

The background of the cover is a photograph of an elderly woman with grey hair tied back, wearing a red and white striped shirt, and a young girl with brown hair, wearing a yellow cardigan over a white patterned top. They are both smiling and looking at each other in a garden setting with green foliage. A dark teal rounded rectangle is overlaid on the right side of the image, containing the title text.

# 2025 IMPACT REPORT

**Helping our members and  
communities to be better off**





# CONTENTS

A message from our Chief Executive	<b>3</b>
About this report	<b>4</b>
Strong governance and financial foundations	<b>6</b>
Supporting members to be better off	<b>8</b>
Investing in our people and fostering an inclusive workplace	<b>10</b>
Contributing to the communities we serve	<b>12</b>
Environmental sustainability and net zero commitment	<b>14</b>

# A message from our CHIEF EXECUTIVE



Now in our 145th year, we remain privileged to serve our members and communities, with our purpose as a mutual bank at the heart of everything we do.

As a member-owned organisation, our decisions and strategic priorities are guided by the interests of our members and their communities, and what will benefit them most. This commitment is what sets us apart.

Strong and sustainable financial performance allows us to deliver greater value to members. Financial strength enables us to improve our products, services and experiences.

And that means assisting more members in achieving their goals, such as buying a home, saving for the future or growing a business, while offering competitive rates and fair returns.

It is also what allows us to reinvest in our members' communities, helping them prosper.

This report summarises where we focused our efforts in FY25 to help make our members and communities better off. More detail on our financial performance is available in our Annual Financial Report.

During the year, we were delighted to welcome more than 19,000 new members, bringing our total membership to 227,000, while achieving a 95% member satisfaction rating.

One of the key reasons we are delivering such great outcomes for our members is the quality and commitment of our people. They are immensely proud to work for IMB, as

reflected in our Engagement Index at 77%, which is in the top quartile of financial services employers in Australia.

As a member-owned bank with a strong community presence, it is in our DNA to invest in our local communities. During the year, the IMB Bank Community Foundation provided \$750,000 in community grants and has now supported well over 1,000 projects since it was established 26 years ago.

We also recognise our broader responsibility to operate our business in the most sustainable manner possible. We are committed to achieving net zero emissions by 2050, with a 90% reduction target for Scope 1 and 2 emissions by 2030 from a 2021 baseline, having already achieved zero tCO<sub>2</sub>e Scope 2 emissions in FY25 through transitioning all controlled sites to renewable energy.

We continued to reduce our environmental footprint through LED lighting upgrades, more sustainable materials, hybrid fleet vehicles and responsible waste management, and sought to be a positive influence in our broader value chain despite the complexities of measuring and managing Scope 3 emissions.

We also continued to deliver robust corporate governance aligned with prudential expectations and ASX good governance principles, with key board committees overseeing risk, sustainability, climate disclosure compliance, community grants, and people and diversity initiatives. All IMB

employees are required to meet the high ethical standards we set through a suite of policies, including the IMB Code of Conduct.

These are just some of the examples of positive progress we are pleased to share with you in this year's Impact Report. We are committed to continuously improving and refining our efforts as we strive to maximise the impact we make as a purpose-driven, member-owned organisation.

Thank you to our loyal members and our broader communities for your invaluable support.

**Robert Ryan**  
Chief Executive



# About this REPORT

This Impact Report provides insight into the sustainability of IMB Bank's business model and the positive impact we strive to deliver for our members, staff, the communities in which we operate and the environment. Guided by our purpose, we place our members' needs and community prosperity at the centre of everything we do.

Throughout the reporting period, we have focused on strengthening our financial foundations, investing in our people, supporting local communities and reducing our environmental footprint. Our approach is designed to ensure IMB remains resilient and relevant, able to deliver long-term value and support for all stakeholders.

By reading this report, you will gain insight into how IMB's sustainable business model enables us to:

- Support members in achieving their financial goals
- Foster a safe, inclusive and rewarding workplace for our staff
- Contribute to the prosperity and wellbeing of the communities we serve
- Minimise our environmental impact and set meaningful targets for emissions reduction.

Our commitment to continuous improvement ensures we remain focused on making our members and communities better off—today and into the future.

## Our Purpose

IMB provides simple, authentic member-owned banking that helps our members and communities to be better off.

## Our Values



Integrity



Performance



Respect



Member Focused



Offering Solutions

As a signatory to the UN Global Compact, we map our programs of work against the relevant UN Sustainable Development Goals to inform our priorities and illustrate how our efforts help achieve specific goals.



### Our Governance

Strong governance and financial foundations enable us to deliver for our members, now and in the future.



