds	607	395	607	395
Other deposits	117	114	117	114
	1,823	1,467	1,823	1,467
Provision for impairment	(1)	(1)	(1)	(1)
	1,822	1,466	1,822	1,466

8 LOANS AND ADVANCES

Revolving credit loans	65	68	65	68
Term loans	10,431	9,211	10,431	9,211
Gross loans and advances	10,496	9,279	10,496	9,279
Provision for impairment	(8)	(7)	(8)	(7)
Net loans and advances	10,488	9,272	10,488	9,272
(a) Concentration of risk				
The loan portfolio of the Consolidated Entity includes no loans, or groups of loans that represent greater than 10% of capital. An analysis of the concentration of the Consolidated Entity's loans and advances by geographic location is provided below:				
- South Australia	2,538	2,333	2,538	2,333
- Western Australia	1,431	1,317	1,431	1,317
- Australian Capital Territory	1,296	1,257	1,296	1,257
- New South Wales	2,168	1,718	2,168	1,718
- Victoria	1,576	1,493	1,576	1,493
- Other	1,487	1,161	1,487	1,161
Gross loans and advances	10,496	9,279	10,496	9,279

(b) Securitised loans

The Company has established The Barton securitisation program to provide a diversified and longer term source of funding compared to previous wholesale funding options. The Company sells the rights to future cashflows of eligible residential home loans into The Barton program and receives funds equal to the aggregated outstanding balances on all loans which The Barton program has purchased and then subsequently issued Notes for investors to invest in. Whilst the cashflows have been transferred, the Company has been appointed to service the loans. In practical terms, the Company's obligation is to continue to manage the loans as if it were the lender.

The transfer of a financial asset is dependent upon the extent to which the risks and rewards of ownership are transferred. In the case of loans securitised with The Barton program it has been determined that the Company substantially retains the risks and rewards of ownership, and hence continues to recognise the assets for financial reporting purposes. The balance at year end is separately disclosed below with a liability to Barton Trusts for the equivalent amount being recognised under Note 18 – Borrowings.

The risks associated with The Barton securitised loans relate to the potentially variable nature of the cashflows received by the Company for servicing the loans. In addition, the Company is exposed to first loss credit risk in respect of Barton loans. These risks are managed by the Company.

Notes to the Financial Statements.

8 LOANS AND ADVANCES (CONTINUED)

Securitised Loan Funding is provided through Perpetual Corporate Trust Limited ("Perpetual"), as Trustee of the Barton Series Trusts.

In addition to The Barton program, the Company has used Bendigo and Adelaide Bank (Bendigo) to provide funding for lending. The sale of loans to Bendigo is considered to be a clean sale of loan receivables that effectively transfers the risks and rewards of ownership and hence these loans are treated as off-balance sheet.

	CONSOLIDATED		COMPANY	
	2026	2025	2026	2025
	\$m	\$m	\$m	\$m
On-Balance sheet securitised loans (The Barton program)	1,680	1,520	1,680	1,520
Associated funding received from notes issued	1,659	1,475	1,659	1,475
The fair value of securitised loans and the associated bank facilities are substantially the same as the carrying amount.				
Off-Balance sheet securitised loans	1	2	1	2

9 IMPAIRMENT OF LOANS AND ADVANCES

The policy covering impaired loans and advances is set out in Note 1.

Specific provision for impairment

Balance at beginning of financial year	1	1	1	1
Increase / (decrease) in the provision	1	-	1	-
Closing specific provision for impairment	2	1	2	1

Collective provision for impairment

Balance at beginning of financial year	6	5	6	5
Increase / (decrease) in the provision	-	1	-	1
Closing collective provision for impairment	6	6	6	6
Total provision for impairment	8	7	8	7

Restructured loan balances

With provision for impairment	-	-	-	-
Collective provision for impairment	-	-	-	-
Without provision for impairment	4	2	4	2
Net restructured loans	4	2	4	2

(a) Interest revenue on non-accrual and restructured loans	-	-	-	-
(b) Interest foregone on non-accrual and restructured loans	1	1	1	1
(c) Net fair value of assets acquired through the enforcement of security during the financial year	3	3	3	3
(d) Forced sale proceeds	5	5	5	5

Notes to the Financial Statements.

9 IMPAIRMENT OF LOANS AND ADVANCES (CONTINUED)

Amounts arising from expected credit loss

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument. The basis for determining transfers due to changes in credit risk is set out in accounting policy Note 1(p).

Consolidated	Stage 1 \$m	Stage 2 \$m	Stage 3 \$m	Total \$m
Balance at 30 June 2024	4	-	2	6
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
New financial assets originated or purchased	1	-	-	1
Acquired through business combinations	-	-	-	-
Writeback of provision not required	-	-	-	-
Write-offs	-	-	-	-
Balance at 30 June 2025	5	-	2	7
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(2)	2	-	-
Transfer to Stage 3	-	(2)	2	-
New financial assets originated or purchased	2	-	-	2
Writeback of provision not required	-	-	-	-
Write-offs	-	-	(1)	(1)
Balance at 30 June 2026	5	-	3	8
Company	Stage 1 \$m	Stage 2 \$m	Stage 3 \$m	Total \$m
Balance at 30 June 2024	4	-	2	6
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
New financial assets originated or purchased	1	-	-	1
Acquired through business combinations	-	-	-	-
Writeback of provision not required	-	-	-	-
Write-offs	-	-	-	-
Balance at 30 June 2025	5	-	2	7
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(2)	2	-	-
Transfer to Stage 3	-	(2)	2	-
New financial assets originated or purchased	2	-	-	2
Writeback of provision not required	-	-	-	-
Write-offs	-	-	(1)	(1)
Balance at 30 June 2026	5	-	3	8

10 BUSINESS COMBINATIONS

The Company accepted a total voluntary transfer of Family First Credit Union (trading as Family First) on 1 March 2026, under the *Financial Sector (Business Transfer and Group Restructure) Act 1999 (Cth)*. Beyond Bank Australia Limited was identified as the acquirer in this business combination. No consideration was paid under this transaction. Family First’s business was assessed for Identifiable Intangible Assets and none were recognised by the Company because their values are not material.

Notes to the Financial Statements.

10 BUSINESS COMBINATIONS (CONTINUED)

Business combinations enable the Consolidated Entity to offer its members enhanced access and a broader range of products and services. In addition, its increased scale will enhance its ability to pursue its strategic goals, further spread its geographic risks, improve operating efficiency and provide increased opportunities for its staff.

	CONSOLIDATED		COMPANY	
	2026 \$m	2025 \$m	2026 \$m	2025 \$m
Details of business combinations are as follows:				
Consideration				
Cash	-	-	-	-
	-	-	-	-
Fair value of net assets acquired				
Assets				
Cash and cash equivalents	16	-	16	-
Prepayments and other receivables	3	-	3	-
Investment instruments	19	-	19	-
Loans and advances	212	-	212	-
Right of use assets	-	-	-	-
Current tax assets	-	-	-	-
Deferred tax assets	1	-	1	-
Liabilities				
Deposits from members	230	-	230	-
Trade and other payables	5	-	5	-
Lease liabilities	-	-	-	-
Net assets acquired	16	-	16	-
Equity				
Retained earnings	16	-	16	-
Net assets less equity acquired	-	-	-	-
Goodwill on acquisition	-	-	-	-

11 OTHER INVESTMENTS

Controlled entities	-	-	2	2
	-	-	2	2
Equity securities at fair value through other comprehensive income	18	22	18	22
Revaluation through other comprehensive income adjustment	12	7	12	7
Disposals	-	(11)	-	(11)
	30	18	30	18
Held for sale - investment securities - transferred from Equity Accounted Investments	-	5	-	5
Disposals	-	(5)	-	(5)
	-	-	-	-
Total investment securities	30	18	32	20

The Consolidated Entity has designated the investments shown above as equity securities at FVOCI because these equity securities represent investments that the Consolidated Entity intends to hold for the long term for strategic purposes.

Notes to the Financial Statements.

11 OTHER INVESTMENTS (CONTINUED)

Controlled Entities

Eastwoods Wealth Management Pty Ltd is wholly owned by Eastwoods Group Pty Ltd.

AWA Mutual Limited is a wholly owned subsidiary of the Company.

