

A wide-angle, aerial photograph of the Melbourne city skyline at sunset. The sky is filled with warm, orange and yellow clouds. In the foreground, the Yarra River flows from the bottom left towards the center, with several bridges spanning it. The riverbank is lined with green trees and some industrial buildings. The city skyline is dominated by numerous skyscrapers, with the tallest ones in the center. The sun is low on the horizon, casting a golden glow over the entire scene. A white diagonal line starts from the top left and ends at the bottom right, partially obscuring the image.

Treasury Corporation of Victoria

Annual Report 2024-25

TCV

Cover image: Southbank

Source: Visit Victoria

Treasury Corporation of Victoria

Level 29, North Tower

80 Collins Street

Melbourne Victoria 3000

Australia

Telephone: (03) 9651 4800

Website: www.tcv.vic.gov.au

Authorised by the Victorian Government

1 Treasury Place, Melbourne, 3002

© State of Victoria (Treasury Corporation of Victoria) 2025



This work, the Treasury Corporation of Victoria 2024-25 Annual Report, is licensed under a Creative Commons Attribution 4.0 licence. You are free to re-use the work under that licence on the condition that you credit the State of Victoria (Treasury Corporation of Victoria) as author, indicate if changes were made and comply with the other licence terms. The licence does not apply to any images, photographs or branding, including the Victorian Coat of Arms, the Victorian Government logo and the Treasury Corporation of Victoria logo.

Published 2025

Contents

Year in Review	4
About TCV	7
Performance & Operations	14
People & Culture	24
Outlook	26
Governance & Accountability	28
Annual Financial Report	44

Acknowledgement of Country

Treasury Corporation of Victoria acknowledges that Aboriginal and Torres Strait Islander peoples are the First Peoples and Traditional Custodians of Australia, and the oldest continuing culture in human history.

We proudly acknowledge Victoria's Aboriginal communities and recognise the value and ongoing contribution of Aboriginal people and communities to Victorian life. We pay our respect to Elders past, present and emerging.

Reference to Credit Ratings

All references to credit ratings in this document are provided for information purposes only. A credit rating is not a recommendation to buy, sell or hold any financial product. Such ratings are subject to revision or withdrawal at any time by the relevant rating agency.

Currencies

All monetary amounts are in Australian dollars (AUD) unless otherwise noted.

Responsible Body's declaration

In accordance with the *Financial Management Act 1994* (Vic), I am pleased to present Treasury Corporation of Victoria's Annual Report for the year ending 30 June 2025.



Michael Larkin
Managing Director and CEO
26 August 2025



1 Year in Review

Chair and CEO's report

Year in review

Image: Geelong Art Gallery
Source: Visit Victoria

Chair and CEO's report

For more than 30 years, Treasury Corporation of Victoria (TCV) has served as the State's trusted financial steward – supporting progress, managing risk, and helping deliver the services and infrastructure that matter most to Victorians. We take immense pride in our role as the State's central financing authority and financial advisor: a role that is grounded in service, and guided by purpose.

Our core mission is to raise capital and manage risk for the benefit of the State and our clients. Despite elevated market volatility and global uncertainty, we successfully achieved our funding program in 2024-25. We provided \$33.3 billion in loans, enabling the State and our clients to deliver vital projects and services across Victoria. Enduring relationships with our clients, investors and dealers remain central to our ability to deliver, and to share in success. We are grateful for the trust placed in us and for the continued collaboration of our stakeholders.

In line with the State's climate and sustainability goals, we raised \$3.4 billion in 2024-25 through the issuance of sustainability bonds. The bond proceeds are allocated to projects such as social and affordable housing, energy efficiency, renewable energy, public transport, water and wastewater management, and specialist school upgrades. We have also developed a TCV Sustainability Strategy, to reflect investors' evolving expectations and to position TCV to meet growing demand for sustainable investment.

Strong financial performance and disciplined cost management delivered a net profit of \$95.1 million and a return on equity of 22.7% in 2024-25. We distributed \$122.1 million to the Consolidated Fund in June 2025, with a further \$0.4 million in efficiency savings available for distribution, demonstrating our commitment to delivering value for Victoria. These results were achieved whilst maintaining a prudent approach to the management of financial and operational risks and a strong balance sheet, as evidenced by our capital ratio of 21.8% at 30 June 2025.

Our people are the driving force behind everything we do. Over the past year, we have worked closely with our teams to embed our renewed purpose and values, strengthen alignment and continue building a culture that reflects the best of who we are. The 2025 Employee Survey results, which reported 78% engagement and 73% alignment, are a testament to the strength of our workforce and the shared belief in our mission. Alongside our focus on culture and performance, we continued to invest in our systems and technology to underpin our capacity to deliver for the State and our clients, and to strengthen the resilience of our organisation.

We extend our sincere thanks to every member of our team for their dedication and for the care they bring to making a difference – for the State, our clients and the communities we serve. Our achievements would not be possible without their expertise, passion and collaboration. We look forward to continuing this journey together – with optimism, focus and shared purpose.

Finally, the Board would like to extend a warm welcome to Bruce MacDiarmid, who joined the Board of TCV during the year. We also express our sincere gratitude to the former Treasurer, Tim Pallas, for his decade of guidance, support and contribution. We have further had the pleasure of welcoming Jaclyn Symes MP as the new Treasurer and look forward to working with her, her team and the Department of Treasury and Finance to continue delivering for the people of Victoria.

The global environment remains challenging – shaped by geopolitical shifts, economic pressures and ongoing uncertainty. However, with strong leadership from our Board and management team, and a clear purpose, we are well positioned to navigate the future landscape and are optimistic about what we can achieve together in 2025-26 and beyond, as we pursue our purpose of a better future for Victoria.



Cassandra Kelly
Chair



Michael Larkin
Managing Director and CEO

Year in review

Guided by our purpose – a better future for Victoria – we delivered for the benefit of the State, our clients and the broader community. Our work this year reflects our commitment to exceptional financial performance, high levels of client service, advancing Whole of Victorian Government (WOVG) sustainability agendas, strengthening internal capability and capacity, and making a positive contribution to our community.

Delivering financial outcomes for the State

\$95.1 million	\$122.1 million	\$416,000	22.7%
2024-25 net profit	Distribution paid	Efficiency savings achieved	2024-25 return on equity

Working with our clients to deliver for the State

143	4,531	38
Number of clients we worked with	Total transactions (loans and financial accommodation)	Advisory projects completed

Contributing to Victorian Government sustainability agendas

\$16.9 billion	\$3.4 billion	\$11.2 billion
Sustainability Bond eligible projects*	Sustainability Bonds issued in 2024-25	Sustainability Bonds outstanding at 30 June 2025

Creating meaningful value and impact for our community

\$2.5 billion	\$118 million
Funding for delivery of services to the community**	Funding for social and affordable housing

Supporting our people and enhancing our organisation

78%	56%	3.3 hours
Employee engagement (Insync survey result)	Women in Executive and Senior Leadership roles	Core system downtime throughout the year

* At 30 June 2024, to be updated December 2025.

** Includes funding for local councils, water corporations, community infrastructure and other state sponsored loan programs.



2 About TCV

Who we are

Our services and how we create value

Our strategy

Image: Flinders Street Station

Source: Visit Victoria

Who we are

Purpose and mission



Our purpose is a better future for Victoria

Our mission is to source capital and manage risk for the benefit of the State and our clients

Established by the *Treasury Corporation of Victoria Act 1992* (Vic), we are the central financial institution for Victoria, dedicated to supporting the State, our clients and the broader community.

We do this by sourcing capital and managing risk across the full breadth of the Victorian public sector. By consolidating the management of these risks, we are able to achieve economies of scale, establish and maintain a risk governance and management framework, employ a team of highly skilled specialists, and deliver outcomes more effectively and competitively than if these tasks were undertaken by the State or our clients directly.

Our core functions are the foundation of how we deliver value to the State and our community. We:

- **Raise capital.** We source funding in wholesale financial markets to support the State and our clients
- **Represent Victoria.** As the face of the State to financial markets, we proudly showcase Victoria to domestic and international investors
- **Support our clients.** We understand our clients' needs and help the State and our clients effectively manage funding, liquidity and financial risks
- **Ensure market liquidity.** Our issuance and investor engagement supports a liquid market for State government debt securities.

Enshrined in our founding legislation is the objective to act for the benefit of the State and our clients. We provide services to all Government Departments via the Department of Treasury and Finance (DTF), to local councils and water corporations. We also support government agencies and organisations across the housing, arts, sports, education, commercial and industrial real estate, healthcare, infrastructure, technology, and transport sectors.

In practice, this means we contribute funding and support investment in essential infrastructure – such as housing, schools, hospitals, roads, public transport, and the State's water systems – helping to build a more inclusive, connected and resilient Victoria. We also provide financing and investment support to advance the State's climate action, energy transition and sustainability goals. This work strengthens the foundations of our economy and public services, stimulates economic growth, and delivers long-term value and enhanced outcomes for communities across Victoria.

