



2018-2019
Annual Review.



Our Purpose.

Our Promise.

Our Principles.



Our Purpose.

To serve those who protect us.

It's why we open our doors each day.
It's why we challenge ourselves to be better, faster, and cheaper.
It's why we keep our members top of mind and seek to be their financial partner.
It's why we question the status quo and seek out new opportunities for our members.
Our Purpose keeps us focused on being the best bank we can be.



Our Promise.

We count on you. And you can count on us.

It's a declaration of what our members can expect when banking with us.
It's the 'what' and 'how' of our everyday actions.
It means we're clear in our communication.
It means we're focused on doing what's right.
It means we follow through on what we say we'll do.
Promises are meant to be kept. Our challenge is to remind ourselves, and each other, our members are counting on us.



Our Principles.

Our Principles are how we ACT.

A We're **Accountable** for our behaviour and decisions.
C We're **Collaborative**, working together to achieve shared goals on behalf of our members.
T We're **Transparent** in what we do and how we make decisions.
Our Principles unite us. Together we can deliver a great and consistent member and employee experience.

2018-2019

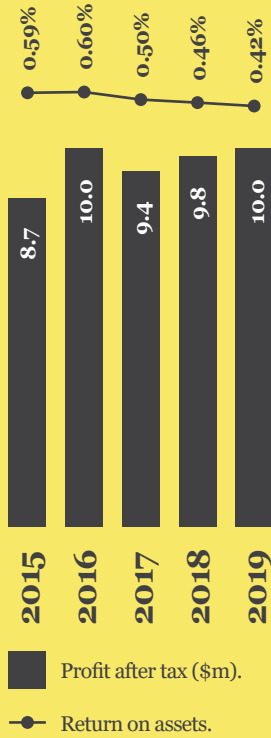
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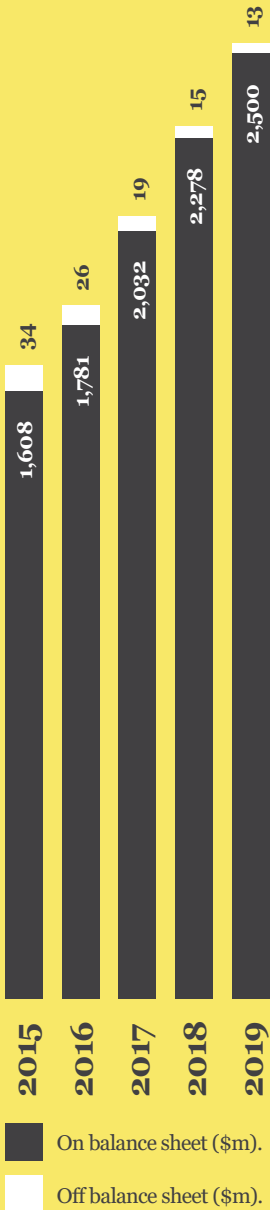
Should you require more details of Defence Bank’s financial position, a full copy of the 2018–2019 Annual Financial Report can be obtained from our website at defencebank.com.au or by emailing your request to our Company Secretary at info@defencebank.com.au.

Defence Bank Limited ABN 57 087 651 385
AFSL/Australian Credit Licence 234582.
Support Office, Level 5, 31 Queen Street, Melbourne VIC 3000.

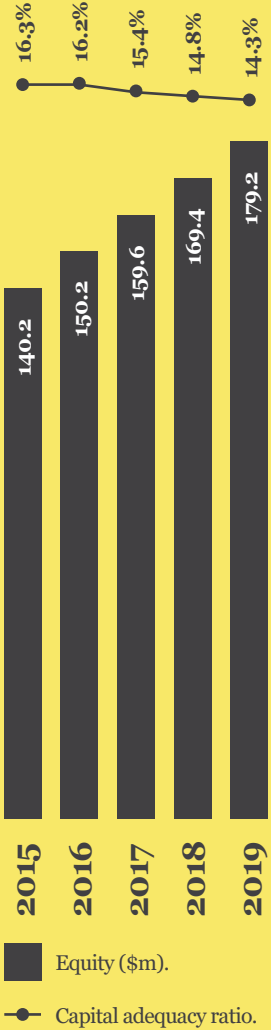
Year at a glance.



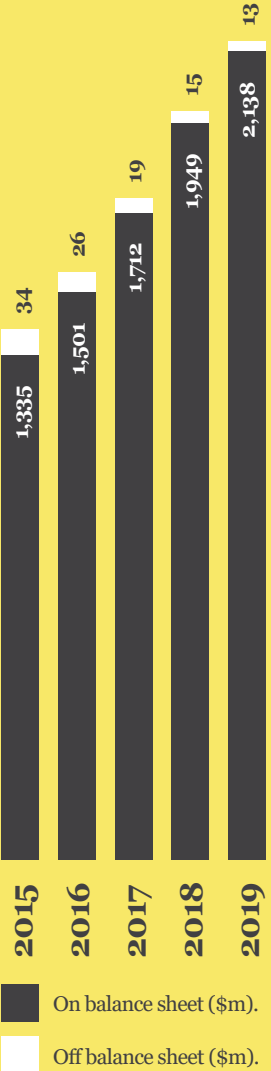
Profitability.