Beyond Bank Australia Foundation Ltd is a public company limited by guarantee with the Company being the sole \$100 guarantor.

Beyond Bank Australia Foundation Master Support Fund, Beyond Bank Australia Foundation Master DGR Fund, and Beyond Employee Benevolent Fund Pty Ltd are not-for-profit entities primarily involved in administering charitable donations.

In April 2011, the Company established a residential mortgage-backed securitisation (RMBS) program, The Barton program.

Under The Barton program the Company has subsequently established the following facilities: The Barton W Warehouse in February 2012 and The Barton A Warehouse in August 2011, The Barton Series 2017-1 in July 2017, The Barton Series 2019-1 in November 2019, The Barton Series 2023-1 in September 2023, The Barton Series 2025-1 in November 2025 and internal securitisation program The Barton Series 2013-1R Trust in May 2013.

Community CPS Services Pty Ltd was established in 2011 to manage the activity of the securitisation trusts.

12 RIGHT OF USE ASSETS

		Property	Motor Vehicles	Total
Consolidated	Note	\$m	\$m	\$m
Balance at 30 June 2024		19	1	20
Net additions		4	2	6
Depreciation expense	3	(7)	(1)	(8)
Balance at 30 June 2025		16	2	18
Net additions		7	1	8
Acquisitions through business combinations	10	-	-	-
Depreciation expense	3	(7)	(1)	(8)
Balance at 30 June 2026		16	2	18
Company				
Balance at 30 June 2024		19	1	20
Net additions		4	2	6
Depreciation expense	3	(7)	(1)	(8)
Balance at 30 June 2025		16	2	18
Net additions		7	1	8
Acquisitions through business combinations	10	-	-	-
Depreciation expense	3	(7)	(1)	(8)
Balance at 30 June 2026		16	2	18

Notes to the Financial Statements.

13 PROPERTY, PLANT AND EQUIPMENT

		Land & buildings held for sale	Land & buildings at deemed cost	Fit-out & Leasehold Improvements at cost	Plant & Equipment at cost	Total
Consolidated	Note	\$m	\$m	\$m	\$m	\$m
Gross Carrying Amount						
Balance at 30 June 2024		-	10	25	18	53
Additions		-	-	4	3	7
Reclassified as held-for-sale asset		9	(7)	(2)	-	-
Balance at 30 June 2025		9	3	27	21	60
Acquisitions through business combinations	10	-	-	-	-	-
Additions		-	-	3	3	6
Disposals		-	-	(1)	(1)	(2)
Reclassified as held-for-sale asset		-	-	-	-	-
Balance at 30 June 2026		9	3	29	23	64
Accumulated Depreciation						
Balance at 30 June 2024		-	2	18	15	35
Reclassified as held-for-sale asset		1	(1)	-	-	-
Depreciation expense	3	-	-	2	2	4
Balance at 30 June 2025		1	1	20	17	39
Acquisitions through business combinations	10	-	-	-	-	-
Disposals		-	-	(1)	(1)	(2)
Reclassified as held-for-sale asset		-	-	-	-	-
Depreciation expense	3	-	-	2	2	4
Balance at 30 June 2026		1	1	21	18	41
Net book value						
Balance at 30 June 2025		8	2	7	4	21
Balance at 30 June 2026		8	2	8	5	23

Notes to the Financial Statements.

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)						
		Land & buildings held for sale	Land & buildings at deemed cost	Fit-out & Leasehold Improvements at cost	Plant & Equipment at cost	Total
Company	Note	\$m	\$m	\$m	\$m	\$m
Gross Carrying Amount						
Balance at 30 June 2024		-	10	25	18	53
Additions		-	-	4	3	7
Reclassified as held-for-sale asset		9	(7)	(2)	-	-
Balance at 30 June 2025		9	3	27	21	60
Acquisitions through business combinations	10	-	-	-	-	-
Additions		-	-	3	3	6
Disposals		-	-	(1)	(1)	(2)
Reclassified as held-for-sale asset		-	-	-	-	-
Balance at 30 June 2026		9	3	29	23	64
Accumulated Depreciation						
Balance at 30 June 2024		-	2	18	15	35
Reclassified as held-for-sale asset		1	(1)	-	-	-
Depreciation expense	3	-	-	2	2	4
Balance at 30 June 2025		1	1	20	17	39
Disposals		-	-	(1)	(1)	(2)
Reclassified as held-for-sale asset		-	-	-	-	-
Depreciation expense	3	-	-	2	2	4
Balance at 30 June 2026		1	1	21	18	41
Net Book Value						
Balance at 30 June 2025		8	2	7	4	21
Balance at 30 June 2026		8	2	8	5	23

An independent valuation of the Consolidated Entity’s land and buildings at Mawson, ACT, was performed as at 10 March 2022, by Ms A Galvin and Mr I Robertson of Jones Lang LaSalle Advisory Services Pty Ltd to determine the fair value of the land and buildings. The valuation was performed on the basis of current tenancies and vacant possession for the owner occupied floor area that valued the property at \$5.230M.

In March 2025, a contract was signed for the sale of the Mawson land and buildings; however the transaction did not proceed to settlement. As management continues to actively market the assets, they remain classified as held for sale.

An independent valuation was obtained for the land and buildings at Warrnambool, VIC, in June 2023 by Mr Les Speed of Preston Rowe Paterson to determine the fair value of the land and buildings. The valuation of \$2.350M was based on the market value subject to vacant possession. These assets were classified as held for sale as at 30 June 2025 and continue to be actively marketed by management. Accordingly, they remain classified as held for sale.

Capital expenditure commitments for plant and equipment contracted for but not provided for and payable within one year are \$388,063 (2025: \$497,514). There are no capital commitments payable after one year (2025: \$Nil).

Notes to the Financial Statements.

Note	CONSOLIDATED		COMPANY	
	2026	2025	2026	2025
	\$m	\$m	\$m	\$m
14 INTANGIBLE ASSETS				
Gross carrying amount - capitalised software				
Balance at beginning of the financial year	18	15	18	15
Additions	3	3	3	3
Balance at end of financial year	21	18	21	18
Accumulated amortisation				
Balance at beginning of the financial year	12	11	12	11
Amortisation expense	2	1	2	1
Balance at end of financial year	14	12	14	12
Net book value				
Balance at beginning of the financial year	6	4	6	4
Balance at end of financial year	7	6	7	6

	CONSOLIDATED		COMPANY	
	2026	2025	2026	2025
	\$m	\$m	\$m	\$m
15 DEPOSITS FROM MEMBERS				
Withdrawable member shares	1	1	1	1
Deposits from controlled entities at call	-	-	17	17
Call deposits	5,481	4,849	5,481	4,849
Term deposits	3,836	3,489	3,845	3,498
	9,318	8,339	9,344	8,365

Each member share entitles the holder to vote at a meeting of members (except if the member is a minor), to participate equally in any surplus upon winding up and to request its redemption at any time. The shares are not transferable and have no dividend entitlement.

The number of member shares at 30 June 2026 is 349,153 (2025: 334,779).

(a) Concentration of deposits

The deposit portfolio of the Company does not include any deposits or groups of deposits that represents a material concentration in terms of the source of liability.

Notes to the Financial Statements.

	Note	CONSOLIDATED		COMPANY	
		2026	2025	2026	2025
		\$m	\$m	\$m	\$m
16 TRADE AND OTHER PAYABLES					
Unearned loan fee obligation		1	1	1	1
Trade and other creditors		36	13	36	13
		37	14	37	14
17 LEASE LIABILITIES					
Balance at the beginning of the financial year		23	25	23	25
Interest expense		1	1	1	1
Lease payments made		(10)	(9)	(10)	(9)
Net change from financing cash flows		(9)	(8)	(9)	(8)
Net additions		8	6	8	6
Acquisitions through business combinations	10	-	-	-	-
Balance at end of financial year		22	23	22	23
Lease liability maturity analysis					
Less than 1 year		9	8	9	8
Between 1 and 5 years		12	14	12	14
Beyond 5 years		1	1	1	1
		22	23	22	23

Notes to the Financial Statements.