Image: Hot air balloon Yarra Valley
Source: Visit Victoria

Our values

Our values define how we embrace our purpose and mission. They shape our culture and establish the expectations that we have for each other, and that our clients, stakeholders and suppliers should have for us.

 **We care**

About each other, our clients, interactions and communities

We care because our purpose matters and our business is based on relationships

 **We make a difference**

We add value, are proactive and do the right thing

We make a difference because, while financial performance is a critical prerequisite, our success is defined by the broader impact we have

 **We deliver**

To a high standard, reliably, efficiently and on our commitments

We deliver because our clients and stakeholders trust us to help them achieve their goals, and the risks we manage are significant for the State and our clients

 **We achieve together**

We contribute, collaborate and embrace diversity

We achieve together because everything we accomplish is done with the collaboration and support of others, embracing diverse perspectives

TCV also upholds the Victorian Public Sector values:



Responsiveness



Integrity



Impartiality



Accountability



Respect



Leadership



Human Rights

Relationship with the Treasurer of Victoria

The Treasurer of Victoria (Treasurer) is responsible for the administration of the *Treasury Corporation of Victoria Act 1992* (Vic) (TCV Act).

In the exercise of its powers and performance of its functions under the TCV Act, TCV is subject to the general direction and control and specific approvals and determinations of the Treasurer.

Each year, TCV must pay from its surplus for the preceding financial year to the Consolidated

Fund of the Government of Victoria a distribution in such amount as the Treasurer (after consultation with TCV) determines.

The Treasurer's interests are monitored by DTF, with prudential oversight provided by an independent Prudential Supervisor.

TCV's payment obligations in relation to borrowings and derivative transactions are guaranteed by the State of Victoria (section 32 of the TCV Act). TCV's loans are made directly to the State of Victoria or are guaranteed by the State or Government of Victoria.

Our services and how we create value

Our clients

We provide services to the full breadth of the Victorian public sector. Our clients include:

- All Government departments via the Department of Treasury and Finance (DTF) (the Budget Sector)
- Water corporations
- Local councils
- Government agencies and other organisations involved in the housing, arts, sports, education, commercial and industrial real estate,

healthcare, infrastructure, technology, and transport sectors.

At 30 June 2025, TCV had accepted 166 public authorities as Participating Authorities (clients), in addition to the Budget Sector. We support the State and our clients by delivering a range of services that enable them to operate effectively and deliver essential products and services to the Victorian community.

Our services

We provide a range of services to support the State and our clients.



Treasury Advisory Services



Loan Products



Transaction Services



Economic Services



Project Advisory Services



Guarantees

Treasury Advisory Services

We provide a range of treasury advisory services to the State and our clients. This includes:

- Debt and investment portfolio management
- Financial risk management and hedging advice
- Advice on DTF's treasury approval process
- Financial markets updates
- Treasury policy development and strategies
- Portfolio valuation and reporting.

In addition to the above, we are responsible for the daily management of the State's One Account arrangements with the Commonwealth Bank of Australia (CBA), National Australia Bank (NAB) and Westpac Banking Corporation (Westpac).

We use daily cashflow forecasts of the Public Account provided by DTF and monitor movements across the State's Central Banking System accounts to determine the daily cash and funding requirements within the Public Account and across the One Account for the purpose of managing Whole of State liquidity.

Loan Products

We provide tailored loans and advice on financial risk management to the State and our clients. Through our access to wholesale markets, we are able to provide low-cost funding to the State and our clients. Client loan facilities can extend from short-term at call facilities to long-term commitments of 30 years or more.

In addition to providing loans to the State and our clients, we deliver loans under several State sponsored loan programs, including:

- **Affordable Housing Investment Partnerships (AHIP):** The AHIP provides government support of up to \$2.1 billion to help housing associations access financing at affordable rates (see United Housing Co-operative case study)
- **Community Infrastructure Loans (CIL):** The CIL scheme supports the development of community infrastructure at the local government level
- **Community Sports Infrastructure Loans (CSIL):** The CSIL scheme provides low-interest, government-guaranteed TCV loans to deliver infrastructure that boosts grassroots participation in sports
- **Research and Development Tax Incentive (R&DTI) Cash Flow Loans:** The R&DTI Cash Flow loan program concluded during the year and provided low-interest TCV loans to eligible Victorian small and medium enterprises claiming the Federal Government's R&DTI, an initiative that encouraged companies to engage in research and development benefiting Australia by providing a tax offset for eligible activities.

Transaction Services

We provide a range of transaction services, including:

- **Foreign exchange:** DTF's foreign exchange risk management policy requires agencies and authorities to hedge any material foreign exchange exposures with TCV. We provide foreign exchange advice and services to clients across a number of sectors
- **Short-term investments:** We offer advice on optimal strategies to manage cash and other short-term investment objectives
- **Commodities:** We provide commodity hedging capabilities and advice. Once the advice is accepted, we can facilitate transitions to deliver seamless financial outcomes.

Case study: United Housing Co-operative – Summerhill Village



On 28 June 2025, the United Housing Co-operative obtained an Occupancy Permit for its Summerhill Village development in West Footscray and opened the doors to its purpose-built community housing development. The development supports women over 55 years to live independently in their own home as they age, while fostering meaningful social connection. The Village also welcomes a small number of younger, single-parent families, creating a vibrant intergenerational environment that reflects the co-operative's values of inclusion, mutual support and shared responsibility. Residents are tenant members who actively participate in the governance and upkeep of the community, contributing to a strong sense of ownership and belonging. The co-operative village concept enables a strong sense of 'tenant voice' which provides many benefits for tenant members, the broader community and United Housing Co-operative.

TCV played a critical role in bringing this innovative housing model to life. Through the provision of low-cost loans, TCV enabled United Housing Co-operative to finance its first-ever development, marking a significant milestone for the organisation. Recognising United Housing's limited experience with large-scale capital projects, TCV provided tailored guidance on financing and debt structuring, helping the co-operative navigate complex legal and compliance requirements. This support empowered United Housing to make informed decisions with confidence, ensuring the successful delivery of a project that not only addresses housing needs but also strengthens community resilience and social cohesion.

Image provided by the United Housing Co-operative

Economic Services

We provide clients with expert guidance on economic trends and developments, delivering actionable insights into financial markets. These insights support informed business planning, project evaluation and the development of effective treasury strategies. Key activities include providing economic and financial markets information, forecasts and commentary, client presentations, and tailored research, advice and reports.

Project Advisory Services

Our Project Advisory Services team provides support to clients in the development and implementation of infrastructure financing proposals. The team provides analysis and advice on financing options for publicly funded projects and assists clients to evaluate and select infrastructure proposals submitted by the private sector. Our services focus on financial evaluation, contract management and risk management advice, as well as assistance with transaction implementation.

TCV provides specialist financing advice to DTF (as central contract administrator) as well as Government departments and agencies on the financing aspects of Public Private Partnerships (PPPs). This can include providing advice to DTF

and procuring agencies on financing aspects of PPP procurement submissions.

We also provide assistance to Government departments and agencies for invoicing and contract management of Partnerships Victoria projects. Key services include building independent PPP invoicing models and regular verification of monthly and quarterly invoices, amendments for modifications and contractual adjustments, abatements and refinancing provisions.

In addition, we support clients in the development and operation of renewable energy programs and projects. Key clients include the Department of Energy, Environment and Climate Action (DEECA) and Zero Emissions Water (a body comprised of 12 Water Authorities established to procure solar power from the Kiamal Solar Farm), among others. This support includes use of the TCV REC Registry Account for Large Scale Renewable Energy Generation Certificates (LGCs) and associated transactional activity, independent financial modelling, proponent invoice verification, and settlement support.

Guarantees

With the approval of the Treasurer, we can provide a financial guarantee of the obligations of a TCV client.

Case study: New Melton Hospital



The New Melton Hospital is a new hospital located in Cobblebank, supporting a diverse range of communities in Melbourne's western suburbs. The Hospital will include a 24-hour emergency department, at least 274 beds, an intensive care unit, maternity and neonatal services, mental health services, radiology services and ambulatory care.

Once completed, the Hospital will have the capacity to treat 130,000 patients each year and see almost 60,000 patients in the emergency department. Additionally, it will be Victoria's first all-electric hospital.

TCV has supported both the Victorian Health Building Authority and DTF in the State's procurement of this project under the State's Partnerships Victoria policy and guidelines. TCV provided specialist financial markets advice on benchmarking the project's debt financing facilities and supported the Financial Close process, completed in October 2024.

Image provided by the Victorian Health Building Authority

Our strategy

Our operating environment is subject to economic, policy and geopolitical uncertainty. In this environment, our goal is to provide financial certainty, reliability and resilience to the State and our clients.

