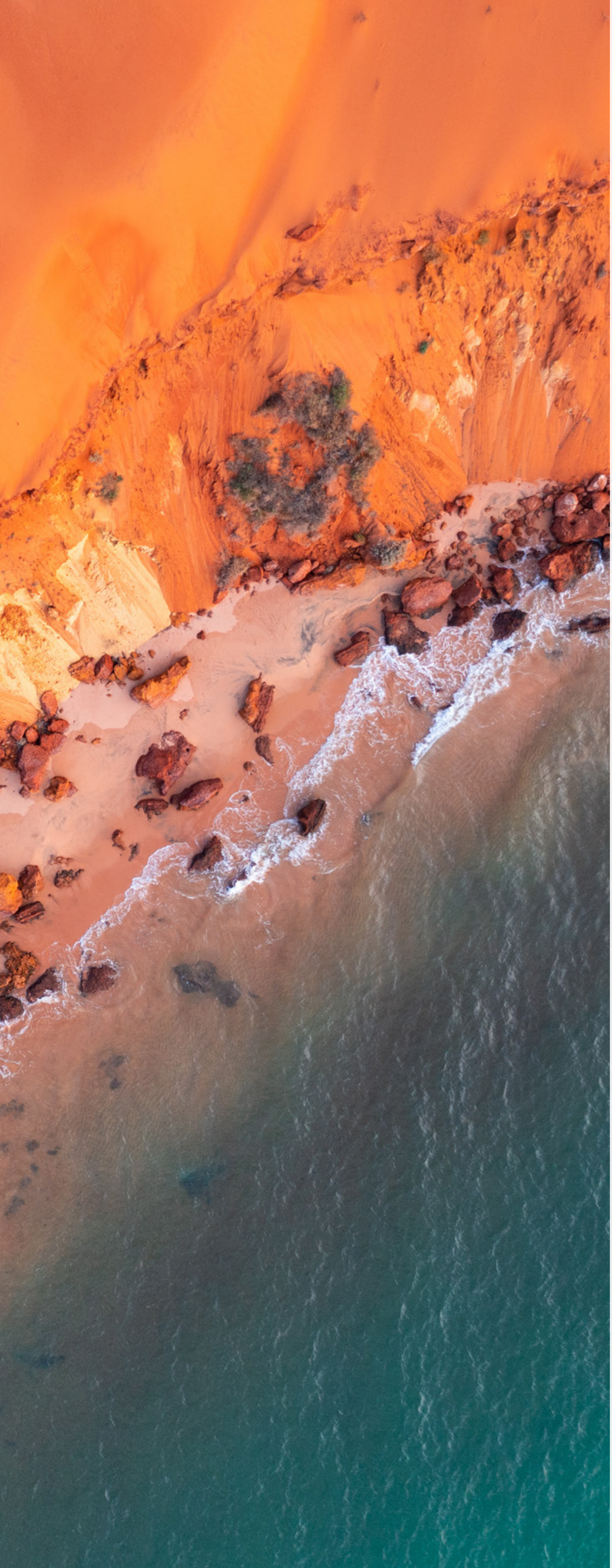
# Sustainability & Impact Report

Insignia Financial Sustainability & Impact Report 2025

17 October 2025



# Contents



**Insignia Financial acknowledges the Traditional Custodians of Country of the land on which we live and work, and recognises their continuing connection to lands, waters, and communities.**

We pay our respect to Aboriginal and Torres Strait Islander peoples and their cultures, and to Elders past and present.

Together 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 equality of outcomes and ensuring an equal voice.


**Insignia Financial Limited** ABN 49 100 103 72

# A message from our CEO

At Insignia Financial, we understand the importance of sustainability and are committed to embedding responsible practices into everything we do. We are committed to understanding our impact as an organisation so we can meet the expectations of our customers, create stronger partnerships, and take meaningful action toward a healthier planet and stronger communities.

We recognise the science of climate change and the real impact it has on our customers, shareholders, and broader communities. Through enhanced climate reporting and strengthened internal sustainability policies, we are focused on making responsible choices that support a more sustainable future.

This report also reflects our deepening connection with our community and First Nations peoples. Our community partnerships, supported by the Insignia Community Foundation, remain a vital part of this journey. In May 2025, we successfully delivered our first Innovate Reconciliation Action Plan, and we're proud to have received approval in September 2025 from Reconciliation Australia for our second Innovate RAP, which will guide us through to October 2027.

While there is always more to learn and improve, we are taking steps to create lasting value – for our business, our customers, our people, and society. This report highlights the progress we've made, the initiatives we're advancing, and the goals that will guide us in the years ahead.

Thank you for your support.

**Scott Hartley**
Chief Executive Officer
Insignia Financial Ltd

# Sustainability at Insignia Financial

Insignia Financial Ltd (IFL) and its controlled entities (together the Group) seek to create sustainable, long-term value for our customers, people, and shareholders through the incorporation of Environmental, Social, and Governance (ESG) factors into our decision-making processes across the Group.

Our aspiration to create financial wellbeing for every Australian is intrinsically linked to improving environmental and social outcomes.

FY25 saw the Group deliver meaningful progress against actions and initiatives across a wide range of our sustainability areas.

## 2025 Sustainability Highlights

**83%**

employee participation in the June 2025 'Our Voice' survey

**65%**

favourable engagement score, up 13 points from Dec 2024

**71%**

of employees feel proud to work at Insignia Financial (+15 points)

Successfully delivered the first Innovate RAP

Harmonised six Enterprise Agreements into one, promoting equity and inclusion

Strengthened member financial wellbeing:

- over 109,000 digital advice engagements
- expanded access to personal and general advice

Inclusive employee benefits introduced, including:

- universal parental leave
- cultural and ceremonial leave
- gender affirmation leave
- and public holiday substitution

## Sustainability Strategy

In 2023, the Group undertook a materiality process, engaging with key business stakeholders (which includes customers, shareholders, company directors, senior leaders, and employees). Through this process we identified key material ESG topics that were most important to the Group, which then shaped our sustainability strategy. In August 2024, the IFL Board approved a Group Sustainability Strategy to guide our sustainability efforts through to the end of 2026. Since then, we have made progress across several key areas:

- Set targets for Scope 1 and 2 operational GHG emissions, aligned with the Science Based Targets initiative (SBTi).
- Brought our GHG emissions calculations in-house, including data identification, development of a Basis of Preparation, and onboarding of a third-party sustainability platform to support emissions metrics.
- Prepared dry run climate-related disclosures aligning towards the Australian Sustainability Report Standards (ASRS) S2, one year ahead of our mandatory reporting requirement.
- Strengthened processes supporting Responsible Investment policies and developed a climate risk reporting roadmap for Group 2 entities under ASRS S2. These Group 2 entities include some of our managed investment schemes and superannuation funds.
- Undertook nature and biodiversity risk assessments, forming the basis of a future action plan.
- Enhanced modern slavery monitoring processes and published our FY24 Modern Slavery Statement.
- Deepened our understanding of Aboriginal and Torres Strait Islander cultures to support financial wellbeing for First Nations Peoples.
- Launched our Cyber Culture Program, delivering mandatory cybersecurity training to all employees including our contingent workers.
- Relaunched the Insignia Community Strategy with stronger alignment to the Group's purpose, driven by grants and employee participation.
- Gender pay gap and voluntary attrition rates remained lower than market averages in FY25.
- Strengthened member financial wellbeing, with strong take up of digital advice engagements and expanded access to personal and general advice through integrated Education and Advice services.

In FY26, we will undertake a refreshed materiality assessment involving key business stakeholders. This process will help us identify or reaffirm our most material ESG topics and shape Insignia Financial's 2030 Sustainability Strategy. The strategy will be presented to the Board in FY26 and reported on in our 2026 Sustainability & Impact Report.

## Material ESG topics and targets

In June 2023, we performed a formal materiality assessment in line with Global Reporting Initiative (GRI) requirements, which informed our sustainability strategy and identification of targets against a range of ESG topics.

We identified and ranked 12 materiality topics in order of importance to our business stakeholders. We have combined these topics into ten key focus areas with targets and goals. Our refined strategy focuses our efforts on increasing our impact across these areas.