	CONSOLIDATED		COMPANY	
	2026	2025	2026	2025
	\$m	\$m	\$m	\$m
18 BORROWINGS				
Negotiable certificates of deposit	166	103	166	103
Medium Term Notes	600	300	600	300
Securitised loan funding	1,659	1,475	1,659	1,475
	2,425	1,878	2,425	1,878
Reconciliation of borrowings				
Balance at the beginning of the financial year	1,878	1,691	1,878	1,691
Drawdowns during the period	1,861	1,467	1,861	1,467
Repayments during the period	(1,314)	(1,280)	(1,314)	(1,280)
Balance at the end of the financial year	2,425	1,878	2,425	1,878

Securitised loan funding is provided through Perpetual Corporate Trust Limited (“Perpetual”).

Funding provided through Perpetual is in its capacity as Trustee for the The Barton Series Trusts. Under the transaction documents for these facilities, The Barton Series Trusts acquire residential mortgages originated by the Company. The acquisition of these residential mortgages by each of the Series Trusts is funded by Notes issued from those Trusts. The Master Trust Deed established for each structure does not have an expiry date. The maturity profile of the issued notes are effectively tied to the maturity profile of the associated securitised loans and has been disclosed accordingly at Note 29(b).

Warehouse securitisation funding under The Barton Trust program is also provided by Perpetual in its capacity as Trustee of The Barton A Warehouse Trust and The Barton W Warehouse Trust. The Barton A Warehouse Trust was established in August 2011, expires in October 2026 and, under its transaction documents, acquires residential mortgages originated by the Company with funding provided by Australia and New Zealand Banking Group. The Barton W Warehouse Trust was established in February 2012, expires in June 2027 and, under its transaction documents, acquires residential mortgages originated by the Company with funding provided by Westpac Banking Corporation. Both warehouse facilities can be renewed with the agreement of the relevant parties.

Notes to the Financial Statements.

	CONSOLIDATED		COMPANY	
	2026	2025	2026	2025
	\$m	\$m	\$m	\$m
19 OTHER FINANCIAL ASSETS / (LIABILITIES)				
At fair value:				
Interest rate swap assets	2	2	-	2
Total other financial assets	2	2	-	2
Interest rate swap liabilities	(8)	(1)	(8)	-
Total other financial assets / (liabilities)	(6)	1	(8)	2

In certain circumstances, the Company has the right to set-off the amounts due to/owed from interest rate counterparties for the above interest rate swap instruments.

The impact of netting off would not have a material impact on the reported financial position of the Company.

20 RESERVES

Asset revaluation reserve

Upward (or subsequent downward) adjustments to the carrying value of assets are recorded in the asset revaluation reserve.

Fair value through other comprehensive income reserve - equity instruments

The fair value reserve comprises the cumulative net change in the fair value of equity securities measured at FVOCI.

Hedging Reserve

Gains or losses on a hedging instrument that are recognised directly in other comprehensive income are recorded in this cash flow hedge reserve.

Transfer of business reserve

Mergers with other mutual entities are accounted for by recognising the identifiable assets and liabilities of the transferring entity on the Statements of Financial Position at their fair value at the date of merger. The excess of the fair value of assets taken up over liabilities assumed is taken directly to equity as a reserve.

	CONSOLIDATED		COMPANY	
	2026	2025	2026	2025
	\$m	\$m	\$m	\$m
21 RETAINED EARNINGS				
Balance at beginning of financial year	556	509	549	499
Transfer from FVOCI equity instruments reserve	5	(1)	5	(1)
Net profit for the period	50	48	47	51
Balance at end of financial year	611	556	601	549

Notes to the Financial Statements.

	CONSOLIDATED		COMPANY	
	2026	2025	2026	2025
	\$m	\$m	\$m	\$m
22 NOTES TO THE STATEMENTS OF CASH FLOWS				
(a) Reconciliation of profit to net cash flows from operating activities:				
Profit for the year	50	48	47	51
Impairment (reversals) / losses on loans and advances and investment instruments	2	-	2	-
Impairment losses on equity accounted investments	-	-	-	-
Depreciation and amortisation of non current assets	14	13	14	13
Business combination costs classified as cash flows from investing activities	4	2	4	2
Net (gain) / loss on sale of other investments	(1)	(1)	(1)	(1)
Changes in assets and liabilities				
Decrease / (Increase) in loans, advances and other receivables	(1,002)	(617)	(1,002)	(617)
Decrease / (Increase) in investment instruments	(338)	(256)	(338)	(256)
Decrease / (Increase) in interest receivable	1	(1)	1	(1)
Decrease / (Increase) in prepayments and other receivables	(25)	1	(25)	1
Decrease / (Increase) in other financial assets	6	(2)	8	(10)
Decrease / (Increase) in deferred tax assets	1	-	1	3
Increase / (Decrease) in deposits from members	747	611	748	613
Increase / (Decrease) in interest payable	3	(8)	3	(8)
Increase / (Decrease) in employee entitlements	-	-	-	-
Increase / (Decrease) in current tax liabilities	(1)	10	(1)	10
Increase / (Decrease) in other creditors	19	(17)	19	(17)
Net cash from operating activities	(520)	(217)	(520)	(217)

(b) Reconciliation of cash and cash equivalents

For the purposes of the Statements of Cash Flows, cash and cash equivalents includes cash on hand and in financial institutions, net of outstanding overdrafts.

Cash as at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the related items in the Statements of Financial Position as follows;

Cash and cash equivalents (Note 5)	204	186	204	186
Closing cash balance	204	186	204	186

(c) Cashflows presented on a net basis

Cash flows arising from the following activities are presented on a net basis in the Statements of Cash Flows:

- i) member deposits to and withdrawals from deposit accounts
- ii) borrowings and repayments on loans, advances and other receivables
- iii) membership shares purchased and redeemed
- iv) dealings with other financial institutions.

Notes to the Financial Statements.

	CONSOLIDATED		COMPANY	
	2026	2025	2026	2025
	\$m	\$m	\$m	\$m
22 NOTES TO THE STATEMENTS OF CASH FLOWS (CONTINUED)				
(d) Financing facilities				
The Company has access to the following financing facilities with Cuscal Ltd, Bendigo and Adelaide Bank Limited and The Barton Warehouse Trusts.				
The overdraft facility from Cuscal Ltd is secured by security deposits totalling \$60.0M.				
Overdraft facility - Cuscal Ltd				
Approved limit (committed)	60	60	60	60
Balance at end of financial year	-	-	-	-
Unused credit at end of financial year	60	60	60	60
Standby facility - Bendigo and Adelaide Bank Limited				
Approved limit (committed)	25	25	25	25
Balance at end of financial year	-	-	-	-
Unused credit at end of financial year	25	25	25	25
Loan securitisation funding - Barton W Warehouse Trust				
Approved limit (committed)	350	525	350	525
Balance at end of financial year	329	514	329	514
Unused credit at end of financial year	21	11	21	11
Loan securitisation funding - Barton A Warehouse Trust				
Approved limit (committed)	335	450	335	450
Balance at end of financial year	327	439	327	439
Unused credit at end of financial year	8	11	8	11

All facilities are reviewed annually and therefore contractually mature within one year.

Notes to the Financial Statements.

	CONSOLIDATED		COMPANY	
	2026	2025	2026	2025
	\$m	\$m	\$m	\$m
23 EMPLOYEE BENEFITS				
Employee entitlements				
Provision for employee benefits				
- Annual leave	8	7	8	7
- Long service leave	8	8	8	8
Total provision for employee benefits	16	15	16	15
Accrued staff costs included in trade and other payables (Note 16)	3	6	3	6
Aggregate employee benefit and related on-cost liabilities	19	21	19	21

24 COMMITMENTS TO EXTEND CREDIT

Binding commitments to provide loan funding are agreements to lend to the member as long as there is no violation of any condition established in the contract. The total commitment amounts do not necessarily represent future cash requirements. The balance of undrawn credit limits are commitments which can be unconditionally revoked at any time without notice and are subject to review at least annually.

Approved but undrawn loans	168	145	168	145
Approved but undrawn credit limits	157	160	157	160
	325	305	325	305

25 SIGNIFICANT ALLIANCES

The Company has significant alliances with the following suppliers of services:

Cuscal Ltd

This entity supplies the Company with rights to member cheques and Visa cards in Australia, and provides services in the form of settlement with bankers for member cheques, electronic funds deposit, and Visa card transactions and provides the link for all member electronic funds transactions to the computer bureau which services the Company. The Company is a shareholder in Cuscal Ltd.