Assets.



Reserves.



Loans.



“

**We never
take anything
for granted.
Not for a single
second.”**

**David Marshall.
Chief Executive Officer.**

“

**We continuously ask
the tough questions to
ensure Defence Bank
remains relevant to
our members.”**

**Fran Raymond.
Chair of the Board.**

A portrait of a woman with short brown hair, smiling, wearing a red blazer over a dark top and a pearl necklace. The background is a blurred office setting.

Chair's Report.

“

On reflection, it has been a challenging but successful year for Defence Bank. A \$10 million surplus is a strong performance.”

Change is in the air. And for many of us our reaction is, “It has been a long time coming.”

The Hayne Royal Commission has been a good thing. At least for Defence Bank, and our members.

There are three approaches to change.

One - you can choose to ignore change, hoping you wake up one day and all the fall-out from the Hayne Report has simply sorted itself out.

Two - you can do just enough to keep pace with change, only to discover change has moved on and you're left behind.

Three - you can embrace change, seize it as an opportunity, and lead the way.

At Defence Bank, we will continue to see change as an opportunity. It has been a challenging year following the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry. With the scrutiny the industry came under, we have had to place even more focus on being transparent, on being able to demonstrate our strong low-risk culture and good governance. But we've equally had to remain focused on our members.

We will continue to ask the tough questions to ensure Defence Bank remains relevant to our members. Are we doing all the right things? Are we doing everything we can do? Can we do things better, faster, cheaper?

Because we are small, we are agile in what we can do and offer. We would never think we always have it right – there is always, always more to do and more we can do for our members.

There are three main challenges we will all have to pay attention to in the next 12 months. The tough economic climate, low interest rates, and the squeezing of the margins. So, although we have had a great outcome for the year, when you combine these challenges

“

Our team is so committed and loyal and excited about being part of Defence Bank and our role with the ADF.”

with the increased focus on compliance and governance, we could experience some pressure on the bottom line.

We are in a good position thanks to the Board, Executive and staff, all of whom are on this journey together on behalf of our members.

We have a very young member-base, and so we have to ensure we align with their core values, their dreams. But we are here for their family and friends, too. We will remain focused and relevant to the Defence community by being part of their lives in true and meaningful ways.

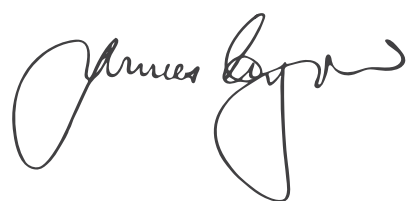
Our message remains simple - “We count on you. And you can count on us – for whatever you need, for whatever’s ahead.”

We need to continuously earn the trust and loyalty of our members. Everyone at Defence Bank will be a vital piece of the jigsaw.

I think it is a real privilege to work in an organisation so involved with members of the ADF. It is such a strong bond, one we will never take for granted.

I would like to thank the Board, our Executive Team, our staff and our members for another successful year.

Change is in the air, and together we’ll embrace the changes, seize the opportunity, and lead the way.



Fran Raymond.
Chair of the Board.

“We need to continuously earn the trust and loyalty of our members. Everyone at Defence Bank will be a vital piece of the jigsaw.”

“

**Our results validate our
*people-led, technology-
enabled strategy.*”**

We're taking a different path to our rivals and delivering results for our members.

Our heritage, our history, our on-base branches, our DHOAS arrangements, and our staff, many of whom have partners and family in the ADF, give us a strong bond with people in defence.

It's a bond we can't take for granted, not for a single second.

Every day we are looking at ways to truly reduce the effort our members expend in doing their day-to-day banking.

We take a *people-led, technology-enabled* approach. This means, for a start, we want our people to bring their 'whole self' to work. Bringing their real personalities and the human quality of *common sense* to work will create even stronger bonds with each other, and with our members.

As we reflect on 2018 to 2019, it's fitting we don't take for granted the many achievements that are transforming Defence Bank. Achievements that support our members and our Purpose, *to serve those who protect us*.

To us, it's Purpose before profit.

We have delivered more than 60 key initiatives for the benefit of our members and employees. We've won two significant external accreditations in the last 12 months to validate our strategy - the Mozo Experts Choice Awards awarded the Defence Bank mobile app top place in the *Excellent Banking App* category, and at this year's Prime Minister's Veteran's Employment Awards Defence Bank won the *Excellence in Supporting Spouse Employment* award.