The Group ESG team collaborates with key internal stakeholders to embed ESG considerations and sustainability into targets and goals for each focus area, ensuring strategy and impact remain aligned.

| | Focus area | Description |
|---|---|---|
| 1 | **Environmental impact** | • The impact of our operations, financial products, and services on the environment. |
| 2 | **Climate risk** | • The potential financial, operational, and reputational impacts on our business and investment portfolios due to climate change. These fall into two categories: physical risks and transition risks. |
| 3 | **Governance and transparency** | • Critical components of our sustainability strategy focusing on the systems, processes, and practices that enable effective management, accountability and ethical conduct. |
| 4 | **Responsible investment and stewardship** | • The integration of ESG factors into investment decisions and the active ownership of investments to promote sustainable and ethical business practices. |
| 5 | **Data, cybersecurity and artificial intelligence (AI)** | • Practices and technologies employed across the Group to protect sensitive information and digital assets from cyber threats, effectively manage the information we collect and retain and appropriately manage the use and deployment of artificial intelligence (AI). |
| 6 | **Sustainable procurement** | • Ethical and responsible sourcing of goods and services that avoids harm to people and the planet, ensuring goods and services are produced without exploitation or environmental damage. |
| 7 | **Modern slavery** | • The practices in place to monitor and manage our supply chain to prevent exploitation and forced labour that individuals endure under threat, coercion or deception. |
| 8 | **Community impact** | • The way we engage and impact the community, along with how our operations, policies and activities impact the communities in which we operate. |
| 9 | **Employee engagement and wellbeing** | • The practices and initiatives we implement to create a supportive, motivating and healthy work environment. |
| 10 | **Financial wellbeing** | • As investment and superannuation grow more complex, access to financial education and resources including expert financial advice, helps Australians make more confident, informed financial decisions. |

## Our material ESG topics and targets – highlights and targets

| | % complete | Material topic | FY25 Highlights | Targets and activities to be achieved by the end of FY26 |
|---|---|---|---|---|
| 1 | | **Environmental impact**<br>*'A healthy environment is pivotal to financial wellbeing'* | • Brought emissions calculations in house, expanding Scope 3 emissions coverage to include key Greenhouse Gas (GHG) Protocol categories and improving transparency and completeness of our footprint.<br>• Re-baselined our emissions to 2024 to better support the development and implementation of our emissions reduction plan.<br>• Completed a nature and biodiversity assessment, laying the groundwork for integrating nature-related impacts and dependencies into future disclosures.<br>• Delivered Board approved Climate Action Plan, including Science Based Targets Initiative (SBTi) aligned Scope 1 & 2 emissions reduction targets | • Develop an emissions and waste reduction plan (including Scope 3 climate targets)<br>• Deliver a biodiversity assessment and action plan in line with proposed Taskforce on Nature-related Financial Disclosures (TNFD) |
| 2 | | **Climate risk**<br>*'Protecting our businesses and customers from the impact of climate change'* | • Prepared dry run climate-related disclosures, aligning towards ASRS S2, enhancing transparency and readiness for mandatory climate-related financial disclosures.<br>• Continued building climate risk assessment capability, including internal expertise, tools, and methodologies.<br>• Established climate risk governance foundations, with initial reporting processes scoped across IFL and its subsidiary entities. | • Embed climate risk governance reporting across IFL, Registrable Superannuation Entity Licensee (RSELs), and Responsible Entity (REs) to support consistent board-level oversight.<br>• Advance internal climate risk assessment capability, including scenario analysis and stress testing.<br>• Monitor evolving regulatory and market expectations, including developments in AASB S2 and nature-related disclosures, to inform future disclosure. |
| 3 | | **Governance and transparency**<br>*'Building trust through accountability and transparency'* | • Established a new Risk Management Framework, launched in May 2025, to strengthen the organisation's governance and compliance posture.<br>• Implemented the Financial Accountability Regime (FAR), including registration of Accountable Persons, updated governance documentation, and embedded breach reporting and accountability mapping processes.<br>• Aligned executive remuneration with long-term value creation, applying CPS 511 requirements including malus and clawback provisions, deferral arrangements, and independent oversight by the Group People & Remuneration Committee. | • Meet government climate reporting requirements, ensuring compliance with emerging legislation.<br>• Develop and roll out a Group Sustainability Policy, setting a clear direction for responsible business practices.<br>• Develop the 2030 Sustainability Strategy, aligning long-term sustainability goals with stakeholder expectations.<br>• Implement an entity-level sustainability reporting framework, enabling consistent and transparent disclosures. |
| 4 | | **Responsible investment and stewardship**<br>*'Investing in a sustainable future'* | • Enhanced oversight of investment managers' ESG credentials, improving assessment and monitoring processes.<br>• Initiated preparations for climate-related financial disclosures, including recruitment of a climate specialist and sourcing financed emissions data.<br>• Strengthened operational processes to identify climate risks within investment portfolios, supporting future integration into decision-making. | • Obtain Principles for Responsible Investment (PRI) signatory status across all 'go forward' investment brands (where applicable)<br>• Develop an initial portfolio emissions measurement and climate risk analysis.<br>• Formalise an active stewardship strategy focused on addressing material portfolio climate risk.<br>• Develop climate risk reporting and a strategy for investment portfolios to meet legislative requirements. |

| | % complete | Material topic | FY25 Highlights | Targets/activities to be achieved by end FY26 |
|---|---|---|---|---|
| 5 | | **Data, cybersecurity and AI**<br>*'Securing data, advancing AI, building trust* | • **Cyber Security:** Strengthened our cyber security posture by enhancing the capability of our people, processes, and tools, including refreshing employee training content, expanding customer education initiatives, and launching dedicated cyber and scams awareness websites across our key brands.<br>• **Data & Privacy:** Transferred the Privacy Office into the Technology division, recognising the strategic alignment between privacy, data governance, and cyber security. We remain committed to protecting the privacy of our customers, and ethically managing our critical information assets.<br>• **Technology & AI:** Launched *MLC Money View*, a publicly available self-service tool that provides financial insights and retirement estimates, while advancing our AI governance framework to ensure responsible use of emerging technologies. | • Refresh Cyber Strategy, with ongoing enhancement of cyber capabilities and practices.<br>• Maintain and strengthen strategic partnerships with industry bodies, such as the Financial Services Council (FSC), and government agencies, including the Australian Cyber Security Centre (ACSC). |
| 6 | | **Sustainable procurement**<br>*'Sourcing with purpose'* | • Social Procurement Guide developed to embed social value into procurement decisions.<br>• All suppliers onboarded since February 2025 completed the updated modern slavery due diligence questionnaire, lifting overall participation rates.<br>• Indigenous supplier engagement was actively promoted through Supply Nation membership and internal awareness initiatives. | • Finalise integration of social value considerations into the corporate procurement policy, supported by the new Social Procurement Guide.<br>• Continue to strengthen Indigenous supplier engagement through expanded use of Supply Nation and internal capability-building initiatives.<br>• Implement climate impact assessment and questionnaires for corporate suppliers. |
| 7 | | **Modern slavery**<br>*'Eradicating abuse, upholding humanity'* | • The modern slavery due diligence questionnaire was simplified in 2025, resulting in 100% completion by new suppliers and improved response quality.<br>• 99% of employees completed modern slavery awareness training, reinforcing a strong compliance culture.<br>• The fifth annual Modern Slavery Statement (December 2024) highlighted continued progress in mitigating supply chain risks. | • Maintain and improve modern slavery monitoring by leveraging the simplified due diligence questionnaire and tracking supplier response quality.<br>• Deliver the FY25 Modern Slavery Statement, incorporating insights from enhanced supplier data and onboarding outcomes. |
| 8 | | **Community impact**<br>*'Empowering communities, transforming lives'* | • Maintained greater than 40% employee participation in workplace volunteering and giving with charitable organisations.<br>• Introduced a new community platform, My Community, to manage workplace giving, volunteering, and fundraising activities.<br>• Completed 100% of the planned activities under our Reconciliation Action Plan (RAP) across four key areas.<br>• Donated more than $1.3 million through the Insignia Community Foundation and our Community Program. | • Sustain employee participation in workplace volunteering and giving above 40%.<br>• Launch the second phase of our Innovate RAP.<br>• Continue to align Insignia Community Foundation charity partners with the Group's broader social impact and corporate strategy. |

| | % complete | Material topic | FY25 Highlights | Targets/activities to be achieved by end FY26 |
|---|---|---|---|---|
| 9 | | **Employee engagement and wellbeing**<br>*'Fostering connection, nurturing wellbeing'* | • Streamlined six Enterprise Agreements into one, enabling fairer pay structures and inclusive benefits that strengthen diversity and equity across the organisation.<br>• In June 2025, 71% of employees reported feeling proud to work at Insignia Financial, a 15-point increase from the December 2024 survey.<br>• General Manager and Executive female representation increased to 45.61% from 44.83% year on year. | • Achieve 40:40:20 gender representation across leadership roles at all job levels and across all divisions.<br>• Maintain below market median total remuneration gender pay gap, move towards a target of no more than 3% gender pay gap for like for like roles.<br>• Maintain below-market voluntary attrition. |
| 10 | | **Financial Wellbeing**<br>*'Empowering your future, building financial confidence'* | • Digital advice engagement increased to over 109,000 interactions, up 37% year-on-year.<br>• Launched a self-directed retirement income advice tool, empowering members to plan independently.<br>• Integrated advice services through the new Education and Advice team, improving customer experience across all brands. | • Expand member education by scaling digital delivery channels to reach and engage more customers effectively.<br>• Deepen cultural understanding of Aboriginal and Torres Strait Islander communities to better support financial wellbeing for First Nations customers.<br>• Launch MLC Retirement Boost™ with a view to expanding retirement income options for Australians, leveraging strategic partnerships, digital tools, and specialist distribution support. |

# Environmental impact

We are conscious of the environmental impact of our operations as a business, as well as the potential impact of climate change across our value chain. We seek to better understand and assess the implications of climate change and its potential risks on our supply chains, investment portfolios and the communities we serve.