### Our Members

We support members to achieve their financial goals and reach new milestones.



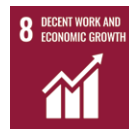
### Our People

We invest in the growth and development of our people and foster a safe and inclusive workplace.



### Our Community

We provide support to the communities that support us to help them become more prosperous, connected and sustainable.



### Our Environment

We are committed to reducing our impact to the environment, and setting meaningful targets against which we can reliably measure our emissions reductions efforts.

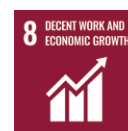


## Acknowledgement of Country

IMB Bank acknowledges the Traditional Owners of Country throughout Australia and recognises their continuing connection to lands, waters and communities. We pay our respect to Aboriginal and Torres Strait Islander cultures, Elders past and present, and emerging cultural knowledge holders.



# Strong governance and FINANCIAL FOUNDATIONS



## A strong and growing bank

A strong financial performance allows us to prioritise our members' needs and assist more members to achieve their goals

Net profit after tax for the financial year was \$38.1 million, a 30% increase on the FY24 result, supported by an improvement in the average net interest margin of 25 basis points to 2.32%. These results reflect the strength of our direct distribution model and balanced approach to pricing for our borrowers and depositors.

Growth in deposits of 4.5% to \$7.1 billion has further reinforced our financial foundations, enabling us to continue delivering value to our members and communities. IMB's loan portfolio grew 6.6% to \$6.9 billion, helping total assets reach \$8.5 billion. This included an increased contribution from small business lending approvals, which were up 15% on the prior year.

Our expense to income ratio of 72.1% also improved, reflecting our efforts to drive efficiency while making sound investments in initiatives that maintain the competitiveness of our products and services and operational resilience.

## Best practice corporate governance

The IMB Board adopts a best practice approach to corporate governance that meets prudential standards and is aligned with the 4th Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

The Board's Charter sets out its governance responsibilities, including:

- Overseeing the setting and implementation of strategy and business plans

- Approving material decisions
- Setting risk appetite
- Ensuring the effectiveness of risk management frameworks
- Monitoring performance with respect to climate-related issues.

To assist in the execution of these responsibilities, the Board has established committees with written mandates and operating procedures that are reviewed on a regular basis.

The Board's ESG Committee identifies, prioritises and responds to sustainability-related risks and opportunities, and monitors the effectiveness of IMB's initiatives, including with reference to independent accreditation standards and benchmarking against better practice in comparable organisations.

That Committee has also established the programs of work required to develop a climate transition plan and to achieve compliance with upcoming mandatory climate disclosure obligations.

The Board's Audit Committee maintains ongoing oversight by reviewing management reports detailing the progress being made toward compliance with these new disclosures and how assurance over their accuracy will be obtained.

The Board Risk Committee monitors the Bank's risk profile, including emerging risks. The Risk Committee ensures sustainability-related risks are integrated into IMB Bank's enterprise wide risk management frameworks.

The IMB Bank Community Foundation Committee continues to oversee the assessment criteria for our community grants. The People and Culture Committee monitors IMB's progress against its Diversity and Inclusion Strategy, including actions

to promote pay equity throughout the organisation. Additionally, the Committee ensures the Board's composition supports IMB's sustainability objectives, and that executive and employee remuneration practices are consistent with IMB's values and strategic priorities.

Our remuneration policies and procedures are addressed in our 2025 Annual Report and the regulatory disclosures we make for the purposes of meeting our prudential obligations.

All directors and staff are expected to exercise the highest standards of integrity and behaviour, guided by the IMB Code of Conduct. The Board oversees the establishment, implementation and annual review of IMB's Risk Management Framework.

## Whistleblowing

Under the IMB Whistleblower Policy, staff are encouraged to, and have the responsibility to, report any known or suspected incidences of improper conduct. Reportable conduct may include suspected breaches of policy or compliance obligations, fraudulent or dishonest behaviour, as well as other types of unethical behaviour. Employees who raise concerns may choose to involve the Whistleblower Protection Officer, who is responsible for protecting the employee or contractor against reprisal as a result of making a report.

Any concerns are investigated in a fair and objective manner. If the investigation shows that wrongdoing has occurred, IMB is committed to changing processes and acting in relation to employees or contractors who have behaved incorrectly. Outcomes may also involve reporting the matter to relevant authorities and regulators.