One of the really encouraging things about our performance for 2018 to 2019 has been the suite of hard *and* soft metrics across the organisation.

In a year where many financial institutions saw marked reductions in profit, Defence Bank announced a strong financial result for the year with a Net Profit after Tax (NPAT) of \$10.04m – an increase of 2.5%.



**CEO's
Report.**

“

We’re taking a different path to our rivals and delivering results for our members.”

The result was underpinned by strong growth in lending at 2.5 times greater than system growth and an increase in member deposits of 7.1%.

It’s a pleasing result as it demonstrates our ability to deliver sound financial results no matter what the operating environment, allowing us to keep investing in better products and services for the benefit of our members.

History shows that large multi-year technology transformation programs seldom deliver the promised benefits to members or employees, nor do they deliver the financial gains.

Defence Bank and our members are beginning to see the benefits of our *people-led, technology-enabled* strategy and is positioned well for the future low-interest rate environment.

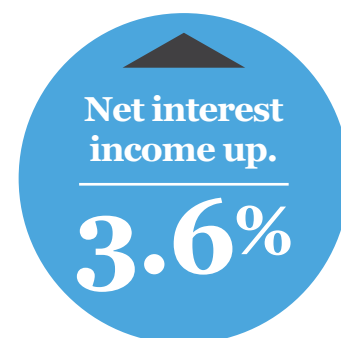
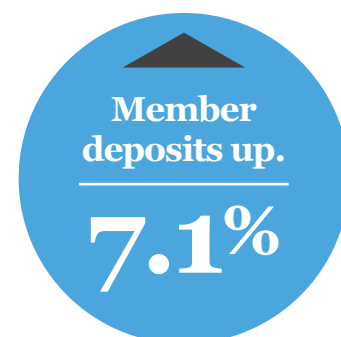
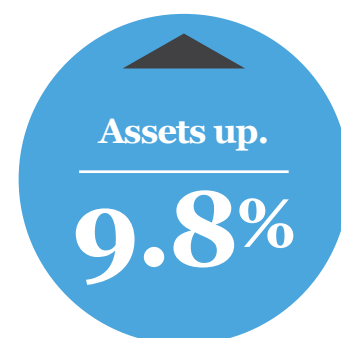
These strong financial results also come with strong member advocacy, as measured by the Net Promoter Score (NPS). NPS continues to be strong with an average annual result of +31. Throughout the year Defence Bank saw scores as high as +49.

To our employees, thank you for being a part of this journey. Your individual and collective commitment to providing our members with a bank “they can count on, for whatever they need, for whatever’s ahead” makes a difference.



David Marshall.

Chief Executive Officer.



Corporate governance.

Company structure and regulation.

Defence Bank is a public company limited by shares (members’ shares) under the *Corporations Act 2001*, administered by the Australian Securities and Investments Commission (ASIC). Defence Bank is also an authorised deposit-taking institution regulated under the *Banking Act 1959* and subject to Prudential Standards, issued by the Australian Prudential Regulation Authority (APRA).

Size and composition of the Board.

The Board of Defence Bank currently consists of seven independent non-executive directors. The Chief Risk Officer and the Chief Financial Officer of Defence Bank act as company secretaries to the Board. These appointments carry no entitlement to a vote on Board matters.

Non-executive directors are elected or appointed for a term of three years, commencing at the end of the Annual General Meeting at which their election or appointment is announced and generally concludes at the end of the third Annual General Meeting after their election. At the end of their term, directors may offer themselves for re-election subject to the Board policies on the maximum tenure for individual directors.

Experienced and balanced Board.

The Board comprises directors with a wide range of experience and business backgrounds. A number of directors are serving, or have served, in the Australian Defence Force. All directors have academic and commercial qualifications and experience to enable them to undertake their role as directors. Details of directors’ qualifications are shown on pages 25-27. In addition, directors are required to undertake continuing professional development activities to maintain and improve their knowledge and skills necessary for the performance of their duties and responsibilities.

Committee structure.

The Board conducts its business with the assistance of a well-defined and effective committee structure. The four standing committees of the Board are:

1. Governance & Remuneration committee.

This committee assists the Board in the development of recommendations on any changes to governance practices,

processes for the evaluation of Board committees, individual director performance, and review and development of Board Governance Policy.

This committee also reviews and makes recommendation to the Board on the remuneration of directors and executives.

2. Risk & Compliance committee.

This committee assists the Board in fulfilling its responsibilities relating to Defence Bank’s overall risk and compliance management practices.

3. Audit committee.

This committee assists the Board in fulfilling its responsibilities relating to Defence Bank’s accounting, statutory (under APRA, ASIC and AUSTRAC), financial reporting, and external and internal audit activities.

4. Nominations committee.

This committee is established under Defence Bank’s constitution in order to provide assurance to members that candidates who are nominated for service on the Board are fit, proper and suitable to become directors.