## Operational emissions footprint

In FY24 and FY25, we transitioned our emissions calculations in-house, enabling a more complete and accurate view of our Greenhouse Gas (GHG) footprint. This shift has enhanced the quality and granularity of our data, particularly for Scope 3 emissions, which are the most significant for our business.

By aligning our methodology with the GHG Protocol, we have strengthened the integrity and comparability of our reporting. This in-house approach has allowed for more timely and robust data collection, validation, and analysis across our operations, providing a reliable foundation for emissions tracking and reporting.

To reflect the improved data quality and methodology, we have identified FY24 as the most appropriate baseline year for our emissions reporting. This updated baseline will better support the development and implementation of our emissions reduction and offsetting strategy, ensuring our targets are grounded in accurate and transparent data.

Due to our business activities in providing advice, superannuation and investment services, we understand that most of our emissions are concentrated in our downstream Scope 3, or "financed" emissions. These are the emissions generated by the companies and assets that we invest in. In FY25 we commenced calculating our financed emissions for selected investment portfolios and are currently in the process of improving the accuracy of these calculations to align with ASRS S2 reporting requirements for FY27. As such, we do not report on financed emissions in this report.

The following table outlines our Scope 1, Scope 2, and Scope 3 operational emissions for FY24 and FY25, measured in tonnes of carbon dioxide equivalent ($tCO_2e$), which is a standard unit used to compare the emissions from various greenhouse gases based on their global warming potential.

| Category | FY25 ($tCO_2e$) | FY24 ($tCO_2e$) | Movement (%) | % of total emissions |
|---|---|---|---|---|
| Scope 1 Direct emissions | – | – | – | – |
| Scope 2 Purchased energy[i] | 1,344 | 1,909 | (29.6) | 2.5 |
| **Total Scope 1 and 2** | **1,344** | **1,909** | **(29.6)** | **2.5** |
| Carbon offsets retired against Scope 2 | (1,344) | (1,909) | (29.6) | (2.5) |
| **Net Scope 1 and 2 emissions** | **–** | **–** | **–** | **–** |
| **Scope 3** | | | | |
| Category 1 Purchased goods and services | 44,000 | 43,793 | 0.5 | 81.0 |
| Category 2 Capital goods[ii] | 4,110 | 3,107 | 32.3 | 7.6 |
| Category 3 Fuel and energy related activities | 372 | 490 | (24.1) | 0.7 |
| Category 6 Business travel[iii] | 2,133 | 1,810 | 17.8 | 3.9 |
| Category 7 Employee commuting[iv] | 2,377 | 2,896 | (17.9) | 4.4 |
| **Total Scope 3** | **52,992** | **52,096** | **1.7** | **97.5** |
| **Total emissions** | **54,336** | **54,005** | **0.6** | **100.0** |
| Carbon offsets retired | (1,344) | (1,909) | (29.6) | (2.5) |
| **Net GHG emissions** | **52,992** | **52,096** | **1.7** | **97.5** |

For further detail on our emissions calculations, including methodology, data sources, and material assumptions, please refer to Appendix A. This appendix outlines how emissions have been estimated across Scopes 1, 2, and 3, and provides transparency around the processes and inputs used in our reporting.

**Observations**

(i) Reported Scope 2 emissions decreased due to the consolidation of three Sydney leases into a single, more energy-efficient tenancy, the closure of a high-energy data centre room, and improved accuracy from using actual energy data.
(ii) Emissions relating to spend on capital goods increased, reflecting investment in the fit-out of the Group's new Sydney-based office.
(iii) Business travel emissions increased driven by a higher proportion of long-haul business class flights.
(iv) Employee commuting and remote work emissions declined, primarily due to a reduction in headcount.

### Target Setting

We support global efforts to achieve net zero greenhouse gas emissions by 2050 and continue to evolve our approach to environmental sustainability in line with emerging standards and stakeholder expectations. We are committed to achieving net zero for our operational Scope 1 and 2 emissions by 2050. To meet this objective, we have set a target to reduce our absolute operational Scope 1 and 2 GHG emissions by 63% by 2035, using FY24 as our baseline year. Our near-term target has been informed by the SBTi near-term criteria which aim to limit global temperature increase to well below 2°C compared to pre-industrial temperatures.

Using our new in-house GHG calculation approach, we've developed improved emissions data for FY24 and FY25, providing deeper insight into key contributors within our emissions profile. In FY26, we plan to develop a targeted strategy to reduce Scope 3 operational emissions, including the use of carbon offsets where appropriate. This strategy will be informed by our updated baseline (FY24) and will focus on identifying practical, high-impact emissions reduction opportunities across our operations and supply chain.

### Sustainable operations & waste management

We are conscious of the environmental impact of our business operations and are committed to understanding and addressing the implications of climate change. This includes advancing our e-waste strategy, with a growing focus on recycling and reuse of decommissioned technology assets.

As part of our commitment to environmental sustainability and responsible technology asset management, our Technology team prioritises reuse wherever feasible before considering e-waste disposal. In FY25, a total of 2,670 hardware items were processed. Of these, 2,372 items (nearly 89%) were successfully reused, either internally within IFL or sold to be reused by others, significantly extending the lifecycle of equipment and reducing landfill contributions. 298 items were e-wasted, typically due to irreparable damage.

In addition to responsible waste management, we are embedding sustainability into our capital investments. In our recent Adelaide office refurbishment, over 90% of materials were recycled or repurposed. These initiatives, alongside strong technology reuse, reflect our broader commitment to reducing our environmental footprint and driving sustainability across all areas of our operations.

## Nature-related sustainability disclosure

As part of our broader commitment to responsible business practices, we have begun to explore our relationship with nature and natural resources. While our operations aren't heavily dependent on land or ecosystems, we recognise the importance of protecting our natural resources by understanding the environmental risks and impacts associated with our business footprint.

In FY25, we conducted a preliminary nature-related risk assessment using the World Wildlife Fund's Biodiversity Risk Filter and Water Risk Filter, covering all office locations.

### Biodiversity risk assessment

The WWF Biodiversity Risk Filter helps identify potential physical and reputational risks:

- Physical risks refer to how our operations may be affected by changes in natural systems, including the availability of ecosystem services.
- Reputational risks refer to how stakeholders and communities perceive our environmental performance, particularly regarding biodiversity.

Key observations from the assessment include:

- Physical risks: Exposure to air quality issues, wildfire hazards, extreme heat, and tropical cyclones.
- Reputational risk: Potential for media scrutiny, particularly around environmental expectations.

### Water risk assessment

The WWF Water Risk Filter assesses physical, regulatory, and reputational risks associated with water resources:

- Physical risks include flooding and water quality concerns in certain locations.
- Regulatory risk was assessed as low across our operations.
- Reputational risks include media attention and cultural sensitivity, particularly where offices are located near World Heritage Sites.

We acknowledge this is an early step in our understanding of nature-related risks. To build on this work, we will continue to develop the Group Biodiversity Assessment and Action Plan throughout FY26. This will support our responses to emerging expectations, including potential future disclosure standards from the International Sustainability Standards Board (ISSB), and guide a more systematic approach to managing nature-related considerations more systematically.