Our strategy provides a structured framework and clear direction for the organisation, ensuring we continue to deliver on our mission and discharge our responsibilities to the State and our clients, notwithstanding the external environment we face.

Central to our strategy is the pursuit of 3 core priorities:

- Deliver on our core mission to raise capital and manage financial risk for the State and our clients
- Embrace whole of Victorian Government sustainability to help our clients achieve their goals and deliver better funding outcomes

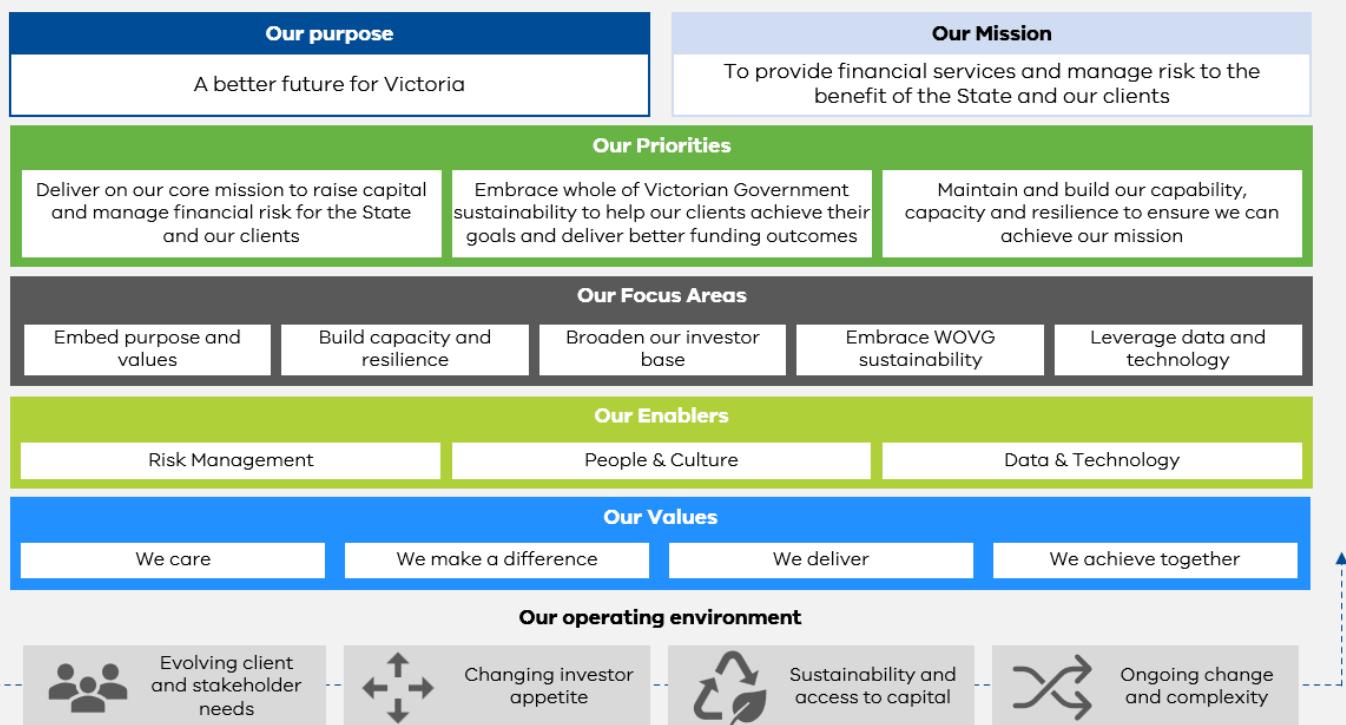
- Maintain and build our capability, capacity and resilience to ensure we can achieve our mission.

The 3 priorities are underpinned by focus areas and a suite of strategic initiatives designed to enable us to deliver on our strategy and make a difference for the State and our clients.

We monitor our progress on these initiatives to ensure our efforts are consistently contributing to the achievement of our strategic objectives. Progress on these strategic priorities is reported quarterly to our Board and the Department of Treasury and Finance, and in our annual Strategy and Corporate Plan.

Our ability to execute our strategy is underpinned by the deep expertise and capability of our team, our robust risk management framework, our strong culture, and our increasing focus on adaptability and innovative ways-of-working.

Our Strategic Framework:





3 Performance & Operations

Summary of our performance

Progress on our strategic priorities

Image: Twelve Apostles
Source: Visit Victoria

Summary of our performance

Our strategy outlines 3 organisational priorities that guide our actions and reflect our ambitions. We track our progress against these priorities and, together with our financial objectives, they provide a comprehensive view of our performance.

The table below summarises TCV's performance for the reporting period against our strategic priorities.

Priority	2024-25 outcomes
Priority 1. Delivering on our core mission to raise capital and manage financial risk for the State and our clients	<ul style="list-style-type: none">Provided \$33.3 billion to the State and our clientsDistributed \$122.1 million to the Department of Treasury and Finance, reflecting the 2023-24 outcomeAchieved an efficiency saving of \$416,000, exceeding the target setManaged market risk within our approved Value at Risk (VaR) limitContinued to serve our clients, consistently receiving feedback indicating ongoing high levels of satisfactionDelivered our investor relations program. This included meeting with 178 investors in one-on-one and group meetings in Australia and offshore, and presenting at 12 industry events and conferencesSurveyed our investors to identify drivers for their investment decisions and to determine future activities to support this cohortRaised approximately A\$1.9 billion equivalent through non-AUD issuance at pricing comparable to domestic borrowing costs, contributing to the diversification of our investor base and lengthening of our maturity profileIncreased engagement with international investors, which contributed to turnover of TCV bonds from non-Australian investors rising from 29% to 59% in 2024-25.
Priority 2. Embracing whole of Victorian Government sustainability to help our clients achieve their goals and deliver better funding outcomes	<ul style="list-style-type: none">Issued \$3.4 billion of Sustainability Bonds in 2024-25, with \$11.2 billion outstanding at 30 June 2025Developed and commenced implementation of a TCV Sustainability StrategyBecame a member of the International Capital Market Association (ICMA) PrinciplesTCV representative appointed to the ICMA Advisory Council for 2025 to support sustainable finance market development.
Priority 3. Maintaining and building our capability, capacity and resilience to ensure we can achieve our mission	<ul style="list-style-type: none">Delivered an ROE of 22.7% and Net Profit of \$95.1 millionMaintained a strong balance sheet with a capital ratio of 21.8% at 30 June 2025Implemented contract management, learning management, People HR and employee self-service systemsCommenced an organisation-wide IT infrastructure refreshCompleted a compliance operating model reviewImplemented a new performance review processTotal employee median gender pay gap was 12.3% at 30 June 2025Commenced development of a new information management strategy to cover unstructured data.

Additional information on the activities undertaken under each priority is outlined later in this section.

The table below summarises TCV's financial performance for the reporting period.

\$ millions	2024-25	2023-24	2022-23	2021-22	2020-21
Financial performance					
Net profit	95	122	113	92	132
Distributions	123	145	-	132	52
Financial position					
Cash and cash equivalents	2,577	5,525	4,496	4,021	358
Investments	17,123	12,563	11,772	8,749	4,212
Derivatives	297	261	293	324	360
Loans	187,302	157,499	125,938	104,625	91,898
Other assets	95	9	5	193	269
Total assets	207,394	175,857	142,504	117,912	97,097
Other liabilities	17,789	13,935	9,842	10,906	6,014
Deposits	60	52	30	60	203
Derivatives	796	915	585	677	394
Domestic benchmark bonds	163,340	135,207	111,019	86,331	78,480
Domestic borrowings other	21,899	24,164	19,685	18,680	10,263
Offshore borrowings	3,309	1,255	994	1,023	1,442
Total liabilities	207,193	175,528	142,155	117,677	96,796
Total equity	201	329	349	235	301

Progress on our strategic priorities

Priority 1:

Delivering on our core mission to raise capital and manage financial risk for the State and our clients

Key activities, initiatives and projects undertaken to advance this priority

1. Lending services

At 30 June 2025, total loans outstanding to the Budget Sector Debt Portfolio (BSDP) were \$153.1 billion. Loans to Participating Authorities and other organisations, such as co-operatives, associations and companies, excluding the BSDP, increased by \$2.4 billion to \$23.0 billion. See the Barwon Water case study for an example of our lending services.

In 2024-25 we met our funding task, raising \$33.3 billion for the State and our clients to deliver projects and services. Further information on how we funded this loan book can be found in the 'In-focus: Funding our loan book' section.

2. Treasury and transaction advisory services

Throughout the year we continued to work closely with Participating Authorities in the management of their debt portfolios. Debt management discussions were held regularly with our clients, and our advice included portfolio activity and strategy reviews, treasury policy updates, debt structuring advice, interest cost scenario analysis, and cash management strategies.