Data Action Pty Ltd

The computer bureau services business provides the Company with a range of computing services including its core banking system.

Allianz Insurance Ltd

The Company is an agent of Allianz Australia Insurance Limited for the purpose of offering their specialised range of insurance products to members.

Network Solutions Group

This entity provides the Company with managed network services for data communications nationally.

NextGen.Net Pty Ltd

This entity provides the Company with the software application for the end to end processing of credit applications for mortgage and consumer loans.

QBE Lenders' Mortgage Insurance Limited Pty Ltd

The Company is an agent of QBE Lenders' Mortgage Insurance Limited for the purpose of offering their Lenders' Mortgage Insurance products to members.

Notes to the Financial Statements.

	CONSOLIDATED		COMPANY	
	2026	2025	2026	2025
	\$	\$	\$	\$
26 AUDITOR'S REMUNERATION				
Amounts received or due and receivable by the auditors of the Consolidated Entity - KPMG :				
- audit and review of financial statements	258,510	238,240	210,882	195,892
- regulatory sustainability report assurance services	92,000	-	92,000	-
- other regulatory activities	116,100	121,160	106,507	111,717
- other services relating to agreed upon procedures	127,575	105,110	127,575	105,110
- taxation services	50,397	57,125	50,397	57,125
- other consulting services	-	220,000	-	220,000
other auditors:				
- agreed upon procedures services relating to merger activites	23,500	-	23,500	-
	668,082	741,635	610,861	689,844

The Board is satisfied that the provision of non-audit services has not compromised auditor independence. No audit or other services were provided by practices related to the auditor of the Consolidated Entity.

27 KEY MANAGEMENT PERSONNEL DISCLOSURES

The following were key management personnel of the Company at any time during the reporting period.

Non-Executive Directors

S D Andersen (Chair) - retired 24 November 2025
J Evans (Chair)
J Baker
C Yates - commenced 1 February 2026
S Coles
T Bartlett
C Batchelor
H Thornton - commenced 25 November 2025

Executives

D Marshall (Chief Executive Officer)
A Maughan (Chief Financial Officer)
W Matters (Deputy CEO and Interim CEO) - ceased 1 July 2025
P Rutter (Chief Community and Strategy Officer) - ceased 20 February 2026
N May (Chief Member Banking Officer) - ceased 10 April 2026
M Coelho (Chief People Officer)
G Heathcote (General Manager - Business Banking) - ceased 19 February 2026
B Markwart (Chief Risk Officer)
S Dovico (Chief Information Officer) - ceased 30 January 2026
S Scott-Young (Chief Member Banking Officer) - commenced in role 25 May 2026
W Den Hartog (Chief Operating Officer)
M Angrish (Chief Technology Officer) - commenced 4 May 2026
A Alsbury (Chief Product and Marketing Officer) - commenced 4 May 2026

	CONSOLIDATED		COMPANY	
	2026	2025	2026	2025
	\$	\$	\$	\$
Key management personnel compensation				
The aggregate compensation of the key management personnel of the Company at any time during the reporting period.				
Short term employee benefits	5,841,183	5,088,777	5,841,183	5,088,777
Other long term benefits	(154,482)	15,572	(154,482)	15,572
Post employment benefits	1,368,393	997,929	1,368,393	997,929
	7,055,094	6,102,278	7,055,094	6,102,278

The key management personnel compensation detailed above is included in staff costs (Note 3) with \$856,355 (2025: \$793,133) relating to directors included in Other Operating Expenses (Note 3). Post employment benefits include Superannuation and termination benefits paid during the period.

Notes to the Financial Statements.

	CONSOLIDATED		COMPANY	
	2026	2025	2026	2025
	\$	\$	\$	\$
27 KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)				
Other transactions with key management personnel - financial instruments				
Loans to key management personnel and their related parties				
Loans and overdrafts outstanding	8,518,671	10,403,811	8,518,671	10,403,811

Loans totalling \$4,337,660 (2025: \$4,636,970) were made to key management personnel during the year. During the year key management personnel repaid \$6,586,261 (2025: \$2,057,180) of the balance outstanding on their loan. Loans are either unsecured or secured, and if secured they are secured by registered mortgage over the borrower's residences. Interest received on the loans during the year totalled \$363,461 (2025: \$364,861).

Deposits from key management personnel and their related parties

Deposit balances	1,495,680	2,622,927	1,495,680	2,622,927
------------------	-----------	-----------	-----------	-----------

Financial instrument transactions between key management personnel and the Company during the financial year were in the nature of normal personal banking, investment and deposit transactions. These transactions occurred on an arm's length basis and on normal commercial terms and conditions materially no more favourable than those given to other employees or members generally.

Other transactions with key management personnel

Each key management member holds one Member share in the Company.

28 OTHER RELATED PARTY DISCLOSURES

Other related party transactions - ultimate parent entity

Beyond Bank Australia Limited is the parent entity in the Consolidated Entity and the ultimate parent entity in the wholly-owned group.

Other related party transactions - equity interests in controlled entities

Details of the percentage of ordinary shares held in controlled entities are disclosed in the Consolidated Entity Disclosure Statement.

Other related party transactions - transactions within the wholly-owned group

The wholly-owned group includes: The ultimate parent entity in the wholly-owned group; and Controlled entities, listed in the Consolidated Entity Disclosure Statement.

Amounts receivable and payable to entities in the wholly-owned group are disclosed in Note 6 to the financial statements.

Other transactions that occurred during the financial year between entities in the wholly-owned group were:

- The Company provides administrative support to its controlled entities across a range of services, including accounts payable processing, marketing support, property maintenance, Information Technology. The extent of this support is not material to the Company and no charges are levied for their provision.
- The Company made donations totalling \$700,000 (2025: \$711,299) to the Beyond Bank Australia Foundation Master Support Fund and the Beyond Bank Australia Foundation Master DGR Fund; and
- A management fee of \$2,901,184 (2025: \$2,860,680) was paid to Community CPS Services Pty Ltd for trust management services in relation to The Barton Trusts.

Notes to the Financial Statements.

Payments received by the Company from each of the individual Barton Trusts are summarised in the following table:

Trust Name	Servicing Fees	Residual Income	Eligible Facilities	Total
	\$	\$	\$	\$
30 June 2026				
The Barton W Warehouse Trust	1,239,344	-	-	1,239,344
The Barton A Warehouse Trust	1,011,771	104,080	-	1,115,851
The Barton Series 2013-1R Trust	5,986,379	21,005,163	(24,016,137)	2,975,405
The Barton Series 2017-1 Trust	160,921	272,788	(239,421)	194,288
The Barton Series 2019-1 Trust	283,418	771,343	(87,310)	967,451
The Barton Series 2023-1 Trust	723,969	1,171,184	(659,833)	1,235,320
The Barton Series 2025-1 Trust	1,059,690	1,996,563	(841,247)	2,215,006
30 June 2025				
The Barton W Warehouse Trust	1,596,031	-	-	1,596,031
The Barton A Warehouse Trust	1,409,875	390,248	-	1,800,123
The Barton Series 2013-1R Trust	5,496,950	20,186,032	(17,352,219)	8,330,763
The Barton Series 2014-1 Trust	59,554	279,543	(88,317)	250,780
The Barton Series 2017-1 Trust	211,575	364,509	24,288	600,372
The Barton Series 2019-1 Trust	354,951	1,010,890	187,098	1,552,939
The Barton Series 2023-1 Trust	922,338	1,683,785	450,970	3,057,093

29 FINANCIAL INSTRUMENTS

(a) Financial risk management objectives

The Company and Consolidated Entity as part of their daily operations are exposed to a range of risks. The management of these risk exposures involves a number of activities including the identification of particular risks, quantifying the risk exposure, implementing procedures to control and mitigate the risks, and risk reporting.

The Company and Consolidated Entity have in place an enterprise wide risk management process. The process is managed through its Board Risk Committee, the Board Audit Committee, and the Management Assets and Liabilities Committee, and is supported by a documented risk management plan, risk policies and strategies, internal controls and procedures, and a Business Risk and Continuity Plan.

The risk management process involves establishing the context and the identification, analysis, evaluation, treatment, communication, and ongoing monitoring of risks. A risk database has been established as part of the risk management process that utilises internationally recognised software enabling a structured and logical assessment, and reporting of identified risks including their consequences and likelihood, and the assessment of established risk mitigation controls.