## Climate risk

In FY25, the Group made progress towards the adoption of the Australian Sustainability Reporting Standards (AASB S2) ahead of the mandatory FY26 requirement, reinforcing our commitment to early and transparent climate disclosure. Our Climate Report is moving towards alignment with both ASRS and the GHG Protocols and has been published as part of our annual financial reporting suite one year ahead of the mandatory reporting timeline. This approach supports our commitment to strong governance practices, robust risk management, and building stakeholder confidence in our climate-related disclosures.

For further details and to access the Climate Report, refer to our Annual Financial Report dated 21 August 2025. https://www.insigniafinancial.com.au/content/dam/ifl/docs/ifl-annual-financial-report-2025.pdf

# Governance

## Insignia Financial's governance framework ensures ESG risks and opportunities are overseen, monitored and embedded across the Group.

The Board and Board Committees, as well as the Executive Team, hold clear responsibilities for managing, monitoring and overseeing risks and opportunities across the Group.

**Board of Directors**

| Group Risk & Compliance Committee | Group Audit Committee | Group People & Remuneration Committee | Group Nomination Committee |
|---|---|---|---|

**Executive Governance – Executive Leadership Team**

**Business and Functional Governance**

**Climate Related Disclosure Reporting Advisory Group**

**Emerging Risk Forum**

**Group ESG**

### Board of Directors (Board)

The Insignia Financial Ltd Board is ultimately responsible for setting and overseeing the Group's strategic direction. The Board plays an important role in overseeing ESG risks and opportunities and the implementation of the IFL Sustainability Strategy across the Group.

### Group Risk & Compliance Committee (GRCC)

The Board, in conjunction with the GRCC, is responsible for monitoring and receiving assurances that the Group has an appropriate and effective risk management framework in place to identify, assess, mitigate and monitor risks, including ESG related risks. The Group ESG team presents a bi-annual ESG Risk update to the GRCC.

### Group Audit Committee (GAC)

The Board, in conjunction with the GAC, is responsible for financial reporting, sustainability reporting, audit and taxation. The GAC oversees the Financial Report, including Climate-related disclosures, and the Sustainability & Impact Report, as part of the annual financial reporting process.

### Group People and Remuneration Committee (GPRC)

The Board, in conjunction with the GPRC, approves performance goals for the CEO and senior executives and contributes to evaluating their progress. In FY26, eight ESG-related metrics were added to the enterprise scorecard to strengthen accountability and embed ESG and climate risk thinking into business practices.

### Group Nomination Committee (GNC)

The Board, in conjunction with the GNC, is responsible for assessing candidates for appointment, election, and re-election to the Board, reviewing Board, Committee, and individual director performance processes, and overseeing the induction program for new directors. The GNC also advises on succession planning and assesses whether the Board maintains the necessary skills and competencies, including ESG where relevant.

The Board and management are committed to maintaining high standards of corporate governance within the Group. To find out more, please refer to the Group Corporate Governance Statement: https://www.insigniafinancial.com.au/corporate-responsibility/corporate-governance/statement-charters-and-policies

## Internal audit

Our internal audit activities are undertaken by Group Internal Audit, governed by a Charter approved by the Group Audit Committee. Group Internal Audit provides the Board and management with independent, objective assurance on the effectiveness of the Group's governance, risk management and internal control processes. To maintain independence, Group Internal Audit has no direct operational responsibility or authority over any of the Group's business or risk management activities.

Group Internal Audit has unrestricted access to all of the Group's information systems, records, physical properties and employees. The Group Audit Committee oversees Group Internal Audit's activities and performance, including its independence.

## Risk management

As part of our license condition obligations, we have established a new Risk Management Framework (RMF), which launched in May 2025. The framework introduces a range of enhancements aimed at strengthening and modernising the RMF, ensuring it remains relevant and future-ready. Key features include:

**We expect to achieve full alignment with the new RMF by 1 January 2026.**

- A comprehensive set of policies and standards underpinned by harmonised risk and control taxonomies
- Clearly articulated accountabilities, roles, and responsibilities in accordance with the Three Lines of Accountability (3LoA) model
- Structured escalation and reporting protocols and well-defined communication channels
- Systematically embedded risk and control management practices
- An expanded compliance framework encompassing CPS230, the Financial Accountability Regime (FAR), and other regulatory instruments
- Rigorous mechanisms for identifying, assessing, managing, and analysing incidents and regulatory breaches
- A deliberate emphasis on cultivating a culture of compliance
- Deployment of an integrated, fit-for-purpose Governance, Risk & Compliance (GRC) platform – ATLAS 2.0.

### The Member Office (MO)

The MO is an independent function within the Group. The purpose of the MO is to advocate for members and beneficiaries and support the RSEL Boards to discharge their fiduciary and regulatory responsibilities.

### The Office of the Responsible Entity (ORE)

The ORE has an independent function within the Group. The purpose of the ORE is to assist the RE boards to discharge their fiduciary and licensing responsibilities in the best interest of investors in our funds. The ORE oversees the performance of managed investment schemes and the provision of scheme services to the REs. The ORE is independent of management and has access to all the information and resources required to perform its duties.

### Financial accountability and executive remuneration

The Financial Accountability Regime (FAR) is a principles-based legislation aimed at strengthening responsibility and accountability and improving the risk and governance cultures of Australia's financial institutions. Jointly administered by the Australian Prudential Regulation Authority (APRA) and the Australian Securities and Investments Commission, the FAR was effective 15 March 2025 for superannuation and insurance.

The FAR requires the identification and registration of Accountable Entities and Accountable Persons of those entities. Within Insignia Financial, these are the four RSELs. Accountable Persons are individuals who hold senior roles and are responsible for key areas of the business, as defined by the legislation. The Act also requires IFL to identify Significant Related Entities (SREs), organisations that could have a major impact on the financial health or reputation of the RSELs.

As part of our FAR implementation program, during FY25 we:

- identified and registered all Accountable Persons allocating the prescribed responsibilities
- updated relevant role descriptions, reporting lines and governance documents
- established internal controls to monitor compliance with FAR obligations
- embedded accountability mapping and breach reporting processes across our risk, legal and people functions.

FAR reinforces our commitment to a strong risk culture, clear decision-making authority, and effective consequence management, all of which are core to sustainable governance and ethical leadership.

"FAR reinforces our commitment to a strong risk culture, clear decision-making authority, and effective consequence management, all of which are core to sustainable governance and ethical leadership.

### Executive remuneration aligned with purpose and long-term value

Insignia Financial's executive remuneration framework is designed to support sustainable performance and long-term value creation, in alignment with our purpose of creating financial wellbeing for every Australian.

In FY25, the Group applied its Remuneration Framework to ensure executive remuneration was:

- Strategy-led: Incentives aligned to long-term shareholder value, client outcomes, and regulatory compliance
- Risk-adjusted: Performance outcomes and reward were moderated where necessary to reflect risk and conduct matters
- Transparent and Fair: Consistent with governance obligations under APRA Prudential Standard CPS 511, the Corporations Act, and ASX principles.

As part of our compliance with CPS 511 and FAR, IFL applies malus and clawback provisions, deferral arrangements for variable remuneration, and independent oversight from the GPRC.

The GPRC conducts annual remuneration reviews to ensure that remuneration outcomes remain appropriate, support prudent risk-taking, and reflect both performance and values.

Further information can be found in our Remuneration Report, included in our Annual Financial Report dated 21 August 2025. https://www.insigniafinancial.com.au/content/dam/ifl/docs/ifl-annual-financial-report-2025.pdf.

## Responsible investment and stewardship

Responsible investment is the way in which we apply ESG principles to our investment and superannuation business. Our Responsible Investment Policies explain how we consider responsible investment when choosing and reviewing external investment managers.

Further information on our Responsible Investment Statements can be found on our corporate site: https://www.insigniafinancial.com.au/corporate-responsibility/sustainability/responsible-investment

We believe integrating ESG considerations into our investment strategies improves the risk profile of investment returns and contributes to the creation of long-term value for our customers.

In FY25 Asset Management had two key areas of focus:

- further improving the process to assess and monitor the responsible investment credentials of our investment managers
- undertaking key preparations to meet obligations under the upcoming climate-related financial disclosures legislation, including recruiting a subject matter expert, sourcing a financed emissions data provider, and enhancing operational processes to identify climate risk from our investment managers.

## Cyber security, data and AI

### Cyber security

As part of the FY24-FY26 Cyber Strategy, we continue to invest in strengthening our Cyber Security posture by enhancing the calibre and capability of our people, processes and tools to better protect our data, assets, and customers. This on-going commitment enables us to respond effectively to the growing cyber threat landscape.