3. Client engagement

Our Client Services team met with our clients over 300 times this year, building strong relationships, developing an understanding of their needs and helping manage their financial risks.

One of the year's most impactful activities was the collaboration between our team and a Government Department to develop a new cashflow forecasting model and process. This initiative responded to the operational demands placed on the Department to forecast cash

requirements to ensure timely access to funding from the State's Public Account – a task that has become increasingly time-consuming and complex.

Recognising the opportunity to improve efficiency, the Client Services team worked closely with the Department to design and implement a streamlined forecasting process. The new model significantly reduces the time and effort required for the Department to manage cashflow projections, while also enhancing accuracy and reliability. Engagement between the Client Services team and the Department ensured the solution was responsive to operational realities and aligned with broader financial governance requirements. The success of this initiative has prompted further exploration of its applicability across other departments, positioning it as a scalable solution for improving public sector financial management.

A Client Engagement Survey will be conducted next year to measure our clients' satisfaction and provide insights into their experiences. The results of the 2023 survey found that 94% (2021: 92%) of TCV's clients are satisfied or extremely satisfied with the standards of service provided.

4. Support for the Department of Treasury and Finance

DTF is our largest client, with loans outstanding of \$153.1 billion at 30 June 2025. We have a close and strong relationship with DTF, working collaboratively throughout the year to manage the State's funding requirements, liquidity position and financial risks.

The points of focus for the year included actively refinancing the loan maturity profile and extending the maturity of the DTF loan portfolio.

Case study: Barwon Water

Barwon Water, Victoria's largest regional urban water corporation, has long been committed to delivering high-quality, affordable, and sustainable water and sewerage services to its communities. As the region undergoes significant residential and commercial expansion, Barwon Water's strategic investments in infrastructure and its focus on affordable services have become key contributors to regional prosperity. Its initiatives not only support essential service delivery but also contribute to broader economic development and environmental resilience across the region.

A prime example is the Colac Renewable Organics Network (RON), an Australian first project that converts organic waste into renewable energy and reduces greenhouse gas emissions. Developed in partnership with Bulla Dairy Foods and Minerva Foods (formerly the Australian Lamb Company), the Colac RON addresses shared waste management and energy challenges while delivering tangible environmental and economic benefits to the Colac community, including generating 45 additional ongoing jobs in the Colac Otway region.

The facility also plays a critical role in advancing Barwon Water's 2030 energy reduction strategy, supporting its transition to 100% renewable

electricity and zero net emissions. Once at full capacity it is expected that renewable energy production will reach 5.5 gigawatt hours of renewable energy per year - equivalent to the needs of 1,100 households.

In an Australian first, the Colac RON has also delivered an innovative hot water network to project partner Minerva Foods. The network will transfer heat back to Minerva Foods for their operations, offsetting their natural gas consumption from the grid by 21.4 terajoules each year – equivalent to the gas usage of 350 households.

Through our trusted relationship with Barwon Water, TCV has played a pivotal role in this journey, offering tailored financial products, real-time access to funding, and creating a straightforward and simple process for the organisation to access funding. In addition, TCV's economic insights have informed decision-making at both operational and board levels, enhancing Barwon Water's financial resilience and long-term planning. Through this collaboration, Barwon Water has maintained affordable service delivery while investing in transformative projects that benefit both residential and industrial communities, reinforcing its role as a catalyst for regional growth and sustainability.



Image provided by Barwon Water

5. Project advisory services

In 2024-25, we provided project advisory services to a number of clients. A sample of key projects included:

- Providing PPP refinancing and procurement advice for the New Melton Hospital (see case study), High-Capacity Metro Trains, Melbourne Metro Tunnels and Stations, and the Hopkins correctional centre
- Assisting Monash Health with financial modelling in support of parking options for Dandenong Hospital
- Supporting the State Electricity Commission (SEC) with loan modelling and structuring for their investment in the SEC Renewable Energy Park – Horsham
- Supporting Zero Emissions Water with invoice verification, LGC transfers, value modelling and settlement support
- Providing contract management services for Homes Victoria for the Ground Lease Model One Project (Social Housing)
- Providing LGC transaction support and demand/supply modelling for DEECA's Renewable Certificate Purchasing Initiative and Solar Trams program.

6. Investor relations

Investor engagement and diversification have been strategic priorities throughout 2024-25. The emphasis has been on deepening engagement, building relationships and diversifying our investor base.

To support this initiative, this year we developed a new TCV investor relations strategy. The purpose of the strategy is to increase the resilience of our funding program and, therefore, our ability to support the State's funding requirements, through the diversification of our investor base. One of the key drivers for the strategy is that Australian banks have largely met their High-Quality Liquid Asset (HQLA) targets, resulting in a maturation of the mandated regulatory buyer for state government bonds. This highlights the importance of investor diversification and the role of international investors.

The core objectives of the strategy are to diversify our investor base, enhance our engagement with investors, and gather feedback from investors to inform our funding decisions.

To support the achievement of these objectives, key initiatives delivered throughout the year included:

- Launch of an investor survey to gather insights and inform future engagement
- Increased engagement around the State Budget cycle, including post-budget events and presentations
- Pursuing options to increase non-AUD issuance
- Tracking investor activity and transactions to inform our issuance strategy
- Co-hosting the Global Markets investor conference in partnership with CBA.

Priorities for next year

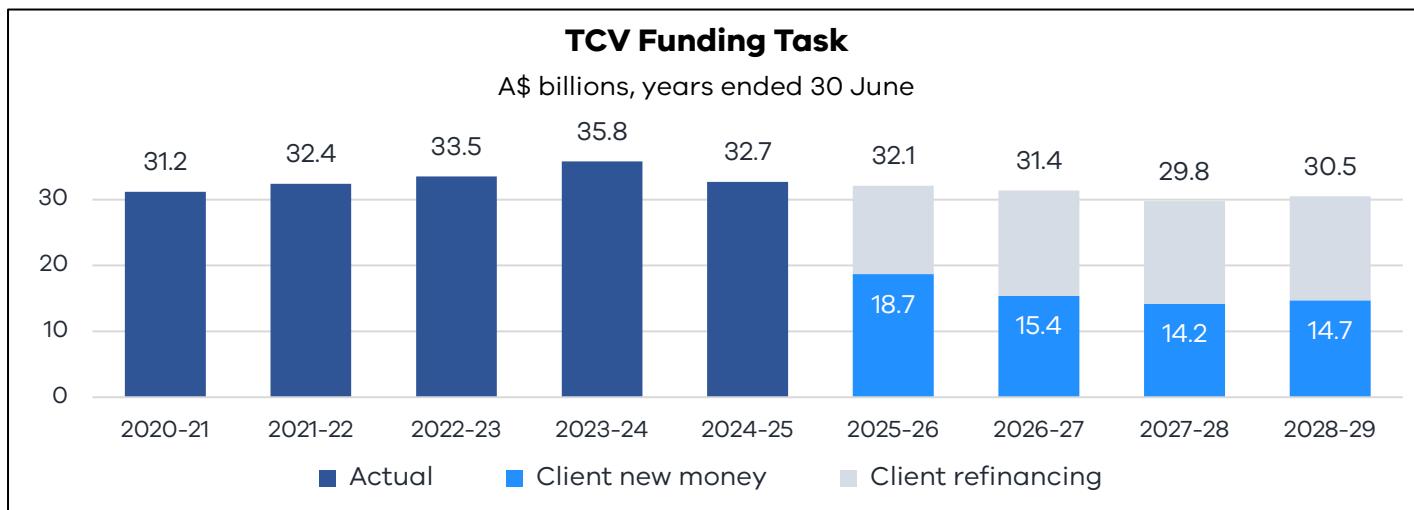
Our funding requirement for 2025-26 is \$32.1 billion. This is comprised of \$18.7 billion of client new money and \$13.4 billion of refinancing requirements, as depicted in the chart on the next page.

To meet the 2025-26 funding task, we will continue to employ a flexible funding approach. This will include:

- Issuing into existing and new domestic benchmark bond lines
- Using a multi-issuance format, including bond tenders, syndication and reverse enquiry
- Increasing issuance under our existing Sustainability Bond Framework
- Considering non-AUD issuance in benchmark and non-benchmark format.