From time to time, other committees may be established to facilitate Board consideration of a particular issue.

About Defence Bank.

Defence Bank commenced operations in March 1975 as Defence Force Credit Union Limited (Defcredit), before changing to Defence Bank in 2012. Today, Defence Bank has the largest on-base branch network in Australia.

Defence Bank is one of Australia’s larger member-owned banks, serving not only the Australian Defence Force but also the broader community, including staff in commonwealth department agencies.

Defence Bank has operated for more than 40 years and now has 80,000 members around Australia, over \$2.5 billion in assets and 37 branches. Our Purpose is *to serve those who protect us* and focuses on the financial needs of its members, not on profit maximisation for shareholders.

The Bank has a rating of BBB/Stable/A2 by S&P Global Ratings.

Smiles all 'round.

110% attention-to-detail is expected for all those who wear an ADF uniform - including the way socks are folded. A properly folded sock is a 'happy sock'.



**Smiles all 'round from
our members, our people,
our community.**

Member smiles.

Our *people led, technology-enabled* approach aims to reduce member effort. The goal is for members to tell their story only once when they contact Defence Bank. The approach also places attention on our members seeing us as their main bank by driving membership growth through 'easier, better, faster' products, services and processes.

Products and processes - highlights.

- Simplified password process for online banking.
- Competitively repriced investment lending.
- Launched 'Thank you for your service' Salute account.
- Greater access to fee-free ATMs.
- SMS reminders for credit card repayments.

Mobile app.

- Winner Excellent Banking App Mozo Experts Choice Award 2019.
- Quick Balance.
- Overseas travel planner.
- Card alerts.
- In-app eStatement availability.
- Ability to update address and contact details.
- Ability to amend transaction limits.
- Insurance and product information added.
- Greater access to loan feature information including payment and due date.
- Quick Cards.
- Osko and PayID.
- Round Ups.
- Siri account balance checks.
- Instant PIN change.

People smiles.

Growing the capability of our people.

Defence Bank developed and launched its three-year strategic plan during the year. The plan includes a range of initiatives (driven by extensive member research undertaken last year) dedicated to developing the capability of our people. This ensures we give life to Our Purpose and Our Promise.

To provide the best possible member experience and be the best bank we can be, we believe in investing energy, time and resources to develop high-performance leaders and bank-wide leadership. High-energy interactive workshops were completed by all teams to help them bring to life Our Purpose, Our Promise, and Our Principles (Our 3Ps) through their daily work. Team members completed an average of 37 hours of learning spanning compliance, product, and professional knowledge and skills.

During the year, we achieved compliance with the Banking Executive Accountability Regime, taking the opportunity to clearly articulate the purpose and responsibilities of each of our executive leaders. This work was completed in the context of Our Principles (ACT) ensuring our leaders are *Accountable* for their actions, *Collaborative* when making decisions, and are *Transparent* in all they do.

Creating a great place to work.

In April 2019, Defence Bank lodged our annual Public Report with the Workplace Gender Equality Agency (WGEA). At that time, we had 207 employees, with more than 66% identifying as female. Our Executive Leadership Team was 44% female. This is higher than the banking industry average reported by WGEA. During the year, 53% of promotions were awarded to women. Our focus on providing genuine internal career opportunities resulted in 27 internal movements, an increase of more than 300% compared to last year. A low voluntary turnover of 11% was a noticeable reduction compared to last year.

Defence Bank partnered with independent specialist Insync to undertake the annual *Our Bank, Your Say* alignment and engagement survey in May 2019. This saw Defence Bank achieve top quartile engagement and alignment scores.

A significant achievement during the year was the implementation of *Connect*, Defence Bank's new employee intranet. Built from the ground up based on employee feedback, *Connect* provides an easy-to-use platform for all employees to access company news, information, and the tools they need each day.

In tandem with *Connect* we launched *Innov8*, our employee-led innovation channel. This has generated more than 70 ideas to improve the member and team-member experience. Many ideas have been successfully implemented.

During the year, we were acknowledged by Defence Families of Australia as a *Defence Partner Friendly Employer* in recognition of our partner-friendly policies (such as access to paid parental leave after six months' service), and a dedicated careers centre for defence partners.

Celebrating our success.

Defence Bank was proud to receive the Prime Minister's Veterans' Employment Award 2019 for *Excellence in Supporting Spouse Employment*. With 30% of our frontline team having a direct connection with Defence (and more than 63% of new team hires also having a direct connection), this award recognises our genuine commitment to supporting Defence families.

Across Defence Bank we celebrated the success of our people in various ways including:

- *Appreciate* - our employee benefit program which recognised more than 85% of employees during the year.
- *GEM Awards* - our monthly reward and recognition program - celebrated the achievements of 10 employees who went the extra mile to support their colleagues or our members.

Supporting our team.

Employee Assistance Program.