The restructure of the cyber team focuses on four pillars: Strategy and Governance, Design and Assurance, Engineering, and Resilience. This allows for continuous adaptability and growth in line with globally recognised frameworks and standards such as the National Institute of Standards and Technology (NIST).

We have refreshed our employee cyber training content and phishing simulations via a new Australian-based phishing platform. This will help shape employee behaviour and cyber awareness by encouraging an instinctive 'Stop' response to anything suspicious and teaching our people to continuously adapt to the evolving threat landscape.

We have expanded our customer cyber education activities through targeted adviser and customer sessions including tailored, business unit focused, in person session or webinars. Additionally, we have launched dedicated cyber and scams awareness websites across our key brands, including MLC, Shadforth and Bridges, to further raise awareness and support.

Our General Manager Cyber Security has taken a leading role and voice across the financial services industry as part of various cyber forums and communities including as co-chair of the Financial Services Council (FSC) Australian Superannuation Cybersecurity Forum.

We are committed to ongoing collaboration with industry, government, partners, and regulators to strengthen the cyber resilience of our Group and the broader financial services ecosystem – we see cyber as a shared responsibility and space for collaboration against a common threat.

### Data and privacy management

We remain committed to protecting the privacy of our customers, and ethically managing our critical information assets. We adhere to APRA prudential guidelines, participate in industry and regulatory forums, and adopt industry standards. These principles are reinforced by the Information Management Policy, which is reviewed annually, and accompanying standards.

Our privacy program aligns with legal requirements and regulatory expectations, manages privacy risks and fosters trust with customers, employees and shareholders. This includes managing the personal information of our customers in line with the Group Privacy Policy. Annual privacy training is provided to all employees and targeted training is delivered on an ad-hoc basis as required. During FY25, the Privacy Office transferred into the Technology division which recognises the intrinsic connection between privacy, data governance and cyber security.

In June 2025, we again partnered with the Office of the Australian Information Commissioner during Privacy Awareness Week – for the 11th consecutive year – to further raise awareness of privacy matters across the organisation.

### Technology and AI

We continue to leverage technology and AI to help us serve our customers both directly through interactive tools and experiences, and indirectly by equipping our employees with automation and AI-driven support.

Building on our proprietary Wealth Central tool, we have launched MLC Money View, a publicly available self-service tool which can help provide insights in relation to a person's financial circumstances and estimates of their position in retirement. While we continue to embrace existing and emerging technologies, we do so with a clear understanding of the potential risks involved. To support this, we have further strengthened our AI governance framework with a dedicated policy that outlines key considerations for the responsible use of AI. This policy also supports an internal AI governance function that oversees the implementation, with a focus on technology suitability, privacy and information security.

## Sustainable procurement

The procurement team advanced its ESG approach through several key initiatives aimed at strengthening modern slavery risk management and promoting social value. Notable achievements include:

- Development of the Social Procurement Guide to further support integration of social value into procurement decisions.
- Membership with Supply Nation and active promotion of First Nations-led business supplier engagement through internal awareness campaigns and onboarding sessions.
- Uplift in participation rate in modern slavery supplier questionnaire.

Insignia Financial's first Innovate RAP was amplified through procurement's focus on increasing Aboriginal and Torres Strait Islander supplier diversity to support improved economic and social outcomes.

## Modern slavery

We recognise that alignment with the Modern Slavery Act 2018 (Cth) is essential for ethical and sustainable procurement. This commitment supports our regulatory compliance, meets stakeholder expectations, and reinforces our values.

Our fifth annual Modern Slavery Statement (December 2024) highlights continued progress in identifying and mitigating modern slavery risks across our corporate supply chains. We have maintained a strong compliance culture with 99% of IFL employees completing modern slavery awareness training. Our Modern Slavery Statement can be found here: https://www.insigniafinancial.com.au/content/dam/ifl/docs/modern-slavery-statement.pdf

In 2025, we made further enhancements to improve our ability to identify risk of modern slavery within our supply chain by simplifying our modern slavery due diligence questionnaire. This has resulted in a 100% completion rate for all new suppliers onboarded from February 2025, reduced queries and challenges from suppliers filling in the assessment and higher quality responses, particularly from material service providers.

> "We have maintained a strong compliance culture with 99% of IFL employees completing modern slavery awareness training."

# Our people and communities

## Community impact

### Our engagement with the community is made possible through our Insignia Community Foundation (Foundation) and Community Program, where grants along with employee donations and volunteering all support the vital work of charitable organisations across Australia.

Since inception in 2002, our Foundation has distributed more than $18.7 million to Australian communities. This year, over $1.3 million was donated through the Foundation and Community Program, which included employee donations to charity and our investment in community initiatives.

We aim to improve the lives of Australians so people can reach their full potential and have a better quality of life. In FY25, with our charitable partners, we connected with more than 13,000 Australians by supporting programs aimed at financial education and employment pathways, access to essential resources, social inclusion and mental health support.

## Statistics for FY25

**$742,000**
in the Foundation grants

**$600,000+**
in community and employee donations and investments

**31%**
of grants supported programs aimed at **financial wellbeing**

**26%**
of grants supported the basic needs of young people and **families**

**18%**
of grants supported **mental health**

**18%**
of grants supported **First Nations peoples** and **communities**

**7%**
of grants supported **inclusion** and **diversity**


## Key initiatives delivered with our community partners in FY25

**Dementia Australia** created the inaugural Younger Onset Dementia Guide to provide free, critical information and resources for people under the age of 65 living with younger onset dementia, their families and carers. The Younger Onset Guide is a vital resource for people living with dementia during a key stage of life — when they may be working, raising children, or managing a household — helping them live well and plan.

**OzHarvest** delivered Nourish (pictured above), a hospitality training program for young people facing barriers to employment, training, and education, to provide participants with a Certificate II in Cookery while developing a broad range of life and employment skills. We were pleased to support the 18-week program in Sydney, Newcastle and Adelaide, which can lead to further education or employment, with 58 young people graduating this financial year.

**Arise Foundation** supports women impacted by domestic and family violence to rebuild their lives through trauma-informed employment readiness programs. The Employment Readiness Program, English Language Support and Digital Literacy Training Program was delivered by Arise Foundation to 53 women. The program upskilled and supported a pathway into sustainable and meaningful employment for 24 women. This year, we provided mentors who held two sessions covering career mapping, goal setting, character strengths and elevator pitch. These 1:1 conversations with program graduates were designed to strengthen their employment prospects.

Insignia Financial 'Women in Finance' joined Tasnia Alam Hannan and Fariha Chowdhury from Arise Foundation (second from left and middle) at the Arise Academy Graduation in June 2025.

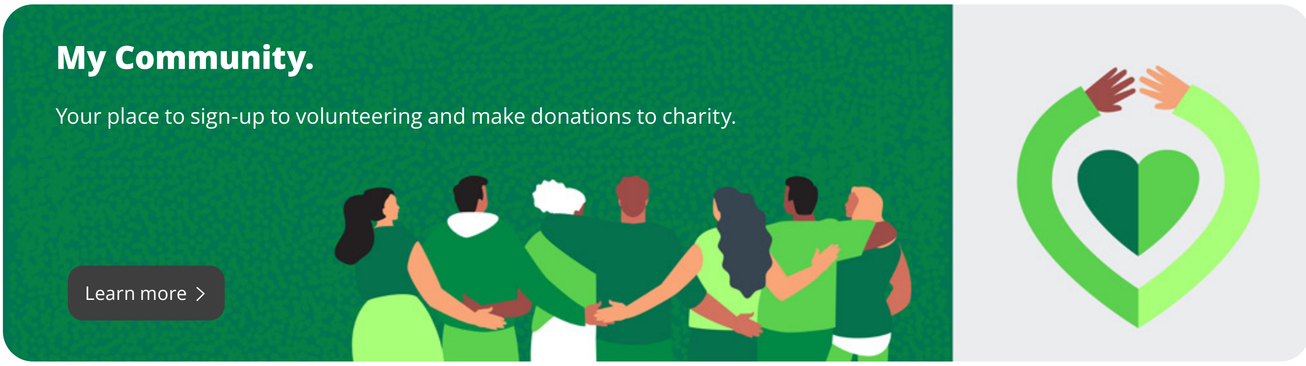
This year we recognised the critical need to support the mental health of young people in our community so they can thrive socially, academically, and emotionally. The Insignia Community Foundation supported **Gotcha4Life** with its Mentally Fit Primary Schools Program, a preventative program delivered to primary school students, teachers, parents and carers in the school environment to build mental fitness. With our support, the program increased its presence to 29 schools across New South Wales and reached more than 11,000 participants from January to June 2025.