Risks of financial instruments are reported for the Consolidated Entity only as they are not materially different to those of the Company.

The Company does not enter into or trade financial instruments, including derivative financial instruments for speculative purposes. The use of financial derivatives is governed by the Company's policies, as approved by the Board. Compliance with policies is reviewed by the risk management structure in place on a continuous basis, as discussed above.

Notes to the Financial Statements.

29 FINANCIAL INSTRUMENTS (CONTINUED)

b) Liquidity risk management

Liquidity risk is the risk that the Consolidated Entity will encounter difficulties in meeting obligations from its financial liabilities. The Consolidated Entity's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to its reputation.

The Consolidated Entity has in place policies, information systems and a structured process to measure, monitor and manage liquidity risk. The key measure used by the Consolidated Entity for managing liquidity risk is the ratio of high quality liquid assets to its liabilities base, as defined in APRA Prudential Standards. The management process incorporates specific liquidity management strategies and liquidity contingency plans that manage liquidity on a daily basis under normal situations and assumed adverse scenarios. The liquidity strategy requires the holding of surplus funds in high quality liquid assets, the availability of appropriate standby lines of funding, maintenance of reliable sources of funding (retail and wholesale) and daily, medium and longer term liquidity projections.

APRA Prudential Standards place specific management and reporting requirements on banks in relation to liquidity risk. The Prudential Standards provide that liquidity strategies and liquidity holdings can be based on either a scenario analysis or on a minimum liquidity holdings basis. APRA has approved the adoption by the Company of a minimum liquidity holdings basis whereby the Company is required to maintain a minimum holding of 9% of its liabilities in specified high quality liquid assets at all times. The Company and the Consolidated Entity complied with all APRA liquidity requirements throughout the year.

	CONSOLIDATED	
	2026	2025
	%	%
Liquidity holdings	15.16	14.79

An analysis of residual contractual maturities of the Consolidated Entity's financial liabilities, which are not materially different to that of the Company, is set out below. Liability balances set out below include all interest obligations at maturity and hence will differ from the carrying amount on the balance sheet.

Financial Instruments	Not later than one month	Later than one month but not later than three months	Later than three months but not later than one year	Later than one year but not later than five years	Later than five years	No maturity specified	Total	Carrying Value
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Financial liabilities - 2026								
Deposits from members	6,024	1,419	1,856	131	-	1	9,431	9,318
Trade and other payables	37	-	-	-	-	-	37	37
Lease liabilities	1	2	7	13	1	-	24	22
Borrowings	60	133	1,002	1,294	185	-	2,674	2,425
Other financial liabilities (net)	-	-	-	-	-	-	-	-
Total financial liabilities	6,122	1,554	2,865	1,438	186	1	12,166	11,802
Commitments to extend credit	325	-	-	-	-	-	325	
Financial liabilities - 2025								
Deposits from members	5,463	1,439	1,493	50	-	1	8,446	8,339
Trade and other payables	14	-	-	-	-	-	14	14
Lease liabilities	1	2	7	15	1	-	26	23
Borrowings	54	73	1,105	653	83	-	1,968	1,878
Other financial liabilities (net)	-	-	-	-	-	-	-	-
Total financial liabilities	5,532	1,514	2,605	718	84	1	10,454	10,254
Commitments to extend credit	305	-	-	-	-	-	305	

Notes to the Financial Statements.

29 FINANCIAL INSTRUMENTS (CONTINUED)

(c) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Consolidated Entity. The Consolidated Entity has adopted a policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Consolidated Entity's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the Statements of Financial Position. The maximum credit exposure does not take into account the value of any collateral or other security held, in the event other entities/parties fail to perform their obligations under the financial instruments in question. Collateral held takes the form of mortgage interests over real property, other registered securities and guarantees. The value of collateral held against individual exposures is generally only assessed at the time of borrowing or when a specific review of that exposure is undertaken in accordance with policy.

The Company and Consolidated Entity minimise concentrations of credit risk in relation to loans receivable by undertaking transactions with a large number of members within the specified categories. Credit risk in loans receivable is managed through both up-front and ongoing risk assessment processes applied for all members, including affordability and security requirements, approval authorities, and the securing of credit insurance for higher risk loans. Loan provisions are calculated as disclosed under Note 1 - Summary of material accounting policies.

The Company and Consolidated Entity hold collateral against loans and advances to members in the form of mortgage interests over property, other registered securities over assets, and guarantees. Estimates of fair value are based on the value of collateral assessed at the time of borrowing, and generally are not updated except when a loan is individually assessed as impaired. Collateral usually is not held against investment securities, and no such collateral was held at 30 June 2026 or 2025.

Investments are allowed only in liquid securities and only with counterparties that have a credit rating of at least investment grade.

Exposure to credit risk	CONSOLIDATED AND COMPANY			
	Loans and advances to members		Investment Instruments	
	2026	2025	2026	2025
	\$m	\$m	\$m	\$m
Carrying amount				
Individually impaired				
- Mortgage secured	35	21	-	-
- Other loans	1	1	-	-
Gross amount	36	22	-	-
Less: Allowance for impairment	2	1	-	-
Carrying amount	34	21	-	-
Collectively impaired:				
- Mortgage secured	30	21	-	-
- Other loans	1	1	-	-
- Overdrawn and overlimit savings	6	6	-	-
Gross amount	37	28	-	-
Less: allowance for impairment	6	6	1	1
Carrying amount	31	22	(1)	(1)
Past due but not impaired				
- less than 30 days	126	96	-	-
Carrying amount	126	96	-	-
Neither past due nor impaired				
Carrying amount	10,297	9,133	1,824	1,468
Total carrying amount	10,488	9,272	1,823	1,467

Notes to the Financial Statements.

29 FINANCIAL INSTRUMENTS (CONTINUED)

(d) Capital management

The Board's policy is to maintain a strong capital base so as to maintain member, creditor and market confidence, and to sustain future development of the business. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings, and the advantages and security afforded by a sound capital position. The Consolidated Entity's medium term target is to achieve a return on equity of greater than 5.5%; during the year ended 30 June 2026 the return was 6.1% (2025: 6.4%). There were no changes in the Consolidated Entity's approach to capital management during the year.

(e) Capital adequacy

The management of the capital of a financial institution is a fundamental part of its risk management process as an essential element of capital is its availability to absorb future, unexpected and unidentified losses. As a mutual organisation, the Company and Consolidated Entity's primary source of capital is retained earnings. An Internal Capital Adequacy Assessment Process is maintained to provide assurance that capital holdings are commensurate with risk exposures, and future capital needs are identified in advance with plans in place to respond to unexpected capital deficiencies. Note 31 provides an outline of capital adequacy.

(f) Market risk management

Market risk is the risk of exposure to changes to financial prices affecting the value of positions held as part of its normal trading activities. As neither the Company nor the Consolidated Entity deal in foreign exchange contracts or commodities, market risk consists solely of interest rate risk.

Interest rate risk is managed in the following ways:

- The Board has in place a market risk policy which establishes a methodology for the calculation, examination and reporting of the interest rate risk position on a regular basis. The policy sets risk limits above which the Company and Consolidated Entity are required to actively hedge their exposure through the use of on-balance sheet methods or through financial instruments such as interest rate swaps.
- Overall daily management of interest rate risk is vested in the Assets and Liabilities Committee (ALCO). The ALCO meets monthly, and reviews the interest rate risk position and measures taken to manage that position. The ALCO is also responsible for reviewing all policies associated with market risk and treasury matters, making recommendations to the Board as required.
- Two methods are used to measure interest rate risk, namely Market Value of Equity (MVE) and Net Interest Income (NII) volatility, with the MVE the preferred measure. The MVE method encompasses the price sensitivity of assets and liabilities, and the value of the cash flows to maturity. The calculations are obtained through the use of specific modelling software using actual and projected financial information within defined interest rate scenarios of upward and downward shocks of 100 basis points. The NII approach is derived from the same modelling software utilising simulated income projections. A gap analysis methodology is also employed. Refer to Note 29(i).