Defence Bank is committed to ensuring the health and wellbeing of our employees. We have continued to promote our Employee Assistance Program which provides employees and their immediate family with access to free and confidential professional counselling. Program support increased by 150% during the year.

Family and domestic violence.

We also introduced additional provisions to support employees experiencing family and domestic violence. Our commitment to tackling this social issue included education activities to raise awareness and providing practical support tools to our people.

Speak up, we're listening.

As part of fostering a culture of good corporate compliance and ethical behaviour, we continued to promote ways for our people to raise concerns, including the use of our external and anonymous whistleblower service. During the year, we unified all reporting channels under our *Speak Up, We're Listening* program which directly supports Our Principles: Accountable, Collaborative, and Transparent.

Paid leave for fundraising.

Defence Bank actively supports our community with paid leave available for employees participating in fundraising activities for our chosen charity, the Defence Bank Foundation. During the year, we raised \$77,670 through a range of activities including the Melbourne Marathon, Grand Final Celebration, Easter Bunanza and the Stadium Stomp. Member events and personal donations (thank you) increased funds raised even further.

**Raised for
Defence Bank
Foundation.**

\$77,670

Every member of the Board participated and all levels of staff were represented in the 2019 Melbourne Marathon Festival to raise funds for the Bank's Community Dogs program. Funds raised this year will train an additional four dogs to support ADF veterans dealing with injuries and illnesses including PTSD. Photo (R-L): From Defence Bank's Board of Directors Anne Myers and Joan Fitzpatrick, and Joan's niece Moni Mithen.



Events and
charities
supported.

49

Contribution
to the Defence
community.

\$389,195

The Defence Bank Award for Inclusion was presented to the Number 35 Squadron, Royal Australian Air Force for outstanding contribution to LGBTI visibility, support and inclusion at a formal presentation at the Military Pride Ball, Sydney.

Community smiles.

It's a privilege to be part of the Australian Defence Force (ADF) community - to support those who protect us. *We count on our defence force, and they can count on us* - not only for their banking but also 'beyond banking'.

Our branches are purposely located on-base, many within regional areas. We feel a strong community spirit is vital to the health and well-being of local residents. That's why we actively support local events throughout the year. We're proud of the community bond we've helped to create by providing direct assistance to over 49 events and charities during the year.

Navy Health partnership and Two Good Co. volunteer day.

In April, we announced our new partnership with Navy Health. This was a rare opportunity for two progressive member-based organisations to provide a broader suite of products and services to members and employees, but the partnership goes 'beyond banking'. In September, Defence Bank and Navy Health volunteered at Two Good Co., an organisation supporting women affected by domestic violence through refuge, training and employment. We spent the day preparing nutritious meals for people in need and women displaced by domestic violence.

Honouring Women and Families United by Defence Service.

Defence Bank was a proud sponsor of an Honouring Women and Families United by Defence Service event held this year at Parliament House, Canberra. With more than 580 people in attendance, this event honoured the service and sacrifices of women and families united by Defence.

Junior Sailors' morning tea.

Defence Bank is delighted to sponsor 10 morning tea events for Junior Sailors (Leading Seaman, Able Seaman, Seaman and Initial Entry Trainees) in their workplaces from July 2019 until June 2020. The concept is to enhance the resilience and welfare of Junior Sailors including Army and RAAF members. It also provides an opportunity for Defence Bank employees to engage with Junior Sailors' personnel in a relaxed social atmosphere.

Military Pride Ball.

Inclusion in the workplace should be something you don't have to think about, be given permission to join or invited into - it just 'is'. Our Purpose is to support those who protect us, and we believe those who help to make the inclusion journey possible within the ADF should be supported, acknowledged and awarded. The Defence Bank Award for Inclusion was presented at a red-carpet event in Sydney in August.



ADFA Open Day.

Each year, Defence Bank sets up a purpose-built display/event at ADFA Open Day. It's a day for current and future ADFA cadets, families and Defence members. The event is a major drawcard for people from all over Australia to see live displays from the defence force and to gather information around their careers. This year, the public were able to visit the Defence Bank stall and take part in our walk-in, interactive 'ransacked room' where they had to beat the clock to cancel their 'stolen' credit card.

Community support.

Defence Bank's total contribution to the Defence community in 2018-2019 including Defence Community Dogs was \$389,195.

It costs \$7,500 to train a Bruce and 200 hours of training. Since the Defence Bank Foundation has been established, more than 40 service dogs have been trained and given to veterans like Thomas.

Dear Bruce.

A few short lines to explain the impact Bruce has already had on my life is surprisingly difficult. Not because I'm struggling to find things to say, but because the effect Bruce has had on my day-to-day life, in just four weeks, has been so vast.

I won't bore you with my personal details, but when I first applied for the Defence Bank's Community Dogs program I was not in a good way.

Then I met Bruce. Suddenly, it all became easier knowing I had someone who never criticised, never judged, and would stick by me no matter what.