Gotcha4Life is changing the culture of mental health in schools from silence and stigma to shared language, connection, and help-seeking. One teacher shared: *"Fantastic program - so relevant and practical. Wish it could get out to more areas."*

“Being a Pinnacle Scholar allows me to become part of a supportive and like-minded community. I am incredibly excited about the opportunity to connect with my mentor and other scholars, as it will be inspiring to meet role models who have navigated similar experiences.”

In partnership with **Kids Under Cover**, 68 young people were awarded Education Scholarships to support their continued engagement in school, university or TAFE. The program offers vital financial assistance to students and their families, covering essential educational needs such as technology, uniforms, books, transport and school activities. This support plays a key role in enhancing their learning experience, fostering inclusion and empowering the young people to thrive.

Since 2021, the Foundation has partnered with the **Pinnacle Foundation** to support the ‘Educational Scholarship Program’ helping young LGBTQIA+ Australians reach their full potential through education. In 2025, we commenced supporting a scholar studying at University of New South Wales.




## Connecting our employees to social impact

In FY25, our Community Program focused on strengthening employees’ connection to our purpose by offering meaningful and impactful opportunities with our charitable partners.

This year we introduced a new community platform, My Community, to provide employees with one place to manage their social impact initiatives, including volunteering, Payroll Giving, one-off donations, fundraising campaigns and staying informed on current and emerging topics. Launched in May 2025, My Community more than doubled employee charity donations in its first month.

My Community gives employees access to over 700 charities for donations and facilitates all volunteering, with permanent and max-term contractors at IFL receiving 15 hours of Community Leave each financial year to volunteer. Employees can volunteer with Community Program roles and find their own volunteering with a charitable organisation, school or sporting club. A new program, Volunteer Rewards, provides our people with $5 for every hour volunteered, up to $75 per financial year, to donate to their charity of choice on My Community.

We believe that everyone deserves access to essential resources to live with dignity and opportunity. Our employees support this mission by volunteering with organisations that provide food relief, clothing, and educational support. In FY25, over 1,000 volunteer roles were filled through the Community Program by our people.

In June 2025, 78% of employees told us they are proud of our Community Program and Insignia Community Foundation, up from 60% in May 2024.



Across Australia we have been volunteering with **Foodbank** to assist with the packing and sorting of groceries, food and clothing-over 97 employees have rolled up their sleeves this year. We are also pleased to provide a small grant to Foodbank Queensland following Tropical Cyclone Alfred.

In February, we held an **Eat Up** 'Sandwich Making Blitz' with 83 employees in Melbourne, Sydney, Brisbane and Perth. Together, we made 4,494 sandwiches for young people in school, so they feel more included and ready to learn after eating lunch.

We were thrilled to this year host four Work Inspiration Programs in Melbourne and Adelaide alongside our partner, **The Smith Family**, for young people who are in school and are exploring the future of work. Through theory and practical activities, our volunteers shared their career stories, reflected on the evolving corporate world and inspired the students with their futures for after school.

To further unite and connect our people, the Community Program encourages employees to participate in fundraising activities together for causes they care about. Our Employee Donation Matching Program supports fundraising efforts for individuals and teams. This year, over $50,000 was matched and over $130,000 was donated to charities by employees, excluding our match.

For the fourth consecutive year, Insignia Financial participated in the **Hobart City Mission's** Sleep Rough event. Our team raised more than $10,000, including matching from the Community Program, to help provide food, emergency shelter, and long-term housing for families experiencing homelessness in some form in Tasmania.


In our fifth consecutive year partnering with **Cerebral Palsy Alliance**, we were proud to take part in STEPtember, raising over $28,000 to support people living with cerebral palsy. This year also marked a new milestone as we joined the Krazy Kocsi Klimb for the first time—climbing Mount Kosciuszko in a single day alongside Team Annabelle, helping achieve her dream of conquering this incredible challenge.

## Commitment towards reconciliation

From May 2023 to May 2025, we successfully delivered our first Innovate Reconciliation Action Plan (RAP), completing 100% of the 19 Actions and 90 Commitments across Relationships, Respect, Opportunities, and Governance. This RAP laid a strong foundation for deepening our understanding of reconciliation across the Group.

Guided by First Nations-led organisations and individuals, including our RAP ambassador Troy Cook, a Yamatji man from Carnarvon, Western Australia, we embedded reconciliation into supplier opportunities, operations, and employee learning and experiences. Highlights included cultural learning programs with Red Dust and the First Nations Foundation, secondments through Jawun, and continued exploration to support financial wellbeing for Aboriginal and Torres Strait Islander customers.

We also participated in the First Nations Super Summit and remained on the Indigenous Superannuation Working Group, contributing to industry-wide efforts for culturally inclusive superannuation.

We celebrated National Reconciliation Action Week and NAIDOC Week with our employees that included volunteers participating in a dot painting class in our Gadigal/Sydney office, hosting a yarn in our Naarm/Melbourne office and attending the National Reconciliation Week Breakfast 2025 in Nipaluna/Hobart.

### Looking ahead: Our second Innovate RAP (2025–2027)

In early FY26, Reconciliation Australia endorsed our second Innovate RAP, which will run from October 2025 to October 2027. This next phase builds on the progress and insights gained from our first RAP and reaffirms our commitment to reconciliation. We will continue to collaborate with First Nations-led organisations and foster a workplace culture that deepens understanding and respect. A key focus will be on exploring opportunities to enhance financial wellbeing for our customers and suppliers.

First Nations woman, Kabushka Ngemba, delivered a beautiful dot painting class where we learnt about First Nations culture, symbolic meanings and how to dot paint.

## Diversity, equity and belonging

Our Diversity, Equity, and Belonging (DEB) Strategy 2024-2027 reflects our ongoing commitment to creating a more inclusive and supportive workplace for everyone. It builds on our strong culture of belonging and aims to foster a work environment where all our people feel valued and respected.

This strategy enhances awareness of diversity, celebrates individual differences, strengthens connections, and addresses systemic barriers. Investing in these efforts is not only the right thing to do – it also makes strong business sense. A diverse and inclusive workplace drives innovation, improves performance, enhances customer outcomes, and supports effective talent management.

Each focus area is supported by a dedicated committee made up of passionate employees, led by a business leader and backed by an executive sponsor.

We measure our progress through a DEB scorecard, with reporting provided twice a year to our CEO and executive sponsors, and annually to the Board. These updates include key performance metrics, such as progress towards items included on our RAP, gender representation targets and our gender pay gap.

For more information about our approach to inclusion and the business impacts of our DEB Strategy, visit the Insignia Financial Diversity, Equity and Belonging Strategy 2024-2027: https://www.insigniafinancial.com.au/careers/working-with-us/diversity-and-belonging

### The DEB Strategy targets six key priorities:

1. Pride
2. Accessibility
3. Reconciliation
4. Life and family
5. Multicultural
6. Women

## Where I belong

Diversity, Equity and Belonging (DEB) **2024-2027 Strategy**

## Key DEB achievements in FY25

A key achievement was the harmonisation of six Enterprise Agreements into one which provides greater opportunity over time to reduce our gender pay gap. The refreshed Enterprise Agreement also enabled us to offer our employees contemporary benefits and entitlements, many of which have a positive impact on diversity and inclusion. These include:

- **Universal parental leave:** Under the terms of our new Enterprise Agreement, we no longer distinguish between 'primary' and 'secondary' carers and now support all permanent employees to access up to 16 weeks of paid parental leave that can be taken in a variety of flexible ways. With only 29% of Australian Financial and Insurance Services employers offering universal parental leave[1], we are pleased to be a leader in this area.

  We believe parents should be confident their superannuation can keep growing as their family grows and so we pay superannuation contributions to employees on parental leave (paid, unpaid and government funded leave). This is an important way we can boost women's financial security in retirement.

- **Aboriginal and Torres Strait Islander Cultural and Ceremonial leave:** By providing culturally appropriate leave arrangements, we support Aboriginal and Torres Strait Islander employees in maintaining their cultural connections and participating in important cultural events.
- **Public Holiday Substitution:** Employees can substitute up to 5 public holidays per year for a day of cultural or religious significance to them.
- **Carer's Leave:** We recognise that at times employees need to take time away from work to care for those closest to them and it's an important part of creating work-life balance for our people. We are pleased to provide full-time employees five days of paid carer's leave to attend to the care of an immediate family member or member of their household
- **Gender Affirmation Leave:** Our culture of belonging is built on the premise that it's important for everyone to be able to confidently bring their full self to work and this includes the expression of their gender. For permanent employees, we provide support to employees affirming their gender to a gender that is different to the sex assigned at birth by providing paid and unpaid leave and access to other support services.