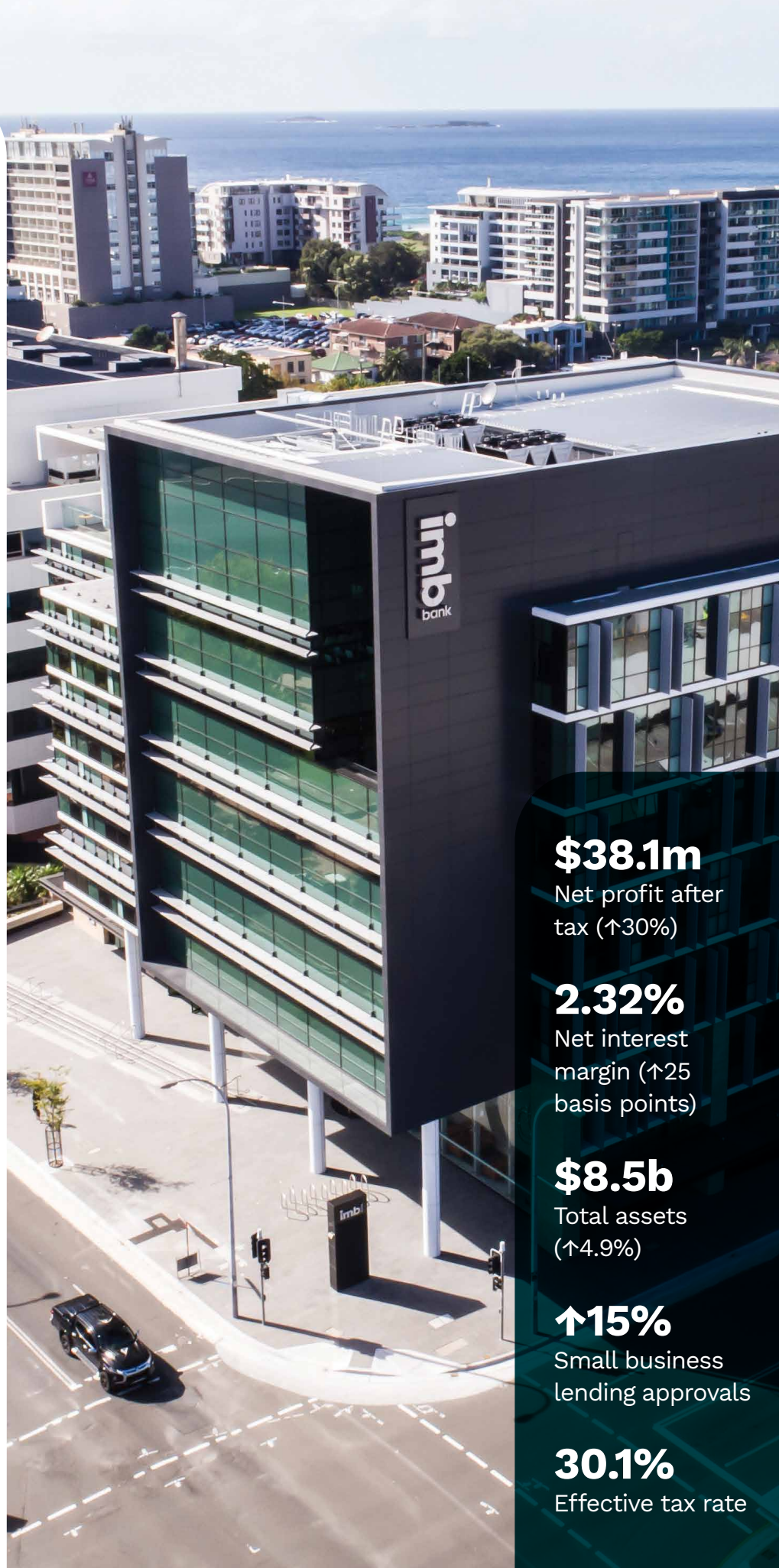
## Modern slavery

IMB values human rights and rejects any form of modern slavery in our operations. We recognise that modern slavery is a growing and complex problem, and are committed to implementing controls and raising awareness about it in our own business and supply chain. We will identify and manage risks related to modern slavery and monitor the effectiveness of the actions we take in response to such risks.

We maintain policies and procedures that are aimed at:

- Increasing our employees' awareness of the risks of modern slavery
- Increasing our efforts to address modern slavery as a financial crime
- Increasing awareness of modern slavery as part of procurement and contract management processes
- Encouraging the reporting of any (actual or potential) modern slavery practices that may occur within our operations and supply chains
- Enabling us to identify and assess modern slavery practices and implement actions to deal with such risks (including due diligence and remediation processes).