(g) Interest rate risk management

The Company's activities primarily expose the Consolidated Entity to the financial risks of changes in interest rates. The Company and Consolidated Entity utilise financial modelling techniques to identify the value at risk to net interest income and the market value of equity, given a number of assumed changes in market interest rates. The Board has in place a market risk policy which sets risk limits above which the Company and Consolidated Entity actively hedge exposures through the use of on-balance sheet methods or through financial instruments such as interest rate swaps.

Notes to the Financial Statements.

29 FINANCIAL INSTRUMENTS (CONTINUED)

(g) Interest rate risk management

The Consolidated Entity's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities at the balance date, which is not materially different to that of the Company, are as follows:

Financial Instruments	Variable int. rate	Fixed interest rate maturing in:						Non interest bearing	Total	Weighted av. effective int. rate
		< 1 yr	1-2 yrs	2-3 yrs	3-4 yrs	4-5 yrs	> 5 yrs			
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
i) Financial assets - 2026										
Cash and deposits at call	198	-	-	-	-	-	-	6	204	4.35%
Other receivables	-	-	-	-	-	-	-	69	69	n/a
Other financial assets / (liabilities)	-	-	-	-	-	-	-	2	2	
Investment instruments	24	1,241	147	125	80	120	122	(36)	1,823	4.53%
Loans and advances	9,226	650	428	137	30	18	7	-	10,496	5.30%
Other Investments	-	-	-	-	-	-	-	30	30	n/a
Total financial assets	9,448	1,891	575	262	110	138	129	71	12,624	
ii) Financial liabilities - 2026										
Deposits from members	5,483	3,735	29	12	3	-	-	56	9,318	2.88%
Trade and other payables	-	-	-	-	-	-	-	37	37	n/a
Borrowings	-	2,425	-	-	-	-	-	-	2,425	5.42%
Other financial liabilities	-	-	-	-	-	-	-	8	8	n/a
Total financial liabilities	5,483	6,160	29	12	3	-	-	101	11,788	
Interest rate swaps - notional principal	-	2,300	-	-	-	-	-	-	2,300	3.60%

Financial Instruments	Variable int. rate	Fixed interest rate maturing in:						Non interest bearing	Total	Weighted av. effective int. rate
		< 1 yr	1-2 yrs	2-3 yrs	3-4 yrs	4-5 yrs	> 5 yrs			
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
i) Financial assets - 2025										
Cash and deposits at call	181	-	-	-	-	-	-	5	186	3.85%
Other receivables	-	-	-	-	-	-	-	44	44	n/a
Other financial assets / (liabilities)	-	-	-	-	-	-	-	2	2	
Investment instruments	24	1,081	52	120	80	65	57	(13)	1,466	4.28%
Loans and advances	8,280	510	322	105	35	16	9	-	9,277	5.21%
Other Investments	-	-	-	-	-	-	-	18	18	n/a
Total financial assets	8,485	1,591	374	225	115	81	66	56	10,993	
ii) Financial liabilities - 2025										
Deposits from members	4,850	3,386	23	9	7	4	-	60	8,339	2.84%
Trade and other payables	-	-	-	-	-	-	-	14	14	n/a
Borrowings	-	1,878	-	-	-	-	-	-	1,878	5.04%
Other financial liabilities	-	-	-	-	-	-	-	1	1	n/a
Total financial liabilities	4,850	5,264	23	9	7	4	-	75	10,232	
Interest rate swaps - notional principal	-	1,200	-	-	-	-	-	-	1,200	3.56%

The Consolidated Entity has disclosed the above information in relation to financial assets and liabilities based on the expected repricing dates. These dates may differ significantly from the contractual dates however, this basis provides a more accurate measure for evaluating the interest rate risk to which the entity is exposed.

The Company provides mortgage secured loans to its members at interest rates that can be fixed for terms of one to five years. The member retains an option to break their loan contract during the fixed rate period upon payment of the prescribed fee. This fee is calculated based on the economic loss of the Company and should off-set the loss incurred due to the breaking of the contract.

Notes to the Financial Statements.

29 FINANCIAL INSTRUMENTS (CONTINUED)

(h) Cash flow hedges

The Company and Consolidated Entity may use various types of interest rate contracts in managing interest rate exposure, including interest rate swap contracts.

Under interest rate swap contracts, the Company and / or Consolidated Entity agree to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts to mitigate the risk of changing interest rates. Interest rate swap agreements are entered into for the sole purpose of managing interest rate exposures in the balance sheet and not for speculative purposes.

In these hedging relationships, the main sources of ineffectiveness are:

- The effect of the counterparty and the Bank's own interest risk on the fair value of the swap, which is not reflected in the fair value of the hedged item attributable to the change in interest rate and differences in maturities or timing of cash flows of the swap.
- There were no other significant sources of ineffectiveness in these hedging relationships.
- At 30 June 2026 and 30 June 2025, Beyond Bank Australia held the following instruments to hedge exposures to changes in interest rates.

The following table details the notional principal amounts and remaining terms of interest rate swap contracts outstanding as at reporting date.

	Average interest rate		Fair Value		Notional principal amount	
	2026	2025	2026	2025	2026	2025
			\$m	\$m	\$m	\$m
Pay fixed interest rate swap contracts	%	%	\$m	\$m	\$m	\$m
Less than 1 year	-	-	-	-	-	-
1 to 2 years	-	-	-	-	-	-
2 to 5 years	-	-	-	-	-	-
5 years and more	-	-	-	-	-	-
	-	-	-	-	-	-

	Average interest rate		Fair Value		Notional principal amount	
	2026	2025	2026	2025	2026	2025
			\$m	\$m	\$m	\$m
Receive fixed interest rate swap contracts	%	%	\$m	\$m	\$m	\$m
Less than 1 year	3.63%	-	(6)	-	2,100	-
1 to 2 years	-	-	-	-	-	-
2 to 5 years	-	-	-	-	-	-
5 years and more	-	-	-	-	-	-
	3.63%	-	(6)	-	2,100	-

Notes to the Financial Statements.

29 FINANCIAL INSTRUMENTS (CONTINUED)

(h) Cash flow hedges (continued)

Hedge Accounting

Cash flow hedges of interest rate risk

The amounts relating to items designated as hedged items as 30 June 2026 were as follows:

	Line Item in the statement of financial position in which the hedged item is included	Changes in value used for calculating hedge ineffectiveness \$m	Cash flow hedge reserve \$m	Balances remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied
Interest rate risk				
Interest rate swap	Loans and advances	(4)	2	-
No interest rate swap deal in 2025.				

Derivatives held for risk management

The following table describes the fair values of derivatives held for risk management purposes by type of risk exposure.

	2026		2025	
	Assets	Liabilities	Assets	Liabilities
	\$m	\$m	\$m	\$m
Risk exposure	-	-	-	-
Interest rate	-	-	-	-
Designated in cash flow hedges	-	(6)	-	-
Other risk management derivatives	-	-	1	-
Total Interest rate derivatives	-	(6)	1	-

Details of derivatives designated as hedging instruments in qualifying hedging relationship are provided above. The Consolidated Entity uses other derivatives, not designated in a qualifying hedging relationship. To manage its exposure to interest rate. The instruments used principally include interest rate swaps.

The amounts relating to items designated as hedging instruments and hedge ineffectiveness at 30 June 2026 and 1 July 2025 were as follows:

	Carrying Amount			Line item in the statement of financial position where the hedging instrument is included	Changes in fair value used for calculating hedge ineffectiveness	Changes in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification
	Nominal amount	Assets	Liabilities							
	\$m	\$m	\$m		\$m	\$m	\$m		\$m	
Interest rate risk 2026				Other Financial Assets / (Liabilities)				Net fair value adjustment on interest rate swaps		Net fair value adjustment on interest rate swaps
Interest rate swaps	2,100	-	(6)		-	2	-		4	
Interest rate risk 2025										
Interest rate swaps	-	-	-	-	-	-	-	-	-	-

Notes to the Financial Statements.

29 FINANCIAL INSTRUMENTS (CONTINUED)

(h) Cash flow hedges (continued)

Reconciliation of components of equity

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items resulting from hedge accounting.