1. https://www.wgea.gov.au/Data-Explorer WGEA Industry Data Explorer 2023-24, Financial and Insurance Services employers, Gender Equality Indicator 4

Pride Committee Lead Ivan Luo and CEO Scott Hartley celebrate Pride

Throughout the year, we recognised and celebrated important religious, cultural, and social events. Some highlights in FY25 included Pride Week, International Women's Day, National Reconciliation Week, International Day of People with Disability, and National Families Week.

We also continued to deliver on actions outlined in our Family Inclusive Workplace certification with Family Friendly Workplaces Australia. We are a workplace where families thrive alongside careers, as demonstrated by our commitment to flexible work arrangements and support to transition back to the workforce after parental leave.

The Legal team coming together to celebrate Harmony Week by sharing dishes from their cultural background.

"We are a workplace where families thrive alongside careers."

## Workforce representation

We are working towards balanced gender representation in our organisation and believe that greater gender diversity in senior and leadership roles delivers better company performance, productivity, and profitability. This is reflected in our target to have 40% men, 40% women and 20% any gender across the organisation, at a business unit level and in leadership and board roles.

| | 2025 (%) Female representation | 2024 (%) Female representation |
|---|---|---|
| Total population | 48.91 | 48.58 |
| Board | 50.00 | 57.14 |
| CEO | 0 | 0 |
| Key management personnel | 33.33 | 0 |
| General Manager/Other Executive | 45.61 | 44.83 |
| Senior Manager | 41.08 | 38.12 |
| Other Manager | 45.40 | 39.92 |
| Asset Management | 42.72 | 38.76 |
| Technology | 26.45 | 30.12 |

*Based on the WGEA standardised employee categories*

## Gender pay gap

We believe that addressing our gender pay gap will support improved opportunities for all of our people to realise their potential. We have made significant progress with our Workplace Gender Equality Amendment (WGEA) gender pay gap over time. As reported to WGEA, our 2023–24 median total remuneration gender pay gap is 20%, which has decreased from 26.7% in 2020–21. Our gender pay gap is lower than the industry median total remuneration gap of 22.2% in Finance and Insurance Services.

We have made a formal commitment to continue to reduce our gender pay gap as part of our DEB Strategy 2024–2027. This strategy includes two gender pay targets;

- Maintain below industry average median gender pay gap in total remuneration
- Maintain 3% or less gender pay gap in total remuneration for like-for-like roles.

## Taking action on gender equity

We recognise the negative impact gender pay disparities and unbalanced gender composition has on equity and are actively addressing systemic barriers through our DEB strategy and internal processes. Our gender pay gap is primarily influenced by the distribution of gender across role levels, with women more heavily represented in junior positions. Achieving balanced gender representation – especially at executive and senior leadership levels – is key to narrowing this gap. In FY25, significant change was required to reset our operating model under a new CEO, with gender balance an important consideration in this.

Other actions we are taking to support gender equity include:

- **Biannual Pay Equity Reviews:** These reviews assist us to gain a deeper understanding of any pay gaps. The results of these reviews are reported to the Executive Team and Group People and Remuneration Committee and inform strategies to close gaps.
- **Women at Insignia Financial Committee:** Sponsored by our Chief People Officer, the Women at Insignia Committee is an inclusive group that welcomes all genders to engage in conversations and initiatives focused on gender equity.

- **Hybrid and Flexible Working:** Offering flexibility is proven to be a key enabler of gender equality. At Insignia Financial, our hybrid working policy allows employees to work up to 60% of their working days remotely. Our flexible working guidelines encourage employees to explore how flexibility can work for them, our business and our customers.
- **Our Leading Women Program:** Our Leading Women Program is a sponsorship and mentorship initiative designed to elevate the visibility, connection, and support career development of high-potential women across the Group. In FY25, 24 women successfully completed the program.
- **Women In Super:** In 2025 we joined Women In Super, a not-for-profit organisation that works to improve women's retirement outcomes by advocating for a super system void of gender-based inequality. This membership provides professional and personal development opportunities and networking forums for professional women in the superannuation industry.

For more information about the actions we are taking to increase female representation and close the gender pay gap, visit the **Insignia Financial Gender Pay Gap Employer Statement:** https://www.insigniafinancial.com.au/content/dam/ifl/docs/gender-pay-gap-employer-flyer.pdf.

Some of the Our Leading Women Program participants attending the UN International Women's Day event.

## Employee engagement and wellbeing

Insignia Financial is committed to creating a positive and sustainable work environment. By incorporating sustainability into our practices, we foster a culture where employees feel motivated, supported, and proud to contribute to the Group's efforts to achieve a sustainable future.

### Employee engagement

To support social sustainability and employee well-being, we regularly conduct the 'Our Voice' employee engagement survey to better understand the experiences of our employees. In June 2025, the survey achieved an 83% participation rate – demonstrating strong employee engagement and trust in the process. The engagement score is the measure of how our employees feel about their work and considers their intention to stay (short and long term), their motivation, their recommendation of the Group and the pride they feel, was 65% favourable. This was an improvement of 13 points from the December 2024 survey.

Key findings from the June 2025 survey included:

**77%**

of respondents reported they feel safe working here, an increase of 14 points from the December 2024 survey

**68%**

indicated they trust IFL and its senior leaders, an increase of 11 points from the December 2024 survey

**92%**

of employees state they regularly consider how their actions impact other teams, an increase of 7 points since the December 2024 survey

**71%**

of employees feel proud to work at Insignia Financial, an increase of 15 points since the December 2024 survey

These outcomes reflect the ongoing impact of our efforts to cultivate an inclusive, respectful, and supportive workplace. Insights from Our Voice help shape our people strategies, with each business unit creating a tailored action plan based on employee feedback. We ask all people leaders at Insignia Financial to playback their Our Voice results to their team members and gain input on opportunities to improve their experience at work.

Each year, we include demographic questions in the employee engagement survey to better understand our workforce. These insights help us design initiatives that support equity and inclusion across the organisation.

### Employee wellbeing

In April 2025, we administered a targeted wellbeing survey to all employees to identify psychosocial risk factors and evaluate our control measures. The overall wellbeing score was 70% (a 2% improvement from the wellbeing survey completed in July 2023). The survey was completed by 59% of our employees and showed strong results in many areas such as colleague support, people leader support, and role clarity:

- *'I receive support from people around me at work when I need it'* – 86% favourable;
- *'My co-workers collaborate well with each other to get the job done'* – 85% favourable; and
- *'I usually feel clear on which tasks are most important to prioritise at work'* – 84% favourable.

Appropriate support programs are available for employees, and the survey indicated that employees know where and how to raise concerns about their own or a colleague's wellbeing.

### Employee Assistance Program

Our Confidential Coaching and Counselling program is provided by our partner, Telus Health, and supports employees and their immediate family members to resolve personal and work-related challenges, particularly those related to mental health and wellbeing.

### Your Mind Matters

Your Mind Matters is our dedicated wellbeing program that seeks to foster the psychosocial health and wellbeing of our people. Over the past 12 months:

**1,642**

employees attended four wellbeing webinars on topics covering mental health and fitness, psychological safety and the benefits of exercise and movement

**605**

employees completed a self-service heart check using machines located across three office locations

**429**

employees participated in the skin check program which was offered in eight office locations

**58**

employees were trained as Mental Health First Aiders

**1,042**

employees participated in the flu vaccination program, which represents 25% utilisation

(this does not include Western Australia or Queensland, where the service is provided free of charge)

**Over 1,600**

employees enjoyed massages across eight office locations

In response to employee feedback, we commenced in-office exercise classes in February with 148 employees attending a mix of yoga, Pilates, stretching and mindfulness classes so far

## Financial wellbeing

### Enhancing member outcomes through integrated advice

In FY25, we took a significant step toward enhancing member support by integrating teams across IFL that deliver general and intra-fund advice. This strategic move led to the formation of Education and Advice – a unified group now responsible for member engagement across all IFL brands. This change has seen a 28% increase in advice provided through out intra-fund advice team.

Superfund members have benefited from an extended partnership with our comprehensive advice businesses, Bridges and Shadforth, which has increased access to high-quality personal advice.