In FY25 we continued to focus on addressing the potential risk of modern slavery occurring in our supply chain. This included enhancing our supplier risk management arrangements, with more detailed requirements for risk assessments and due diligence to be completed before entering into contracts with suppliers, expanding the provisions of our Supplier Code of Conduct and participating in an industry engagement exercise aimed at strengthening the due diligence processes for commonly used suppliers.



**\$38.1m**

Net profit after tax (↑30%)

**2.32%**

Net interest margin (↑25 basis points)

**\$8.5b**

Total assets (↑4.9%)

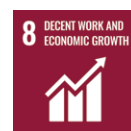
**↑15%**

Small business lending approvals

**30.1%**

Effective tax rate

# Supporting members TO BE BETTER OFF



## Helping more members than ever achieve their goals

With ongoing cost-of-living pressures and a subdued housing market in many regions, it was pleasing to be able to support members to enter the housing market, access investment opportunities or refinance to more competitive terms, as reflected in our highest-ever lending approval result of \$2.1 billion.

Our ability to engage with members across Australia through our leading mobile banking app and digital banking options represents a significant evolution from our beginnings in 1880, but our passion for providing dedicated member service over those 145 years has not changed.

## A commitment to innovation and service

The strong FY25 growth was achieved through the provision of competitive products, attractive pricing and exceptional service, as reflected in our 95% satisfaction rating and a net promoter score that exceeds those of major banks.

High levels of member satisfaction were supported by ongoing product enhancements. These included the removal of various transaction, service and exception-based fees, improvements to the Everyday50PLUS transaction account, and an expanded range of self-service products available online, such as term deposits and travel insurance.

We remain committed to meeting our members' needs by offering a quality banking experience with integrated digital, phone and in-person options, including across our 50-strong branch network. In FY25, one of our most

transformative initiatives was the introduction of digital execution of loan and mortgage documents, combined with biometric identification. This change was aimed at achieving more than simply enabling members to complete loan arrangements without physical documentation. We sought to re-engineer the entire loan fulfilment process to eliminate unnecessary steps, improve efficiency, reduce errors and simplify the lending journey for members.

Our contact centre, which is located in Australia and is supported by branch staff that also provide phone-based assistance, has reduced average call wait times by approximately two minutes, making it easier for members to access our assistance when they need it. We have also expanded our Business Banking team in Canberra and Sydney to offer small businesses tailored lending and transactional banking solutions.

## Helping more Australians buy a home of their own

During the year, we continued to participate in the Australian Government Home Guarantee Scheme, which assists first home buyers and single-parent families to purchase homes, and have now settled \$114 million in home loans under the various schemes.

## Safe and secure banking as standard

Keeping our members' money and personal information safe and secure is our highest priority. Together with industry, we are delivering new forms of anti-scam protection under the Scam-Safe Accord and Scam Prevention Framework, including payee confirmation, alternate forms of multi-factor authentication for

higher risk payments, enhanced warning systems and expanded out-of-hours member support.

## Building resilience and helping those doing it tough

The quality of IMB's loan book remains sound, reflecting both the strength of our underwriting standards and our proactive engagement with members experiencing financial pressure.

While we saw a moderate increase in hardship requests throughout the year, at the year-end, 90 days+ arrears and bad debts remained below industry averages at 0.47% and \$1.3 million, respectively.

Our Vulnerability Working Group delivered a range of initiatives in FY25 to make it easier for vulnerable customers to get the service and support they need. This included the creation of a vulnerability hub in our online Help Centre, with dedicated content relating to financial abuse, hardship relief, natural disaster recovery, deceased estates, and scams and fraud awareness.

Through the IMB Bank Community Foundation, we supported The LIVEfree Project INSPIRE women's program, which includes additional life skills workshops, financial literacy training and practical support, such as court and medical appointment assistance.





Own your new  
car sooner

## IMB Bank New Car Loan

- No monthly fees
- Flexible terms from 1 - 7 years
- Fast online conditional approval\* or apply in branch today.



Q IMB Bank Car Loan

imb!

**\$2.1b**

Record lending  
approvals

**19,000+**

New members  
welcomed

**227,000**

Total  
membership

**95%**

Member  
satisfaction

**4.6**

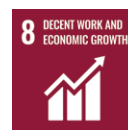
User rating  
out of 5 stars  
for IMB Bank  
Mobile App

**~2 mins**

Average call wait  
time reduction

bank

# Investing in our people and fostering an INCLUSIVE WORKPLACE



## Engaged people, committed to making members and communities better off

IMB's culture and values shine through in the dedication and enthusiasm of our people, creating positive member experiences in every interaction. In addition to our strong people engagement result, we saw employee retention increase throughout the year.