	Cash flow hedging reserve \$m	Translation reserve \$m
Balance at 1 July 2025	-	-
Cash flow hedges		
Effective portion of changes in fair value:	6	-
Interest rate risk		
Net amount reclassified to profit or loss:	(4)	-
Interest rate risk		
Related tax:	(1)	-
Balance at 30 June 2026	1	-

(i) Market risk sensitivity analysis

The management of interest rate risk is undertaken through monitoring the sensitivity of the Company's and Consolidated Entity's net interest revenue and net financial assets or "market value of equity" to standard interest rate scenarios. Standard interest rate scenarios considered on a monthly basis include either a 100 or 200 basis point (bp) parallel falls and rises in all yield curves depending on the prevailing interest rate environment. Sensitivity outcomes are assessed relative to 12 month forecast net interest revenue, in respect of net interest revenue sensitivity (noting this changed from financial year 2024-25 where sensitivity was assessed against the current capital base), and for market value of equity sensitivity, against the current capital base.

	30 June 2026*		30 June 2025**	
	100 bp rise	100 bp fall	100 bp rise	100 bp fall
Market Value of Equity Sensitivity				
Average for the period	-0.47%	0.46%	1.31%	-1.38%
Maximum for the period	0.54%	1.26%	1.89%	-0.41%
Minimum for the period	-1.25%	-0.59%	0.39%	-2.00%
Net Interest Revenue Sensitivity				
Average for the period	5.55%	-5.54%	2.62%	-2.60%
Maximum for the period	7.50%	-3.46%	3.32%	-1.96%
Minimum for the period	3.43%	-7.48%	1.97%	-3.30%

*Assessed against 12 month forecast net interest revenue

**Assessed against current capital base

Notes to the Financial Statements.

29 FINANCIAL INSTRUMENTS (CONTINUED)

(j) Financial assets and liabilities by classification

The table below sets out the Consolidated Entity's classification of each class of financial assets and liabilities, and their fair values (excluding accrued interest), which are not materially different to that of the Company. Financial assets and financial liabilities not measured at fair value because the carrying amount is considered a reasonable approximation of the fair value are not included in the table.

	Note	At fair value \$m	Amortised cost \$m	Total carrying amount \$m	Fair value \$m	Fair value hierarchy level
30 June 2026						
Cash and cash equivalents	5	-	204	204	204	1
Other financial assets / (liabilities)	19	(6)	-	(6)	(6)	2
Investment instruments	7	-	1,822	1,822	1,806	2
Loans and advances	8,9	-	10,488	10,488	10,451	3
Other investments	11	30	-	30	30	1
Deposit from members	15	-	9,318	9,318	9,309	2
Borrowings	18	-	2,425	2,425	2,425	2
30 June 2025						
Cash and cash equivalents	5	-	186	186	186	1
Other financial assets / (liabilities)	19	1	-	1	1	2
Investment instruments	7	-	1,466	1,466	1,468	2
Loans and advances	8,9	-	9,272	9,272	9,241	3
Other Investments	11	18	-	18	18	1
Deposit from members	15	-	8,340	8,340	8,334	2
Borrowings	18	-	1,878	1,878	1,878	2

(k) Fair value of financial instruments

The following methods are used to determine the fair values of financial assets and liabilities based on the assumptions in the summary of material accounting policies at Note 1.

The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: inputs for the asset or liability that are not based on observable market data.

The fair value hierarchy applied to each category of financial asset and liability is noted in brackets below

Cash and cash equivalents (Level 1)

As the assets are at call the carrying amount equates to fair value.

Investment instruments (Level 2)

The fair values of other deposits are estimated using discounted cash flow analysis, based on current market rates for investments having substantially the same terms and conditions. Bank accepted bills of exchange and bank negotiable certificates of deposit held are not intended to be traded but held until maturity. The fair value of these assets is based on the quoted market price at balance date.

Notes to the Financial Statements.

29 FINANCIAL INSTRUMENTS (CONTINUED)

(k) Fair value of financial instruments (continued)

Loans and advances (Level 3)

The fair values of loans receivable are estimated using discounted cash flow analysis, based on current incremental lending rates for similar types of lending arrangements.

Other financial assets / liabilities (Level 2)

The fair value of interest rate swaps are determined as the net present value of the future cash flows.

Other investments (Level 1)

Equity investments are not held for trading, and the Consolidated Entity has irrevocably elected to designate the instruments at fair value through other comprehensive income. Fair value has been measured via reference to the listed price on the Australian Stock Exchange of the equity investment. In the prior year, this investment was recorded under Level 3 of the heirarchy with fair value based on recent market transaction prices.

Deposits from members (Level 2)

The carrying amount approximates fair value for savings account balances as they are at call.

The fair value of members' term deposits are estimated using discounted cash flow analysis, based on current market rates for term deposits having substantially the same Terms and Conditions.

Borrowings (Level 2)

The fair values of borrowings are estimated using discounted cash flow analysis, based on current market rates for borrowings having substantially the same terms and conditions.

The aggregate net fair values of financial assets and financial liabilities at the balance date are detailed in the table above under Note 29(j).

	CONSOLIDATED	
	2026 \$m	2025 \$m
The following table shows a reconciliation from the beginning balances to the ending balances for financial instruments measured at fair value in Level 3 of the fair value hierarchy:		
Other Investments		
Balance at beginning of the financial year	-	22
Transfer to level 1	-	(22)
Balance at end of financial year	-	-

Although the Consolidated Entity considers that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value at Level 3. Changing one or more of the inputs to reasonably possible alternative assumptions would not change the fair value of Level 3 financial instruments materially relative to total assets or equity.

30 TRANSFERS OF FINANCIAL ASSETS

In the ordinary course of business, the Company enters into transactions that result in the transfer of financial assets that consist primarily of loans and advances to members. In accordance with Note 1(k), the transferred financial assets continue to be recognised in their entirety to the extent of the Company's continuing involvement or are derecognised in their entirety.

The Company transfers financial assets primarily through securitisation activities in which loans and advances to members are transferred to investors in the notes issued by consolidated special purpose entities ("SPEs"), ie, The Barton Trust. The notes issued are collateralised by the purchased assets.

A transfer of such financial assets arises when the Company sells assets to a consolidated SPE, then the transfer is from the Consolidated Entity (that includes the consolidated SPE) to investors in the notes. The transfer is in the form of the Consolidated Entity assuming an obligation to pass cash flows from the underlying assets to investors in the notes.

Although the Company does not own more than half the voting power, it controls these SPEs because it is exposed to the majority of ownership risks and rewards of the SPEs and hence, these SPEs are consolidated.

Notes to the Financial Statements.

30 TRANSFERS OF FINANCIAL ASSETS (CONTINUED)

The SPEs that are part of the Consolidated Entity transfer substantially all the economic risks and rewards of ownership of the transferred assets to investors in the notes. Derecognition of the transferred assets is prohibited because the cash flows that it collects from the transferred assets on behalf of the investors are not passed through to them without material delay.

In these cases, the consideration received from the investors in the notes in the form of cash is recognised as a financial asset and a corresponding financial liability is recognised.

The investors in the notes have recourse only to the cash flows from the transferred financial assets.

When the Company transfers assets as part of the securitisation transactions it does not have the ability to use the assets during the term of the arrangement.

The total of both on and off balance sheet securitised loans is disclosed at Note 8(b) Loans and advances - securitised loans.

31 CAPITAL ADEQUACY

	CONSOLIDATED	
	2026	2025
	%	%
Capital Adequacy - per APRA Prudential Standards calculation methodology	16.42	16.83
	CONSOLIDATED	
	2026	2025
	\$m	\$m
Capital		
Reserves	236	217
Retained Earnings including current year earnings	611	556
Common Equity Tier 1 and Total Tier 1 capital	847	773
Equity ineligible as regulatory capital	12	8
Specific adjustments relating to securitisation	4	3
Net fair value gains (losses) on effective cash flow hedges	1	-
Capitalised expenses	25	21
Deferred tax assets dependent on future profitability	8	8
Investments in banking and financial entities, Consolidated Entity owns <10%	34	18
Regulatory adjustment to Common Equity Tier 1	84	58
Common Equity Tier 1 Capital - net of deductions	763	715
Transitional Tier 2 capital	-	-
Total Capital	763	715

APRA Prudential Standards require banks to maintain at all times a minimum ratio of capital to risk-weighted assets of 8%.

As part of its risk management process, the Company has developed a methodology with financial modelling to assist in determining the optimum level of capital that is consistent with assessed risk exposure and business activity. The optimum capital is managed within a range well above the 8% minimum required by APRA and incorporates an assessment of the combined risk exposure for operations, market and credit risk. The Company and the Consolidated Entity complied with all APRA capital adequacy requirements throughout the year.