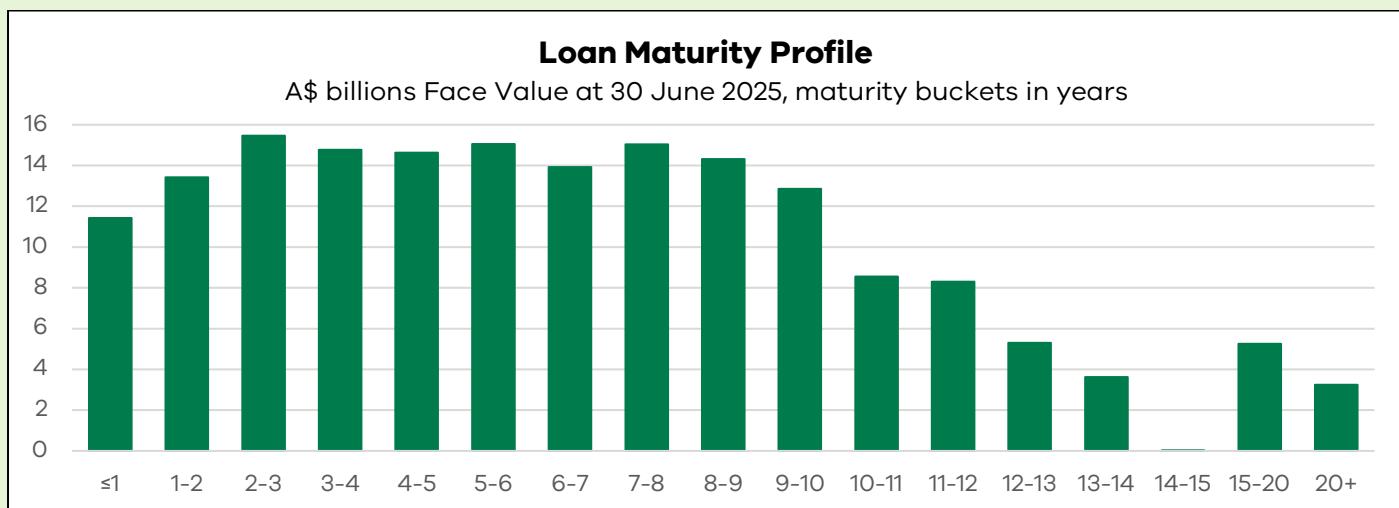
This funding approach will be supported by our continued focus on investor engagement and diversification in domestic and international markets.

Our 2025-26 investor relations strategy supports our core funding strategies of diversifying our investor base and increasing the duration of our AUD and non-AUD borrowing programs. The investor engagement program will focus on strategic investors and investor groups domestically and across key geographic regions.



In-focus: Funding our loan book

We provide tailored loans to the State and our clients, which are available on demand and provided at wholesale rates. Loan facilities can be provided as bullet maturities or on a principal and interest basis. Maturities are based on our clients' needs and debt portfolio requirements and can extend from short-term at call facilities to long-term commitments of 30 years or more. In 2024-25, we lent \$33.3 billion to the State and our clients. The maturity profile of our client loans at 30 June 2025 is shown in the chart below.



To finance this lending activity, TCV maintains four key funding programs:

- AUD Note program. This is the cornerstone of our funding strategy, incorporating 16 benchmark lines and 7 non-benchmark lines, as well as 5 Floating Rate Note maturities
- US\$10 billion Euro Medium Term Note program
- A\$5 billion Euro Commercial Paper program
- A\$10 billion Domestic Promissory Note program.

This suite of programs helps us to maintain continual access to sources of liquidity and to meet client funding requirements in volume and duration at a competitive price. Activity in each program is facilitated through dealer panels.

TCV's outstandings are detailed in the table below:

Face value (\$b)	Outstanding at 30 June	
	2024	2025
Benchmark Bonds	153.4	179.1
Floating Rate Notes	17.0	15.9
Non-benchmark Bonds	3.7	4.1
Non-AUD bonds	1.3	3.2
Euro Commercial Paper	0.2	0.2
Domestic P -Note	3.8	2.7
Total	179.4	205.2

Priority 2:

Embracing whole of Victorian Government sustainability to help our clients achieve their goals and deliver better funding outcomes

Key activities, initiatives and projects undertaken to advance this priority

1. Sustainable issuance

Our sustainable issuances support the Victorian Government's climate and social policy objectives, while creating opportunities to engage with investors on the State's sustainability opportunities, risks, strategy and performance. These issuances respond to investor demand, help broaden TCV's investor base and ultimately aim to deliver improved funding outcomes for the benefit of the State and our clients.

Throughout the year, we continued to issue into our 2035 Sustainability Bond, with total outstandings increasing by \$3.4 billion.

2. Sustainable Bond Framework update

In 2024-25 we commenced a comprehensive update of TCV's Sustainable Bond Framework to ensure it remains credible, flexible and aligned with leading industry standards. This will include embedding enhanced disclosures, obtaining a Second Party Opinion, and seeking to apply the Australian Sustainable Finance Taxonomy V1,

where feasible. These enhancements will support our Sustainability Strategy, strengthen investor confidence and position us to move with evolving market expectations and investor appetite.

3. Development of TCV's Sustainability Strategy

See 'In-focus' section below.

Priorities for next year

In 2025-26, TCV's sustainability priorities will focus on broadening our engagement with clients, investors, government and the broader market, enhancing our capability and credibility in sustainable finance, and supporting the Victorian Government's climate and social objectives. Key initiatives include updating our Sustainable Bond Framework, implementing a new stakeholder engagement approach, developing further issuance capacity, supporting government climate related risk disclosure, and deepening our participation in industry forums, such as ICMA and participation in Australian Sustainable Finance Institute's (ASFI) market development program for the Australian Sustainable Finance Taxonomy.

In-focus: Our new Sustainability Strategy

Over the past decade, the global sustainable finance market has significantly evolved, with investor focus and expectations shifting from the specific bonds being issued to the holistic sustainability characteristics of issuers. In Australia, the Commonwealth Government and State governments have developed sustainable issuance formats, with the Commonwealth Government issuing its inaugural green bond for \$8 billion in 2024.

In response to this evolution and to continue to access growing investor demand, we have developed a Sustainability Strategy which aims to align TCV's sustainability ambition to that of the broader Victorian Government. The strategy also adopts an integrated approach to sustainability and identifies the need for increased coordination and collaboration between TCV and the Government Departments and Participating Authorities that set sustainability policies and targets, deliver projects, and initiatives. This collaboration will allow us to meet market expectations by providing a holistic view of Government commitments and actions on climate, environmental and social issues, and the funding required to support these programs.

Emphasised in the Sustainability Strategy is the opportunity to position TCV as a leader in sustainable finance. This would create an avenue for TCV to proactively contribute to sustainable finance markets and WOVG sustainability agendas, whilst supporting our overall strategic goal to diversify our funding and deliver better outcomes for the State and our clients. The objectives and priorities outlined in the Sustainability Strategy will guide our strategic initiatives in the future.

Priority 3:

Maintaining and building our capability, capacity and resilience to ensure we can achieve our mission

Key activities, initiatives and projects undertaken to advance this priority

1. Implementation of new IT systems

Throughout the year, we implemented several systems to strengthen our internal capabilities and improve operational efficiency:

- **Contract management system.** A new legal management system was introduced to streamline contract workflows and create a single source of truth for the business. It supports full lifecycle management of legal matters, reduces risk, enhances compliance and improves productivity.
- **People HR system.** The new system centralises employee records, automates workflows and digitises People & Culture forms – completing our transition from paper-based processes. The system also includes tools for performance management, in-house recruitment and applicant tracking, enabling a more efficient and user-friendly experience for employees.
- **Learning Management System (LMS).** The new digital learning platform optimises training management, monitors Continuous Professional Development (CPD) and strengthens compliance, ensuring a more efficient and effective approach to learning and compliance training. Through the LMS, employees also have access to a growing library of online courses and training materials tailored to their roles.
- **Employee Self-Service (ESS).** The new software enhances payroll efficiency and provides employees with greater transparency and autonomy. Employees can view and forecast leave balances, submit leave applications, and access pay advice. Automated leave form integration significantly reduces the administrative workload of the People & Culture team and supports enhanced productivity.

2. IT infrastructure refresh

This year, we initiated a comprehensive refresh of our organisation-wide IT infrastructure, given our existing platforms are nearing the end of their 5-

year design lifecycle. The new infrastructure design will deliver substantial benefits, including increased capacity and processing power, improved security, enhanced flexibility for employees, and greatly increased operational resilience through the implementation of mirrored data centres and additional recovery capabilities.

To date, we have upgraded our network switches, with the next phase focused on modernising our servers and storage systems.

3. Information management strategy

This year, we commenced a comprehensive review of our information management practices to identify opportunities to enhance our architecture and further improve access, simplify security, and strengthen lifecycle management. Key activities included mapping the information held across the organisation and commencing the development of principles to guide future-state information management. Next year, the focus will shift to designing and implementing the new information architecture, including the migration of content from legacy data stores to modern platforms that will better support business operations, collaboration and flexibility into the future.

4. Adoption of Artificial Intelligence tools and processes

This year we placed a strategic focus on Artificial Intelligence (AI). This was supported by the establishment of a group representing each Business Unit which aimed to identify opportunities to enhance processes, operations and ways-of-working through the use of AI. A key priority was the use of AI to reduce repetitive tasks, enabling employees to redirect their efforts toward more complex, high-value activities. For example, the IT team leveraged Microsoft Copilot to translate Visual Basic code into Python, reducing effort and freeing up capacity for other initiatives.