Furthermore, 75% of employees say they would recommend IMB as a place to work to others, and 93% of employees agree their manager supports employees with family or other caring responsibilities regardless of gender. In addition, 87% agree they have the flexibility they need, while 80% agree using flexible work arrangements is not a barrier to career objectives.

In FY25, we established the Volunteering and Community Services Leave Standard, which provides one day of paid volunteering leave for all IMB employees. The standard also includes provisions for other community leave covered by the National Employment Standards, such as emergency services, jury duty and the defence force.

## Committed to safety, diversity and inclusion

We are committed to fostering an inclusive and equitable workplace culture where all individuals feel valued, respected and empowered. We take pride in our diverse workforce, which reflects the communities we serve. In FY25, we delivered a range of initiatives to make our people feel safe and included at work, including our Respect At Work action plan 'Creating an Inclusive Environment' delivered to people managers.

According to our employee engagement surveys, 93% of employees affirm that IMB Bank treats everyone equally, irrespective of their background, while 91% of employees agree their manager genuinely supports equality between genders.

We recognise there is always room for improvement, and in alignment with the Workplace Gender Equality Agency's priorities, we identified the reduction of the average gender pay gap as a key area for advancement.

Our Gender Equality Strategy focuses on improving our workforce composition and lowering the gender pay gap through gender-balanced recruitment practices. In FY25 we made substantial progress towards this goal, reducing our average gender pay gap from 34% to 28%.

During the year, IMB celebrated multiple cultural days such as Harmony Day, Lunar New Year and Diwali. We also developed knowledge resources for our people, designed to raise awareness across all aspects of diversity, equity and inclusion. In total, 92% of employees agree their manager is fair in the treatment of all employees regardless of background.

Our comprehensive Workplace Health and Safety program focused on key risk areas including motor vehicle safety, psychosocial wellbeing, customer aggression management and robbery safety preparedness.

## Developing our people

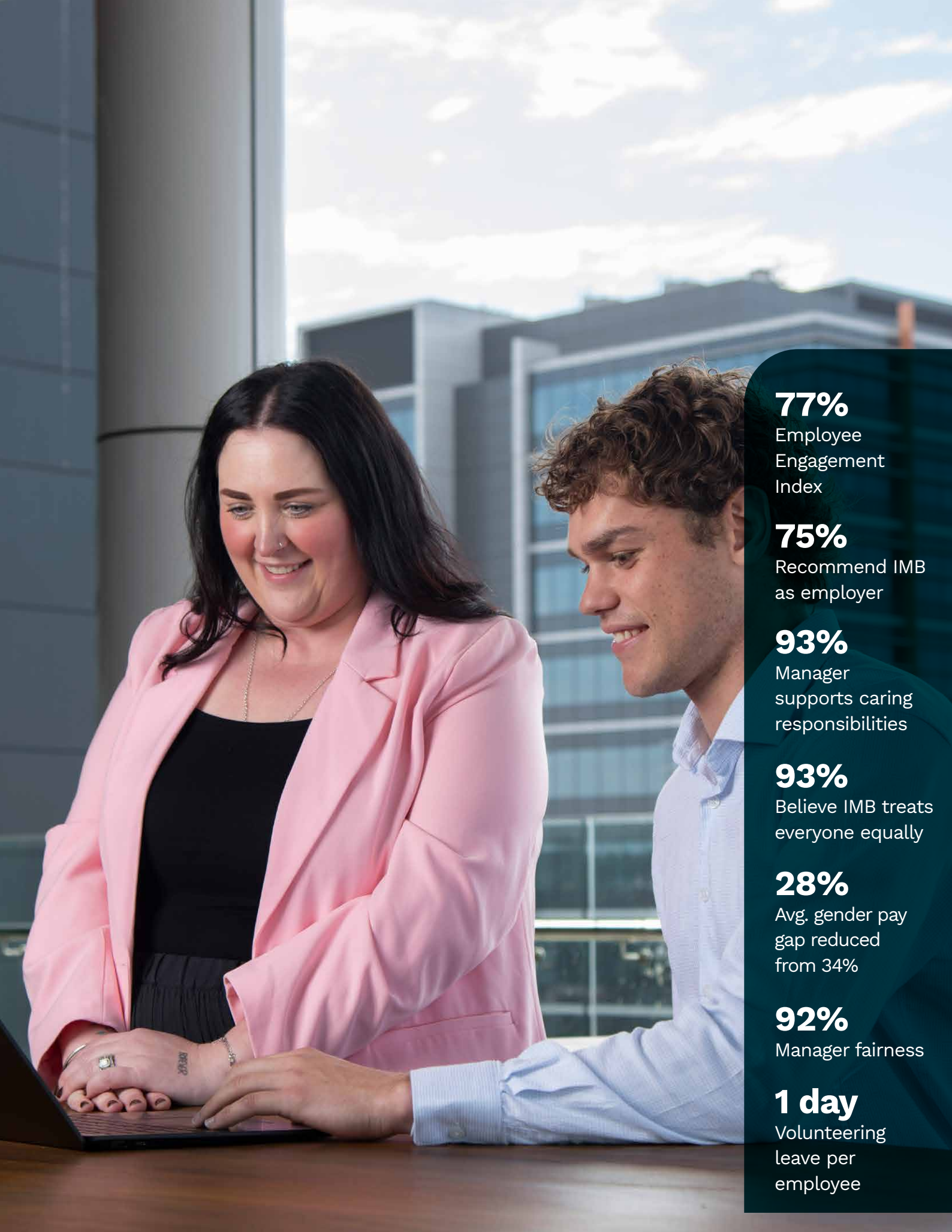
During FY25 we launched our refreshed Member Engagement Framework, reinforcing our commitment to member-centric service and professional growth. We delivered comprehensive skills training to 110 members of our retail network. To ensure these new capabilities were fully embedded into everyday practice, we provided an additional 344 hours of coaching, supporting both the application of new learnings and the continued development of lending and leadership talent.