I'm getting back into fitness, as Bruce loves his exercise. I'm engaging in conversations more readily, because the focus is almost always on Bruce rather than me. I'm actively trying to find ways to better myself, because I want the best possible life for Bruce.

That's not to say I don't still struggle sometimes. But when I do, guess who's first in line for a cuddle and to let their presence reassure me things will turn out okay?

My name is Thomas, and the Defence Bank's Community Dogs program has almost certainly saved my life.

Thanks to Bruce.

Thomas



Defence Bank
FOUNDATION

Proudly supports



**DEFENCE
COMMUNITY
DOGS**

Board of Directors.



Fran Raymond.

Chair of the Board.

BCom, MBA, FCA, FAICD, GDPPM, FSAA, FICAANZ.

Fran is a Fellow of the Australian Institute of Company Directors and the Institute of Chartered Accountants (Aust/NZ).

Fran began her management consultancy career at KPMG. She's held Chief Financial Officer roles at The CrimTrac Agency, IP Australia, Department of the Prime Minister and Cabinet, and the National Health and Medical Research Council. She was General Manager Corporate at Rural Industries Research and Development Corporation, and COO of the Australian Reinsurance Pool Corporation.

Fran was a councillor of the ACT AICD. She was also on the AICD National Education Advisory Committee and served as a Director at UN Women (Australia), chairing the Finance, Audit & Risk and Public Funds Committees.

A finalist in the Telstra Business Woman of the Year Awards, and listed on Australia's *100 Women of Influence* in 2010, Fran is currently employed at the Department of Defence in Canberra.



Joan Fitzpatrick.

Director.

BA (Hons) LLB, ANZIIF (Fellow), CIP, FAICD.

Joan's executive and director experience covers the corporate, government and not-for-profit sectors.

Originally qualified as a barrister, Joan's management career began at 20th Century Fox's fast-moving consumer goods enterprise in London. She went on to hold senior management roles in heavy manufacturing industries, large start-up projects in Europe, and international insurance operations in Asia. For more than 16 years, she worked as CEO and Director of the Australian and New Zealand Institute of Insurance & Finance.

Joan currently works within a diverse portfolio of non-executive director roles, and consults across a wide range of organisations in the areas of strategic planning, leadership, governance and risk.

She is often called upon to work with teams to address governance issues and create frameworks to meet best practice standards and regulatory compliance requirements.



Lieutenant Colonel Craig Madden.

Director.

**BA, MMgt (Defence Studies),
Grad. Cert. Applied Engr Practice, FAICD, psc.**

During Craig's 14 years as a Director of Defence Bank he has held the appointments of Deputy Chairman of Board, Acting Chairman of the Risk Committee, Chairman of the Governance Committee and Chairman of the Remuneration Committee. He has been a member of the Audit Committee, Executive Committee and the Director Selection Committee. Craig is a Trustee of Defence Bank Foundation.

Craig has served for more than 32 years in the Australian Army Corps of Engineers with command appointments at troop, squadron and regimental levels. He has extensive experience in domestic operations including the Melbourne 2006 Commonwealth Games and 2009 Victoria Fires Recovery Task Force.

Craig commanded US Marines and Army Engineers on operations in Iraq, and was an advisor to an Afghan army colonel in Afghanistan. Honours and awards include US Bronze Star and Deputy Commander Joint Operations Command Commendation.

Our Board of Directors oversees the strategic direction of Defence Bank, and ensures our statutory and legal requirements are met.

Directors serve a term of three years, with elections held annually. The Directors are announced at the Annual General Meeting held in November.

Lieutenant Peter Mason, RAN.

Director.
Dip. AppSc, Grad. Dip. CompStud, MACS(Snr), SF Fin, MAICD.

Peter is an experienced non-executive director, executive manager and strategic adviser with extensive experience leading change in government, financial services, information technology and not-for-profit organisations.

His career began in the information technology industry followed by extensive senior management experience across technology and the retail bank business of NAB. He also has senior management experience with the Victorian and Northern Territory governments in the areas of whole-of-government technology policy, cyber security and program management. He works as an executive for the policy authority and industry self-regulatory body for the .au domain name space.

A trustee of Christ Church Music Foundation and an active reserve officer in the Royal Australian Navy, Peter has been deployed on maritime border protection operations.

RADM Ian Murray, RAN.

Director.
BA, Grad. Dip. HRM, MDefStud, MA, MBA, GAICD, CAHRI, FCILT, psc.

Ian has been a Defence Bank member since 1999. With 34 years' service in the Australian Defence Force, he is currently Commander Joint Logistics and the senior ADF logistician.

Ian has been Chair of the Navy Canteens Board and a Director of the Navy Relief Trust Fund Board. A graduate of the Australian Defence Force Academy and the Australian Army Command and Staff Course, Ian has been deployed on operations to the Middle East.