To support this transformation, an AI governance framework was developed to ensure responsible and transparent use of AI technologies, including protocols for disclosure, explainability and human

oversight. Employee training was also delivered to build awareness of authorised AI tools and promote uptake, resulting in increased capability and interest across the organisation.

5. Revisions to the performance review process

This year we introduced a refreshed performance review process for all employees, designed to strengthen alignment with organisational values and support professional growth. The updated framework places greater emphasis on demonstrating TCV's values and learning and development. A new evaluation process was also implemented to ensure consistent and equitable assessment of performance across the organisation. Insights from the end-of-year reviews will guide individual goal setting and planning activities in early 2025-26.

6. Enhancement of organisational sustainability performance

In 2024-25, we continued our focus on improving the sustainability of our operations and business model. Key outcomes achieved throughout the year include:

- Our total electricity consumption including third party sources (measured as KWh per FTE) was down 27.4% on 2023-24. This was due to the move to our new offsite data warehouse hosting since January 2024.
- We continued to purchase 100% green power for TCV's direct electricity needs and subscribed to our data centre provider's carbon neutral offering for TCV's hosting and data storage. In addition, our building

manager, Dexus, also applies 100% Green power for our non-metered / common areas building electricity consumption

- We purchased 1,370 Australian Carbon Credit Units (ACCU's) to fully offset TCV's Scope 1, 2 and 3 carbon emissions (excluding financed emissions) in respect of the 2023-24 financial year under the Climate Active accreditation program. Note that 1,159 of these credits were used to offset 100% of TCV's 2023-24's emissions. The remaining 211 credits were used to offset the additional emissions arising from business travel 2021-22 (35 credits) and 2022-23 (176 credits) which was recalculated following a review in 2024-25
- We achieved a 12.9% reduction in landfill waste per employee compared to 2023-24 (on an annualised basis) including introducing dedicated organics and soft plastics recycling collections.

Priorities for next year

Our focus will be on initiatives that continue to build our capability, capacity and resilience, and enable us to respond to our broader strategic agenda. This will include a focus on:

- Culture and employee development
- Technology and systems
- Operational resilience and compliance.



4 People & Culture

Image: Hot Air Ballooning over Melbourne with Global Ballooning
Source: Visit Victoria

Our people

Our people initiatives are centred on creating an inclusive and supportive environment for all employees. In 2024-25, our key initiatives focused on culture and values, learning and development, gender equality, and workplace health and wellbeing. By promoting an inclusive, supportive, and dynamic work environment, we continue to empower our people to achieve excellence and contribute to a better future for Victoria.

Engagement

The TCV Employee Alignment and Engagement Survey is undertaken every two years, with the most recent survey completed in 2025.

Overall employee engagement was 78% (2023: 81%), and alignment was 73% (2023: 74%), placing TCV in the top quartile compared to an Australian government and financial services benchmark. Other findings of note from the survey relevant to our workplace culture are highlighted below:

90% or more of TCV's employees:

- Feel respected and trusted by their peers
- Feel comfortable to speak up on issues that concern them
- Believe their team demonstrates a high level of risk awareness when performing their job
- Believe they act with integrity and fairness out of principle and not obligation
- Feel comfortable reporting negative behaviour such as bullying, harassment, sexual harassment or violence
- Believe there is a positive culture supportive of their diversity.

TCV also participates in the annual Victorian Public Sector Commission People Matter Survey. Results remained strong and well above peers, with particularly strong ratings in engagement, inclusion, job satisfaction and psychological safety. Results show that 95% of employees:

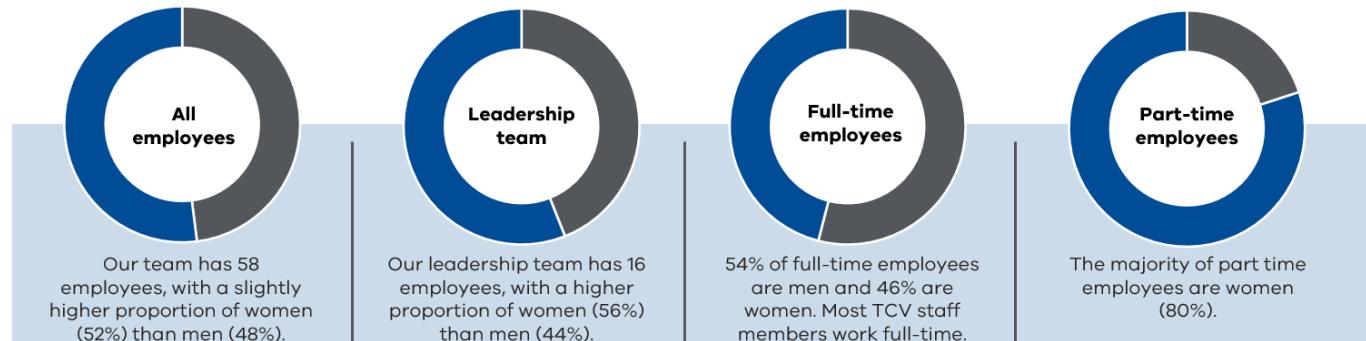
- Believe senior leaders role model company values
- Are satisfied with their work life balance
- Feel a strong sense of accomplishment and meaning in their work.

Diversity and inclusion

Diversity enriches our organisation by bringing together a variety of perspectives, backgrounds and experiences. We are committed to promoting a diverse and inclusive workplace where every employee feels valued and respected. We aim for equal gender representation at management and board levels and uphold gender balance throughout our recruitment and internal promotion processes. Our flexible and hybrid work arrangements are designed to meet varied employee needs while promoting work-life balance.

Continued focus and progress towards gender equity is represented in TCV's Gender Equality Action Plan (GEAP), which continues until 2026. Our GEAP is compliant with Victorian Government requirements and focuses on gender representation, reducing the gender pay gap, recruitment and procurement practices, and ensuring a workplace free from harassment and discrimination. Since the submission of our first GEAP, we have made significant progress in improving gender balance in senior leadership roles and reducing the gender pay gap. TCV's median gender pay gap at 30 June 2025 was 12.3%.

At 30 June 2025, TCV had 58 employees, comprised as follows:



Legend: ● Women | ● Men

Note: The leadership team comprises the Executive Leadership Team and the Senior Leadership Team.



5 Outlook

*Image: Albert Park
Source: Visit Victoria*

The year ahead

Responding to our operating environment

Our goal is to provide financial certainty and reliability to the State and our clients. In an international landscape characterised by geopolitical and economic uncertainty, this role is of heightened importance, and we are conscious of the responsibility we have to the State, our clients and the Victorian community.

While our primary role of providing financial services and managing risk for the State and our clients remains unchanged, we recognise the need to adapt. We must respond to our evolving operating environment and the changing needs and expectations of our stakeholders.

The key trends we see shaping our external

environment are evolving client and stakeholder needs, sustainability and access to capital, changing investor appetite, and ongoing change and complexity.

Our strategy is structured around the 3 priorities that define our core organisational objectives and 5 focus areas that guide where we will concentrate our efforts to achieve these goals.

Planning for 2025-26

Our focus in 2025-26 will be on initiatives that enable our broader strategic agenda and help us to respond to our uncertain operating environment.

The table below provides an overview of a suite of strategic initiatives, aligned to our 5 focus areas, that will be implemented in the coming years to help us achieve our strategic objectives.

Focus area	Our objectives	Strategic initiatives
Embed our refreshed purpose and values	To enhance strategic clarity, support decision-making, drive performance, and attract and retain employees	<ul style="list-style-type: none">Purpose and values embedmentL&D program, leadership development and succession planningEmployee recognition programInternal communications and change management
Build capacity and resilience	To ensure we have the right resources, resilience and flexibility to meet the needs of the State and our clients	<ul style="list-style-type: none">Implement outcomes of the compliance operating model reviewContinuous improvement projectsCritical process reviews to ensure CPS230 readinessDevelopment of material service providers register and third-party risk reviewStakeholder and client engagement and information / knowledge sharing
Broaden our investor base	To broaden our investor base, adapt to changing investor preferences, and manage funding, liquidity, and interest rate risks for the State and our clients	<ul style="list-style-type: none">Investor engagementSelectively undertake non-AUD issuance, subject to economics and market conditionsHedge fund research and engagementInvestor communications refresh
Embrace Whole of Victorian Government sustainability	To embrace WOVG sustainability and help our clients achieve their goals through better funding outcomes	<ul style="list-style-type: none">Stakeholder and investor engagement on sustainabilitySupport delivery of a WOVG integrated approach to sustainabilityTake advantage of sustainable issuance opportunitiesSupport sustainable finance market development
Leverage data and technology	To make the most of our data and technology, creating value internally and externally	<ul style="list-style-type: none">Implement cyber risk management strategyImplement information management strategyIdentify and implement AI use casesDeliver IT infrastructure refresh



6 Governance & Accountability

Board of Directors

Management

Risk and controls

Regulatory compliance and disclosures

*Image: Grampians Silo Trail –
Lascelles by Rone
Source: Visit Victoria*

Board of Directors



Cassandra Kelly, Chair

B.Ec (Hons), AM

First appointed: 11 August 2015

Current appointment expires: 31 December 2025

Qualifications and experience

Ms Kelly has extensive experience in advising on finance, risk, strategy and policy. In 2003, she co-founded Pottinger, a global corporate advisory company, where she contributes as a senior advisor. Following on from her role advising the G20/B20 on matters of infrastructure, finance, health and digitalisation, Ms Kelly is a continuing member of the European Union's Global Tech Panel, chaired by the EU Vice Commissioner.