To support the growth of our high-potential employees, we continue to provide study assistance and invest in professional development opportunities. In FY25, seven members of our 'Future Talent' cohort achieved tertiary qualifications across CPA, Masters and Bachelor programs.

## Our FY25 people priorities:

- Care and Connection – Listening to our employees regularly by creating open communication channels for feedback and opinions, ensuring they feel heard
- Collaboration – Uniting our dynamic, loyal and resourceful teams to build strong delivery capabilities, where technology and digital strategies align with both business and people objectives
- Capability – Developing an organisation dedicated to continuous learning and a growth mindset, and nurturing digitally-proficient, confident and empowered IMB Bankers.





**77%**  
Employee  
Engagement  
Index

**75%**  
Recommend IMB  
as employer

**93%**  
Manager  
supports caring  
responsibilities

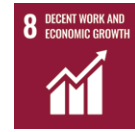
**93%**  
Believe IMB treats  
everyone equally

**28%**  
Avg. gender pay  
gap reduced  
from 34%

**92%**  
Manager fairness

**1 day**  
Volunteering  
leave per  
employee

# Contributing to the COMMUNITIES WE SERVE



## Giving back to our communities at a grassroots level

The IMB Bank Community Foundation continues to drive positive change, providing \$750,000 in community grants in FY25 and bringing total funding to approximately \$13 million since the Foundation's establishment 26 years ago. Over this time, we've supported well over 1,000 projects across health, education, environmental sustainability and social inclusion.

The Foundation's criteria ensure a diverse range of grassroots not-for-profit organisations and collectives can apply for funds that inspire volunteering and deliver meaningful change to the communities in which we operate.

Reflecting the funding challenges that community groups currently face, in FY25 we received a 38% year-on-year increase in grant applications, the largest number in the Foundation's history.

This year's recipients met diverse community needs, from expanding CPR training, providing food to disadvantaged people and planting native trees, as well as improving hospital stays for ill children by providing them with hero-themed garments.

This is just a small sample of the 58 inspirational projects the Foundation committed to support over the next 12 months.

## Engaged in our communities

In addition to the investment we make through the Foundation, we also engage in a range of initiatives to encourage participation in sport, to facilitate community events and initiatives, and to back local businesses and universities.

In FY25, we sponsored the IMB South Coast Blaze Netball teams for the third year and supported 106 local junior sports clubs across netball, football, AFL, rugby, rowing and surfing.

We maintained longstanding partnerships including the IMB Bank Cook Community Classic (now in its 18th year), the Newcastle Toy Run and Salvation Army Christmas Appeal.

Supporting local business, we continued principal sponsorship of the Illawarra Business Awards, the Hunter Business Awards and CEO Connect program, while also working with business chambers across Maitland, Shoalhaven and Sutherland Shire. During the year, we expanded our university O-Week support to encompass the Australian National University and the universities of Newcastle, Western Sydney and Wollongong.