He holds a Bachelor of Arts, a Grad Dip in Human Resources Management, an MBA, a Master of Strategic Studies and a Master of Arts, and has a Capstone Diploma from the US National Defense University. Ian is a graduate of the AICD, a Fellow of the Chartered Institute of Logistics and Transport Australia, and a Certified Professional of the Australian HR Institute.

Bruce Murphy.

Director.
BSc, MCom, Grad. Dip. Mgt, CAIA, GAICD.

Bruce started his career in the Royal Australian Navy, serving as an officer from 1982 to 1990. He has since gained extensive financial services experience across retail banking, superannuation and funds management. His executive responsibilities have included roles in credit analysis, audit, product development and distribution.

Bruce's senior management career began as a Director, Retail Distribution at Deutsche Asset Management from 2000 to 2004. He then became an executive director with Macquarie Group (2004 to 2009) where he was responsible for local and global distribution of funds management products.

Bruce was Managing Director of BNY Mellon Investment Management from 2009 to 2015, responsible for the Australian Investment Management Business. He now leads Insight Investment's business for Australia and New Zealand.

Anne Myers.

Director.
MBA, AGSM, GAICD.

Anne is an experienced non-executive director who holds directorships across the banking, education and technology sectors. She has executive level experience spanning retail banking, insurance, funds management and superannuation.

Her most recent executive roles were as Chief Operating Officer of ING Direct, and interim CEO for United Way. Anne's combination of strong digital and technology skills, coupled with exceptional risk management and strategy experience, enables her to bring a unique perspective to her board roles and to add value across a variety of industries.

With more than 30 years' experience in the finance industry, Anne provides a sound understanding of the legislative and regulatory requirements of retail banking.

Executive Team.



David Marshall.

Chief Executive Officer.

BCom, Post Grad. Dip. Com, Executive Development Program.

David commenced as Chief Executive Officer of Defence Bank in February 2018. He has initiated a major 'member experience' transformation program aimed at reducing member effort at every touchpoint.

David has spent more than 30 years in the financial services sector in New Zealand and Australia. During this time, he has led major retail and business banking divisions at Suncorp, Westpac and Commonwealth Bank - leading them through significant customer-driven transformations.

Prior to joining Defence Bank, David was CEO at Hume Bank - a regional customer-owned bank based in New South Wales and Victoria. He is a passionate advocate for the member-owned banking sector and its role in the contemporary financial services landscape within Australia.

David grew up on a farming property in New Zealand. He studied at Lincoln College (Canterbury University), London Business School and Wharton Business School.



Dean Barton.

Chief Financial Officer.

BCom, FFin, CPA, GAICD.

Dean joined Defence Bank as Chief Financial Officer in 2011. His primary responsibility is the bank's financial and regulatory reporting, management reporting and budgeting, funding and capital management. He also acts as Company Secretary to Defence Bank.

Dean has more than 20 years' local and international experience in financial roles including Financial Controller for ME Bank, and Asia-Pacific Regional Financial Controller for GMAC Financial Services.

Dean is a Fellow of CPA Australia and the Financial Services Institute of Australasia, and a graduate member of AICD. Dean holds a BCom from the University of Western Australia majoring in Accounting and Economics.



Kristen Bugeja.

Executive Manager – People & Culture.

BCom, CAHRI.

Kristen Bugeja leads the People & Culture team at Defence Bank. She has more than 20 years' experience in the financial services sector.

Kristen has had extensive experience in delivering the cultural change that underpins Defence Bank's business strategy. She has successfully driven change across a range of people functions including career development, talent and leadership programs, and employee engagement.

Under her guidance, Defence Bank was a finalist in the Australian HR Awards 2017 for 'Best Change Management Strategy' and in the Australian HR Awards 2016 for 'Employer of Choice'.

Kristen is a certified member of the Australian HR Institute.

Our Executive Leadership Team oversees the day-to-day operations and ongoing development of Defence Bank.



Celia Cannavan.

Chief Lending Officer.
Dip. Finance Services, Dip. Training and Assessment, Executive Coach.

Celia was appointed Chief Lending Officer in January 2017. She has responsibility for Defence Bank’s end-to-end lending functions along with the Collections and Fraud portfolios.

Prior to joining Defence Bank, Celia held a number of senior leadership roles spanning areas of consumer banking, third-party distribution, transformation, training, operations and sales capability. She has more than 20 years experience in financial services. Qualifications include Executive Coach at the Institute of Executive Coaching and Leadership, and she’s a member of AICD.

This breadth of diverse expertise provides Celia with a unique and invaluable skillset when leading her teams to help deliver on Defence Bank’s strategic plan.



Linda Craven.

Chief Digital & Information Officer.
BSc, Post Grad. Dip. Computing, MBA, GAICD.