Ms Kelly has held executive roles at GMAC Commercial Mortgage and Deutsche Bank and was a consultant at McKinsey and Co. Her experience is broad and spans areas such as financial services, infrastructure, technology, digital media and professional services.

Ms Kelly is an experienced director. She was chair of Pottinger, Allpress Espresso International and FutureFeed, and a director of Flight Centre Travel Group and UNSW Foundation. Ms Kelly was appointed a member in the General Division of the Order of Australia in June 2019 for significant service to business through executive roles, and as an advocate for gender equity.

Ms Kelly held the following appointments during the year:

- Director, Pottinger Co Pty Limited
- Member, European Union Global Tech Panel
- Chair, FutureFeed (ceased 2 May 2025)
- Director of Advance Global Australians (AMER) (commenced 1 July 2025)
- Director of Fred Hollows Foundation (commenced 1 July 2025)
- Director of Fred Hollows Foundation USA Board (commenced 1 July 2025).



Helen Thornton, Deputy Chair

B.Ec, ACA, GAICD

First appointed: 1 July 2017

Current appointment expires: 30 June 2026

Qualifications and experience

Ms Thornton is a Chartered Accountant with over 30 years' experience across a wide range of industries including financial services.

Ms Thornton has extensive experience in governance, audit and risk management and she has held senior leadership roles at Deloitte, KPMG, BHP Ltd and Bluescope Steel Ltd, where she was responsible for the global risk management function.

Ms Thornton has over 20 years' experience as a non-executive director and held the following appointments during the year:

- Director, ANSVAR Insurance Pty Ltd
- Director, Arena REIT
- Director, ISPT Pty Ltd (ceased 13 December 2024)
- Director, McPherson's Ltd
- Independent Member of Risk and Audit Committee, Department of Education and Training (ceased 30 June 2025).



Michael Larkin, Managing Director and Chief Executive Officer

B.Ec, MBA, MAICD

First appointed: 1 February 2023

Current appointment expires: 31 January 2028

Qualifications and experience

Mr Larkin is responsible for the successful leadership and management of TCV according to the strategic direction set by the Board and the Treasurer of Victoria.

Mr Larkin has more than 30 years' international corporate finance experience in the real estate, transport, construction materials, building materials and investment banking industries, with a particular interest in financial strategy, funding and capital management.

Prior to joining TCV, Mr Larkin spent 10 years at Lendlease as Group Treasurer with responsibility for the global funding, liquidity, financial risk management and transaction banking of both the Lendlease Group and the projects and funds managed by Lendlease and its subsidiaries. During his tenure, Mr Larkin repositioned the Lendlease global treasury team as a business partner that consistently delivered on its core mission of enabling commercial outcomes for the Group and its stakeholders, and established Lendlease as a leader in corporate sustainable financing in Australia.

Mr Larkin is a director of the Australian Corporate Treasury Association.



Christopher Barrett

B.A, B.Com, MA, MPP

First appointed: 19 December 2023

Current appointment expires: 18 December 2026

Qualifications and experience

Mr Barrett is Secretary of the Department of Treasury and Finance and has almost 30 years of experience in public policy. He leads the Department of Treasury and Finance in its role of providing economic, financial and resource management policy advice to the Victorian Government.

Mr Barrett commenced as Secretary of the Department of Treasury and Finance in December 2023, having joined the Department of Treasury and Finance as Deputy Secretary of the Economic Division in January 2021. In that role, Mr Barrett was responsible for the provision of high-level economic and policy advice to Government on productivity, taxation and regulation, along with social, environmental and economic development issues.

Before this, Mr Barrett was the CEO of Invest Victoria, and led both the Victorian Government's approach to investment attraction and the Economic Recovery Mission in response to coronavirus (COVID-19).

Mr Barrett's career includes over two decades in public service in Melbourne, Canberra and internationally.

Mr Barrett held the following appointments during the year:

- Director, Infrastructure Victoria
- Director, Victorian Funds Management Corporation
- Member, Tax and Transfer Policy Institute Advisory Board.



Pippa Crawford

B.SocSci, GAICD

First appointed: 19 September 2023

Current appointment expires: 18 September 2026

Qualifications and experience

Ms Crawford is a seasoned non-executive director and strategic advisor with over 25 years' experience across banking, capital markets, and corporate governance. She has held senior leadership roles at The Royal Bank of Scotland and Westpac Institutional Bank, including Global Head of Large Corporates, Infrastructure and Resources, and Head of Institutional Banking for Victoria and Tasmania, where she led complex client portfolios and cross-border teams.

Ms Crawford currently serves as a Director of Utilities of Australia, guiding investment strategy across essential infrastructure assets. Her prior board appointments include Chair of Food & Drink Victoria and Director of the Westpac Community Foundation, where she championed inclusive growth, stakeholder engagement and sector development. She is also an independent non-judicial member of the Courts Council, which contributes to the governance of Court Services Victoria.

Ms Crawford advises clients on critical business issues ranging from risk governance frameworks to long-term strategic planning. She has a strong commitment to ESG, organisational culture, and transformational change.

Ms Crawford held the following appointments during the year:

- Director, Utilities of Australia Pty Ltd
- Advisor, Melbourne Victory
- Independent Member, Courts Council, Courts Services Victoria (commenced 1 August 2025).



Swati Dave

B.Com, GAICD

First appointed: 2 July 2024

Current appointment expires: 1 July 2027

Qualifications and experience

Ms Dave is an experienced CEO and non-executive director with an established track record of successfully leading and transforming businesses covering domestic and international markets. She was most recently the Managing Director and CEO at Export Finance Australia from 2017 to 2022, where she led a significant business and cultural transformation to make the organisation more impactful and inclusive.

Ms Dave has over 30 years of banking and financial sector experience across a number of sectors, including infrastructure, natural resources, energy and utilities, renewable energy and property. She has held senior roles at National Australia Bank, Deutsche Bank, AMP Henderson Global Investors, Bankers Trust and Westpac.

Ms Dave currently serves as the Chair of the Advisory Board for the Centre for Australia India Relations, Member of the RBA Governance Board, Non-Executive Director on the Australian Financial Complaints Authority Board; and is an independent member of the QIC Global Infrastructure Investment Committee. She is a member of the Trade 2040 Taskforce convened by the Minister for Trade and Tourism and a Multicultural Ambassador for Cricket Australia.

Ms Dave held the following appointments during the year:

- Director, Australian Financial Complaints Authority
- Member, Reserve Bank of Australia Governance Board (commenced 1 March 2025)
- Independent Member, QIC Global Infrastructure Investment Committee
- Advisory Board Chair, Centre for Australia India Relations
- Deputy Chair, Asia Society Australia (ceased 4 November 2024).



Bruce MacDiarmid

B.Com, LLB, SFFin, GAICD

First appointed 8 October 2024

Current appointment expires 7 October 2027

Qualifications and experience

Mr MacDiarmid has had a 30-year international career in financial services working for several major investment banks, most recently as Chairman of Investment Banking at Goldman Sachs, Australia & New Zealand from 2018 to 2023. Previously Mr MacDiarmid held leadership roles at Deutsche Bank and Rothschild Australia.

Mr MacDiarmid held the following appointments during the year:

- Director, Qualitas Limited (appointed 15 April 2025)
- Director, Washington H Soul Pattinson and Company Limited
- Director, Sydney Children's Hospital Foundation (ceased 21 May 2025)
- Deputy Chair, Sydney Children's Hospitals Network
- Member, University of New South Wales's Law Advisory Council.



Peter McGregor, Audit Committee Chair

B.Com, F.Fin, MAICD

First appointed: 16 May 2023

Current appointment expires: 15 May 2026

Qualifications and experience

Mr McGregor is a company director and adviser. He has over 30 years' experience in senior finance roles, with a particular expertise in financial markets and funds management.