## Contributing to reconciliation

Following the establishment of our initial 'Reflect' Reconciliation Action Plan (RAP) to signify IMB Bank's commitment to advancing reconciliation with Aboriginal and Torres Strait Islander communities, during the year, we commenced our analysis of the organisational programs necessary to build upon these foundational efforts. Our focus is now on developing an 'Innovate' RAP, which involves implementing a further set of initiatives designed to achieve greater impact.



In the Newcastle Hunter region, 'Marine Rescue Lake Macquarie's Seconds Count' project was a successful recipient and they will use the funds to buy a new jet ski to save lives.



In Melbourne, innovative homelessness charity 300 Blankets was delighted to receive funding to expand the impact of their 'Soul Kitchen'.





IMB Bank team members volunteered to pack gift boxes featuring Supertees and activity packs for children sick in hospital on behalf of the Fair Fight Foundation.



In the ACT, Pegasus Riding for the Disabled received funds to help offer volunteers autism spectrum disorder-specific training, given that autism affects 60% of their participants.

**26 years**

Foundation support

**\$750k**

Community grants in FY25

**~\$13m**

Total funding since 1999

**1,000+**

Projects supported (lifetime)

**↑38%**

Grant applications year-on-year

**Above:** Illawarra recipient, the Dave Winner Foundation's 'Saving Lives One Beat at a Time' project, is an example of an initiative helping to ease pressure on emergency services and hospitals.

# Environmental sustainability and NET ZERO COMMITMENT



## Committed to Net Zero

IMB is committed to managing our business in alignment with the Paris Agreement. We support the long-term goal of limiting global warming to 1.5 degrees Celsius this century and the responsible global transition to net zero emissions.

We are proposing to support the global transition to net zero emissions by 2050 in a staged approach:

- Committing to reducing our Scope 1 emissions (that we control from our own operations) and Scope 2 emissions (electricity from our own operations) by 90% by 2030 based on a 2021 baseline
- Measuring our Scope 3 operational emissions (associated with IMB's everyday operations) and Scope 3 financed emissions (associated with lending and investment portfolios) to understand the implications of science-based targets and a net zero commitment.

In FY25, Scope 1 emissions were estimated at 434 tCO<sub>2</sub>e, a 4% decrease from our FY24 emissions of 454 tCO<sub>2</sub>e.

This decrease in emissions is a result of IMB transitioning to a higher number of hybrid cars in our fleet. Scope 2 emissions were estimated at 0 tCO<sub>2</sub>e, a 100% decrease from our FY24 emissions of 354 tCO<sub>2</sub>e and attributable to the transition of all our controlled facilities to renewable energy sources.

## Actively reducing our direct impact

We continue to reduce our environmental footprint through lower carbon emissions, improved energy efficiency and the use of sustainable materials.

We have initiated the development of a Climate Transition Plan, which will outline potential actions in the short to medium term to further decrease our carbon emissions and establish reduction targets consistent with science-based approaches, in alignment with the Australian Government's updated 2035 emission reduction goals.

In FY25, we maintained our carbon neutral certification from Climate Active and transitioned all IMB-controlled sites to green power.

We also implemented a range of initiatives across our broader network to reduce our environmental footprint, including:

- Fitting LED lighting technology to 50% of our leased and owned sites, with LED lamps fitted in the customer zones in a further 86% of branches. We expect all sites to be fitted with LED lighting by 2027
- Reducing paper consumption significantly with the increasing digitisation of our business and our hybrid working model. Where we still need it, we use carbon-neutral paper made from 20% recycled product and from a certified sustainable source. Additionally, 39% of our stationery products purchased are made up of recycled content or sourced from third parties who maintain eco-conscious standards and certifications
- Recycling all paper-based products through a third party, with all e-waste undergoing a process of responsible destruction and recycling, managed by specialists at Shred-X. We have also implemented 90% of our sites with quick boil hot water systems and are transitioning our company vehicle fleet to hybrid models

- Introducing an organic waste collection system at Head Office, supported by staff communications and new signage to promote sustainable waste management practices.

## Carbon Offsets

Carbon credits play a supporting role in our strategy to meet emissions reduction targets. We prioritise high quality nature-based carbon abatement projects through the purchase of Australian Carbon Credit Units issued by the Clean Energy Regulator that offer both environmental and community benefits.