This year, Education and Advice expanded its services by launching a self-directed digital tool for retirement income. Members have embraced our digital capability with a 36% increase in usage compared to FY24.

Through this integrated model and continued enhancements to our capability, we remain committed to empowering members with the knowledge and tools they need to make informed financial decisions at every stage of life.

### Client engagement highlights FY25

| Service / channel | FY25 |
|---|---|
| Financial Coaching through General Advice | 21,685 |
| Adviser led Personal Intrafund Advice | 912 |
| Member self-directed Personal Intrafund Advice | 8,215 |
| Members that attended a webinar on a Super topic | 16,910 |
| Total Digital Advice Engagements | 109,651 |

# Tax transparency

We are committed to upholding the highest standards of corporate responsibility, including in relation to tax transparency. The Group's tax disclosures meet the requirements of the Board of Taxation's Voluntary Tax Transparency Code (the Code).

The Code is a set of principles and minimum standards to guide medium and large businesses on public disclosure of tax information. It was designed to encourage greater transparency by the corporate sector and to enhance the community's understanding of compliance with Australia's tax laws by businesses.

We are pleased to provide an insight into the Group's tax affairs in accordance with the requirements of the Code.

## Approach to tax strategy and governance

Our tax strategy focuses on ensuring compliance with all applicable tax laws and regulations, including seeking appropriate tax advice and considering it as part of the overall commercial assessment of any significant transaction.

We do not engage in aggressive tax planning or other behaviour not in the spirit of the law or not in the best interests of the communities in which we operate.

To support this, the Group operates under a Board approved Tax Governance Policy to effectively manage tax risks, having regard to the better practices recommended by the Australian Taxation Office (ATO) in its Tax Risk Management and Governance Review Guide.

The Group adopts a transparent and collaborative approach to engaging with the ATO and other tax regulators. This approach is underpinned by a formalised regulatory engagement framework that applies to all employees, directors and Group representatives.

The risk appetite set by the Board in respect of the Group's tax affairs is described as 'zero tolerance for risk and avoidance of risk is core'. The IFL Board and Board Audit Committee oversee the Group's Tax Governance Policy, and a framework has been implemented to keep them informed of tax matters affecting the Group, including engagement with regulators.

## Australian tax transparency

In accordance with the Code, the Group provides further detail below in relation to the Australian taxes paid, and those collected on behalf of our customers and employees. The total taxes paid by the Group and collected on behalf of customers for the year ended 30 June 2025 amounts to **$1.5 billion**.

### Taxes paid (borne) by IFL corporate group

| Tax | 2025 | 2024 |
|---|---|---|
| | ($m) | ($m) |
| Income tax[1] | 31.0 | 1.0 |
| GST collected on sales | 164.6 | 211.4 |
| Payroll tax[2] | 40.9 | 46.2 |
| Fringe benefits tax | 1.1 | 1.2 |
| Property taxes[3] | 8.8 | 7.9 |
| Stamp duty | 0.5 | 0.0 |
| **Total** | **246.9** | **267.7** |

1 While the Group did not have taxable income or pay income tax for the reporting year due to statutory losses, it did pay franking deficits tax. This payment relates to adjustments in the franking account and is disclosed in the "Consolidated statement of cash flows" in IFL's Annual Financial Report for 30 June 2025.

2 The 2024 comparative varies from the prior year due to a restatement of the disclosure.

3 Property-related expenses, including land tax, council rates, water rates and usage.

### Taxes paid (collected) by the IFL corporate group for employees and/or the funds on behalf of customers

| Tax | 2025 | 2024 |
|---|---|---|
| | ($m) | ($m) |
| Pay-as-you-go withholding tax – customers | 95.2 | 85.5 |
| Pay-as-you-go withholding tax – salaries and wages | 181.9 | 194.4 |
| Income tax – funds | 880.0 | 665.5 |
| GST collected on sales[1] | 2.8 | 1.3 |
| GST paid on acquisitions[2] | 40.5 | 47.8 |
| Property taxes[3] | 5.8 | 4.4 |
| Stamp duty | 0.0 | 3.9 |
| **Total** | **1,206.2** | **1,002.8** |

Note: Amounts disclosed in the table above include taxes in relation to entities where the IFL Group is the trustee or operator.

### Reconciliation of accounting profit to tax expense and to income tax paid or payable

Refer to the Income taxes note in IFL's FY25 financial statements, which sets out a reconciliation of accounting profit to tax expense and to income tax payable.

### Effective tax rate

Refer to the Income taxes note in IFL's FY25 financial statements for details of IFL's effective tax rate and the factors affecting this.

## International related party dealings

The Group largely conducted its activities in Australia for FY25. There were minor operations in foreign jurisdictions, and details of the related party dealings between IFL Australia and entities in foreign jurisdictions are set out below. These transactions are at arm's length and are supported by transfer pricing documentation, including benchmarking.

| Jurisdiction | Nature of dealings | 2025 | 2024 |
|---|---|---|---|
| United States of America | Corporate support services | $1.3m | $408k |
| United States of America | Investment management services | $14.7m | $8m |
| United Kingdom | Corporate support services | $92k | $46k |

1 Only the property funds collect GST on sales; all other funds make supplies that are not subject to GST (input taxed financial supplies).
2 This amount is GST paid on acquisitions that cannot be recovered because it relates to making input taxed financial supplies.
3 Property related expenses including land tax, council rates, water rates and usage.

# Appendix A: Emissions calculation methodology and assumptions

This appendix outlines the methodology, data sources, assumptions, and category definitions used in calculating our GHG emissions for FY24 and FY25. It covers Scope 1, Scope 2, and Scope 3 emissions in alignment with the GHG Protocol (GHGP).

## Methodology

Emissions were calculated using the following approaches:

| Aspect | Details |
|---|---|
| Frameworks Used | GHG Protocol and ASRS S2 |
| Boundary Definition | Organisational boundaries defined using the financial control approach. This means Insignia Financial Ltd and its subsidiaries but does not include entities not consolidated under accounting standards, such as superannuation funds and managed investment schemes. |
| Scope 1 & 2 | Calculated using activity data and emissions factors from the National Greenhouse Accounts (NGA) and other relevant sources. |
| Scope 3 | Estimated using spend-based, activity-based, and supplier-specific data depending on category and availability. |

## Data sources

| Source Type | Description |
|---|---|
| Primary Data | Internal operational data including energy consumption, procurement records, travel records, employee commuting surveys and hybrid working data. |
| Secondary Data | Emissions factors from government databases (e.g. NGA), industry benchmarks, and third-party tools. |

## Scope 1 and 2 summary

Scope 1 emissions include direct GHG emissions from fuels and refrigerants. GHG Protocol-compliant factors are then applied to convert source data into $tCO_2e$. No material Scope 1 sources were identified.

Scope 2 emissions are calculated using electricity usage data from leased premises. In FY25, 77.2% of data is actual, 22.8% is estimated (FY24 79.7% actual, 20.3% estimated). Location-based emission factors are then applied for reporting. No tenancy-controlled natural gas is present.

## Scope 3 summary

| Category (GHGP) | Definition |
|---|---|
| Categories 1 and 2 – Purchased Goods and Services and Capital Goods | Emissions related to the use of third-party suppliers through our supply chain, including third party contractors, IT services, and other services providers. Supplier emissions measured using either of the following methods:<br>1. Supplier emissions data method – attribute Insignia Financial's emissions based on spend amount and suppliers published emissions and revenue data.<br>2. Spend Method – Attribute Insignia Financial's emissions based on spend amount multiplied by industry average emissions. This method is used when supplier's own emissions data is not available. |
| Category 3 – Fuel and Energy Related Activities | Includes upstream electricity emissions and grid losses. Estimated using building characteristics where direct data is unavailable. |
| Category 6 – Business Travel | Travel agency data used for flights and hotels. Emissions calculated based on distance, class, and location. Spend data used for car hire and taxi charges. |
| Category 7 – Employee Commuting | Survey-based data extrapolated across employee population using office attendance, adjusted for leave. Emissions from work-from-home arrangements are also included within this category. |

## Material assumptions

- Spend-based estimates assume average emissions intensity per dollar spent, based on sector benchmarks.
- Where supplier-specific data was unavailable, industry averages were used.
- Employee commuting estimates are based on survey data and assumed modal split.
- Business travel emissions are based on distance travelled and mode of transport.

## Limitations and improvements

Scope 3 estimates are subject to data availability and quality improvements are expected in future reporting cycles. FY24 represents the first year of in-house emissions calculation, and methodologies will continue to be refined.

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