Notes to the Financial Statements.

32 CONTINGENT LIABILITIES

Credit Union Financial Support System (CUFSS):

The Company is a party to the Credit Union Financial Support System and has executed an Industry Support Contract (ISC) with CUFSS Limited. The Credit Union Financial Support System is a voluntary scheme that many credit unions and mutual banks agreed to participate in. The purpose of the Credit Union Financial Support System is to provide members with emergency liquidity support in accordance with the terms of the ISC, a contract which has been certified by APRA under the Banking Act.

CUFSS is a company limited by guarantee, each member’s guarantee being \$100.

As a member of CUFSS, the Company:

- may be required to advance funds of up to 3% of total assets to a CUFSS member requiring financial support, capped at \$100,000,000
- agrees, in conjunction with other members, to fund the operating costs of CUFSS.

No such direction has, at balance date, been given to the Company.

Financial guarantees provided on behalf of members.

At balance date, the Company had financial guarantees in place that it had provided on behalf of members, totalling \$49,008,069 (2025: \$41,820,711).

The Company has not received any directions in relation to these guarantees to balance date.

The fair value of these guarantees is \$Nil as they are secured by either registered mortgage or term deposit and no loss is anticipated even in the event of directions.

33 SUBSEQUENT EVENTS

There have been no other events subsequent to balance date which would have a material effect on the Consolidated Entity’s financial statements as at 30 June 2026.

Glossary of terms and acronyms.

AFCA Australian Financial Complaints Authority.	assets, weighted to reflect the relative risks associated with our operations.
AFSL Australian Financial Services Licence authorises licensees to conduct a financial services business, as regulated by ASIC.	COBA Customer Owned Banking Association.
APRA Australian Prudential Regulation Authority.	Consolidated The combined accounts of Beyond Bank Australia and its controlled entities.
ASIC Australian Securities and Investments Commission.	Contingent Liability A possible liability that arises from past events, the existence of which will be confirmed only by the occurrence of one or more uncertain future events not wholly within Beyond Bank Australia's control.
BCCM Business Council of Cooperatives and Mutuals.	Controlled Entity An entity for which Beyond Bank Australia is able to control its decision-making, to ensure it operates for the benefit of Beyond Bank Australia.
B Corp or Certified B Corporatives and Mutuals. Certified B Corporations are businesses that meet high standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose.	Cooperative Cooperatives are people-centred enterprises owned, controlled and run by and for their members to realise their common economic, social, and cultural needs and aspirations.
B Corp impact score or B Corp impact assessment. A global measurement tool used by businesses to measure its impact on its workers, community, environment, and members.	Deferred Tax Amounts Deferred Tax Assets and Deferred Tax Liabilities reflect the tax effect of timing differences, being items which are brought to account in different periods for income tax and accounting purposes.
B Lab B Lab is a not-for-profit that serves a global movement of people using business as a force for good. B Lab's initiatives include B Corp Certification, administration of the B Impact Management programs and software, and advocacy for governance structures like the benefit corporation.	Derivative Financial Instrument Derivative financial instruments create rights and obligations that have the effect of transferring between the parties to the instrument one or more of the financial risks inherent in an underlying primary financial instrument, but without the transfer of the underlying primary instrument.
Capital Adequacy A ratio used to measure the prudential strength of a financial institution. Prudential strength is calculated as total retained earnings and other equity divided by total	

EMS Environmental Management System.
ESG Environmental, Social and Governance.
Equity The excess of Beyond Bank Australia's assets over its liabilities, which is the amount owned by members. Also referred to as Members' Funds.
Equity Accounted Investments An investment of more than 20% and less than 100% ownership interest over which Beyond Bank Australia is able to exert 'significant influence'. Significant influence normally stems from the investor's voting power which is linked to ownership interest and is evidenced by existence of factors such as representation on the Board of the investee and participation in policy-making processes for that entity.
Fair Value The amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction.
Financial Instrument Any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.
Franking Credit Tax credits arising largely from the payment of tax by Beyond Bank Australia that are available for attachment to eligible distributions by Beyond Bank Australia to its members.
GHG Greenhouse Gas.
Housing affordability The term 'housing affordability' usually refers to the relationship

between expenditure on housing (prices, mortgage payments or rents) and household incomes. The concept of housing affordability is different to the concept of 'affordable housing', which refers to low-income or social housing.	products and services rather than being distributed in shareholder dividends.
ISSB International Sustainability Standards Board.	Mutuality We will seek to do business with liked-minded members. Collective endeavour will result in everyone sharing the rewards of collaboration.
Interest Rate Swap A type of Derivative Financial Instrument under which Beyond Bank Australia agrees to exchange interest cash flows with another party for an agreed period of time.	Purpose Our purpose is to create better lives by caring for our members and communities.
LGC Large-scale Generation Certificates.	Provisions An amount set aside out of profits of Beyond Bank Australia for an expense which has been incurred, but the amount and timing of payment can only be estimated (e.g. long service leave or bad debts).
Liquidity Liquidity is the Bank's capacity to meet its short-term financial obligations, being the ratio of high-quality liquid assets to its liabilities base (as defined under APRA Prudential Standards).	Receivables Amounts owed by members and other external parties for which payment is expected soon.
Lease Liability A financial obligation to make the payments arising from a lease, measured on a discounted basis.	Renewable energy Beyond Bank uses electricity at the office buildings and branches that it leases. It purchases GreenPower, electricity generated from renewable sources, either directly from utility providers or landlords. For sites where GreenPower could not be purchased directly, Beyond Bank purchased and surrendered Large-Scale Generation Certificates (LGCs) equivalent to its electricity consumption, enabling it to match 100% of our consumption with renewable sources for FY26.
Liability A debt or obligation to another party, e.g. a savings account held on behalf of a Beyond Bank Australia member.	Reserves Several reserves exist within equity and have been derived from specific transactions such as the net change in value of revalued assets still held (Asset Revaluation Reserve), the Equity transferred to Beyond Bank Australia from another credit union upon merger (Transfer of Business Reserve), and the value of shares redeemed out of retained profits (Redeemed Share Reserve).
Liquid Assets A monetary asset that can be readily converted to cash at Beyond Bank Australia's option without significant change in value.	
Member-owned bank Member-owned bank means we provide consumer banking services such as credit cards, home loans or personal loans, savings accounts, and term deposits, but are owned by its members. Members have voting rights on constitutional matters affecting the member-owned bank. Profits are reinvested back into the	

Right-of-use asset A lessee's right to use an asset over the life of a lease.
Securitisation A financing technique whereby one party can convert an illiquid asset (such as a member's loan) into a liquid asset (such as cash) through the equitable assignment of its ownership interest (essentially the sale of the illiquid asset).
Scope 1 emissions Direct emissions from sources owned or controlled by a company.
Scope 2 emissions Indirect emissions from purchased electricity, steam, heat and cooling.
Scope 3 emissions All other emissions associated with a company's activities.

Registered office

Beyond Bank Australia

Adelaide 100 Waymouth St, Adelaide SA 5000
GPO Box 1430, Adelaide SA 5001

Phone 13 25 85

Email contactus@beyondbank.com.au

Regional offices

Canberra 105 Mawson Drive, Mawson ACT 2607

Geelong 63 Malop Street, Geelong VIC 3220

Hunter 4B/24 Garnett Road, Green Hills NSW 2323

Melbourne Level 10, 664 Collins Street, Docklands VIC 3008

Perth 3 Loftus Street, West Leederville WA 6007

Sydney Level 2 50 Bridge Street, Sydney NSW 2000

Branches

Branches are located across the Australian Capital Territory, New South Wales, South Australia, Victoria and Western Australia.

Beyond Bank Australia Limited
ABN 15 087 651 143 AFSL/Australian Credit Licence 237856.

Environmental

Beyond Bank Australia cares about the community and is committed to environmental sustainability. This leaflet has been printed on Monza Recycled, which is FSC® Mix Certified and manufactured from post-consumer waste by an ISO 14001 certified mill. It contains 100 per cent recycled fibre and elemental chlorine free pulp. All virgin pulp is derived from well-managed forests and controlled sources.