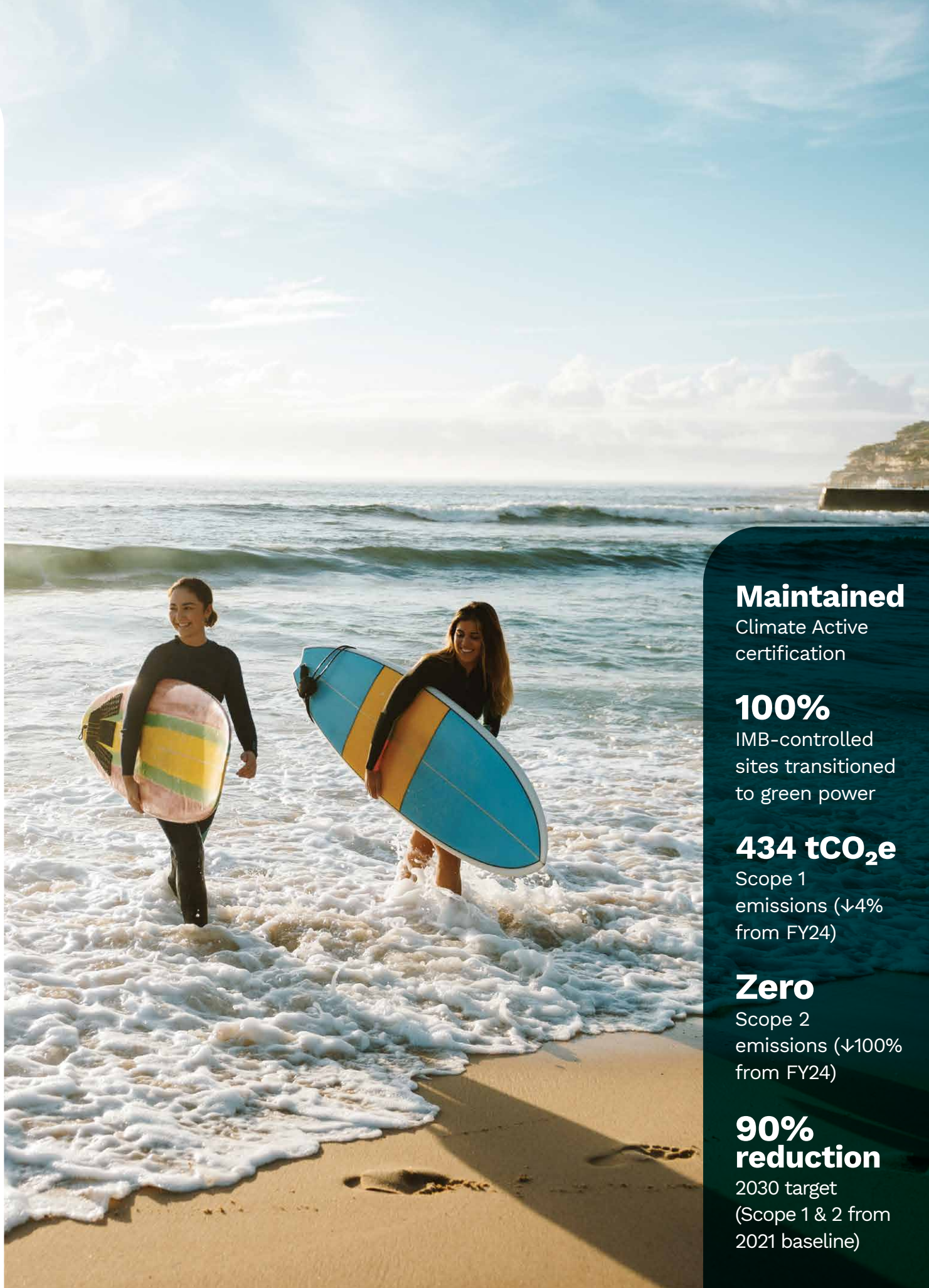
## Scope 3 Emissions

This year we again conducted a detailed assessment of the GHG emissions that occur in IMB's value chain.

We acknowledge that Scope 3 emissions are inherently more challenging to measure and manage due to their third-party nature and a lack of reliable emissions data across many industries. While we strive to influence our suppliers to adopt more sustainable practices, our ability to do so can be constrained by several factors. These include the global reach of some suppliers, their operations across multiple jurisdictions, their responsiveness to clients with greater purchasing power and, in some cases, a limited pool of alternative suppliers.

Despite these challenges, we remain committed to engaging with our suppliers, encouraging transparency and promoting emissions reduction initiatives wherever possible.





## Maintained

Climate Active  
certification

## 100%

IMB-controlled  
sites transitioned  
to green power

## 434 tCO<sub>2</sub>e

Scope 1  
emissions (↓4%  
from FY24)

## Zero

Scope 2  
emissions (↓100%  
from FY24)

## 90% reduction

2030 target  
(Scope 1 & 2 from  
2021 baseline)



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IMB Ltd trading as IMB Bank ABN 92 087 651 974