Linda Craven became Chief Digital & Information Officer in August 2018. She brings with her more than 20 years’ experience in technology and consulting within the financial services sector.

Linda holds a Master of Business Administration, graduating with distinction from the New York Institute of Technology. She also holds a Graduate Diploma in Computing, a Bachelor of Science and is a graduate of AICD. Her previous work history saw her successfully lead teams and projects at ANZ, NAB, Ernst & Young Consulting and IBM Global Services delivering significant transformational outcomes.

Linda leads the Defence Bank’s technology strategy and platforms with a goal to making it easier for our members to bank with us, improving efficiencies and driving technology innovations.



Michael O’Reilly.

Executive Manager – Marketing.
BA, Grad. Dip. Marketing.

Michael joined Defence Bank as Executive Manager of Marketing in December 2017. He brings with him more than 22 years of product and marketing experience within the financial services sector.

Prior to joining Defence Bank, Michael was responsible for developing marketing strategies across a range of mutual and major financial institutions including Teachers Mutual Bank, Community First Credit Union, CommSec and Lloyds TSB. Michael’s experience also includes working abroad as a Product Manager for Lloyds TSB.

Michael leads the day-to-day marketing functions with specific responsibility for brand, marketing strategy and product.



Mano Simos.

Chief Risk Officer.
BBus Accounting, Grad. Dip. Banking & Finance, GAICD.

Mano has been Chief Risk Officer at Defence Bank since October 2013. He is primarily responsible for the development and oversight of the Bank’s Risk & Compliance Management Framework. Mano leads a team who collaborates with executives and their teams providing guidance and advice on the implementation of these frameworks. This second line function remains independent of the business and provides the Board and the Risk & Compliance Committee with assurance and insights around management of our current and emerging enterprise risks.

Mano was appointed Company Secretary in September 2016 and is secretary to the Risk & Compliance Committee, Governance & Remuneration Committee, and is a graduate member of the AICD.

Prior to joining Defence Bank, Mano worked at NAB - directly with the Business Banking CRO and with the Group Executive Business Banking as secretary to its Risk Committee and responsible for risk governance.



Dean Talbot.

Chief Sales & Service Officer.
Dip. Finance Services, Adv. Dip. Management, Dip. Retail Business Admin.

For the past six years, Dean has been responsible for leading Defence Bank’s member-facing distribution teams which encompass all branches and the Melbourne-based Contact Centre. The overarching aim of these teams is to maintain an absolute member-focused ethos during the implementation of products and processes.

With more than 20 years’ experience in banking and finance, Dean has held senior management and banking positions across both major and mutual institutions including NAB, where he held a number of leadership positions.

Dean is a former AFL-listed player with Geelong.

Financial extract.

Consolidated statement of profit or loss and other comprehensive income for the financial year ended 30 June 2019.

	2019	2018
	\$000	\$000
Income.		
Interest income.	88,144	81,393
Interest expense.	(42,281)	(37,121)
Net interest income.	45,863	44,272
Other income.	8,216	8,201
	54,079	52,473
Expenses.		
Personnel expenses.	20,619	20,173
Depreciation and amortisation expense.	1,742	1,528
Impairment losses on loans and advances.	214	237
Other expenses.	17,158	16,574
	39,733	38,512
Profit before income tax.	14,346	13,961
Income tax expense.	4,304	4,167
Profit for the year from continuing operations.	10,042	9,794
Other comprehensive income.	-	-
Total comprehensive income.	10,042	9,794

The statement of profit or loss and other comprehensive income has been extracted from the audited Annual Financial Report. This extract has not been separately audited.

Consolidated statement of financial position as at 30 June 2019.

	2019	2018
	\$000	\$000
Assets.		
Cash and cash equivalents.	81,539	89,680
Investments.	270,764	228,760
Equity investments.	1,639	1,639
Trade and other receivables.	742	835
Loans and advances.	2,138,233	1,948,553
Current tax assets.	314	-
Property, plant and equipment.	3,197	4,481
Deferred tax assets.	2,252	2,433
Intangible assets.	854	839
Other assets.	767	606
	2,500,301	2,277,826
Liabilities.		
Borrowings.	221,945	146,213
Deposits.	2,092,438	1,953,896
Trade and other payables.	2,874	3,446
Current tax liabilities.	-	23
Provisions.	3,801	4,830
	2,321,058	2,108,408
Net assets.	179,243	169,418
Equity.		
Share capital.	1,012	985
Reserves.	178,231	168,433
Retained earnings.	-	-
	179,243	169,418

The consolidated statement of financial position has been extracted from the audited Annual Financial Report. This extract has not been separately audited.

Whatever you need,
for whatever's ahead.



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We count on you. And you can count on us.

- 1800 033 139 (8am to 8pm AEST weekdays)
- visit your local Defence Bank branch
- defencebank.com.au
- info@defencebank.com.au

Defence Bank Limited ABN 57 087 651 385
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