His previous roles include having been Chief Financial Officer of the ASX50 company, Asciano, and a partner in the Investment Banking firm of Goldman Sachs JBWere. He was also Managing Director and Head of Institutional Banking & Markets, Victoria, with Commonwealth Bank of Australia.

Mr McGregor has extensive experience as a company director. He is a former Chairman of the Port of Geelong and Director of Melbourne Airport. Mr McGregor held the following appointments during the year:

- Director, Imricor Medical Systems, Inc.
- Director, Infrastructure Specialist Asset Management Pty Ltd (appointed 1 April 2025)
- Advisory Board Member, Boman Group Pty Ltd
- Chair, Investment and Finance Committee, Australia Indonesia Business Council.

Appointment of Directors

The TCV Act provides for a Board of Directors consisting of the Chief Executive Officer (the Managing Director) and 5 to 7 other Directors appointed by Victoria's Governor in Council on the recommendation of the Treasurer of Victoria.

The Managing Director of TCV cannot be appointed Chair or Deputy Chair of the Board. Officers of TCV, other than the Managing Director, are not eligible to be Directors.

Under the TCV Act, the Managing Director is appointed by the Board with the approval of the Treasurer of Victoria for a term not exceeding 5 years and is eligible for re-appointment. Directors are appointed for a term not exceeding 3 years and are also eligible for re-appointment.

The Governor in Council determines Directors' remuneration, other than that of the Managing Director or a Director who is also an employee of the public service. Details regarding the remuneration of Directors are given in Note 25 of the Financial Statements 2025.

During the year, the Board comprised the Managing Director, Michael Larkin, the Secretary of the Victorian Department of Treasury and Finance, Chris Barrett, and the following independent Directors:

- Cassandra Kelly (Chair)
- Helen Thornton (Deputy Chair)
- Pippa Crawford
- Swati Dave (commenced 2 July 2024)
- Debra Hazelton (ceased 17 August 2024)
- Bruce MacDiarmid (commenced 8 October 2024)
- Peter McGregor (Audit Committee Chair).

Responsibilities of Directors

Under the TCV Act, the Board is responsible for the management of the affairs of TCV. The Board reviews and approves TCV's strategy and corporate plan annually, monitors the performance of TCV, and oversees the financial governance, risk and compliance management frameworks.

The TCV Act requires a Director who has a pecuniary interest in a matter being considered or about to be considered by the Board to declare the nature of the interest at a meeting, as soon as practicable after the relevant facts have come to their knowledge. Such a declaration must be recorded in the minutes of the meeting. The TCV Act also provides that, unless the Board (excluding the Director) resolves otherwise, the Director must not be present during any deliberations with respect to the matter. The Director is not entitled to vote on the matter and, if the Director does vote on the matter, the TCV Act requires the vote to be disallowed. In addition to these statutory requirements, the Board manages conflicts in accordance with TCV's Board Conflict of Interest Policy.

Directors are also bound by the requirements of the *Public Administration Act 2004* (Vic) and the *Code of Conduct for Directors of Victorian Public Entities* (the Code) issued by the Victorian Public Sector Commission to promote adherence to public sector values by directors of Victorian public entities.

Directors are required to act honestly, in good faith in the best interests of TCV, with integrity, in a financially responsible manner and with a reasonable degree of care, diligence and skill.

The Board has established two Committees, the Audit Committee and the People & Culture Committee, to assist it in certain of its oversight responsibilities.

Charters have been adopted for the Board and each of its Committees. The charters are statements of the purpose and objectives, duties, roles and responsibilities, and membership of the Board and its Committees.

An annual review of Board, Committee and Directors' performance is conducted consistent with the *Public Administration Act 2004* (Vic) and Standing Directions issued under the *Financial Management Act 1994* (Vic).

Board Committees

Audit Committee

All of TCV's Directors are members of the Audit Committee with the exception of the Managing Director, who is invited to attend Committee meetings. The Audit Committee is chaired by Mr McGregor.

The Committee is required to meet at least 4 times per year. The purpose of the Committee is to assist the Board in its oversight responsibilities pertaining to the financial dimensions of management, performance and sustainability, to oversee the internal audit function, to review TCV's annual financial statements, and to review and monitor compliance with the *Financial Management Act 1994* (Vic).

People & Culture Committee

All non-executive Directors of TCV are members of the Committee, and the Managing Director is invited to attend Committee meetings. The Committee is chaired by Ms Kelly.

The Committee was established in 2024 to assist the Board in its oversight responsibilities relating to a safe and healthy work environment, People & Culture matters, Management succession planning, performance of the Managing Director, learning and development, recruitment and approach to gender equality, and diversity and inclusion. The Committee is required to meet at least two times per year.

Nominations Committee

The Nominations Committee was dissolved on 16 July 2024. It did not meet in the 2024-25 financial year.

Attendance by Directors at Board and Committee Meetings 1 July 2024 – 30 June 2025

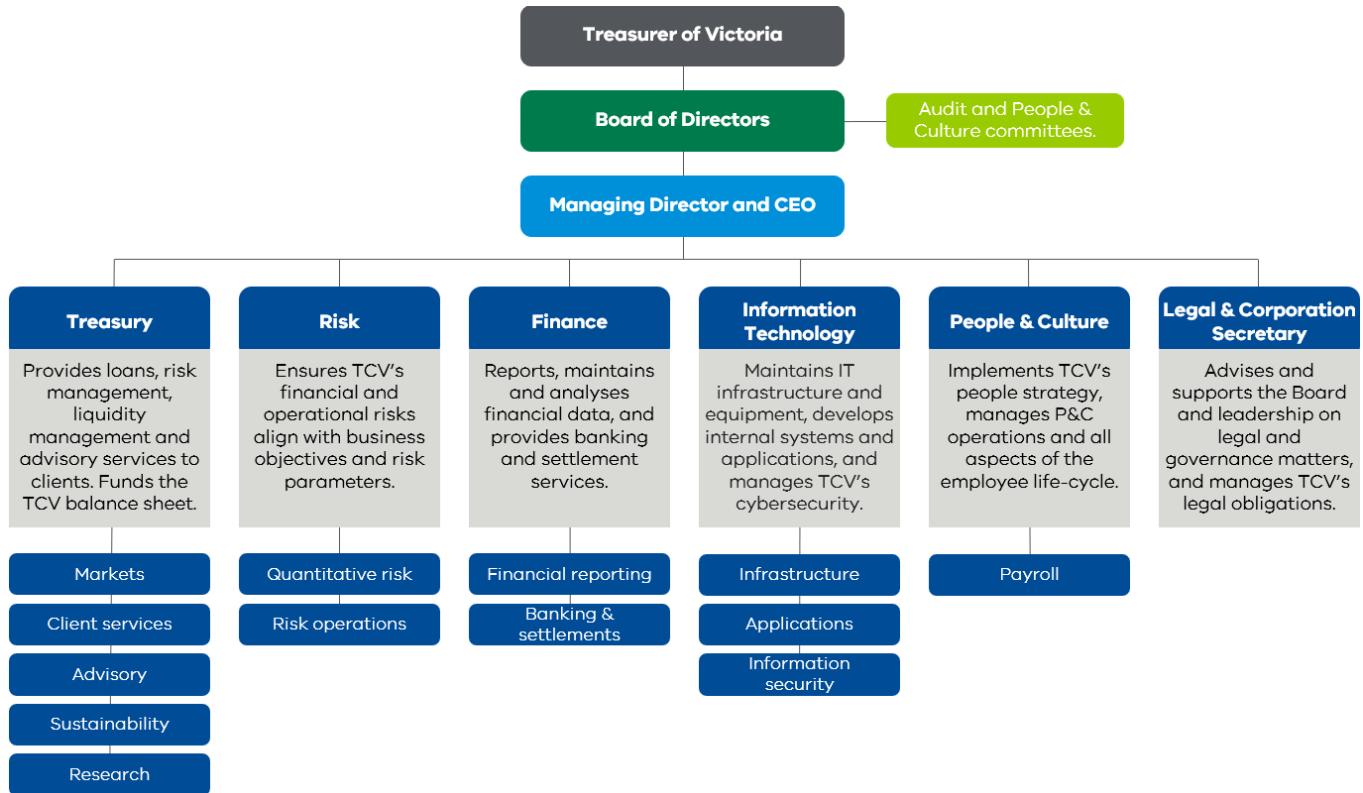
	Board		Audit		People & Culture	
	Eligible to attend	Meetings attended	Eligible to attend	Meetings attended	Eligible to attend	Meetings attended
C Kelly	8	8	4	4	4	4
H Thornton	8	7	4	3	4	3
M Larkin*	8	8	4	4	4	4
C Barrett	8	6	4	3	4	3
P Crawford	8	7	4	4	4	4
S Dave	8	8	4	4	4	4
D Hazelton	1	1	1	1	0	0
B MacDiarmid	6	6	3	3	3	3
P McGregor	8	8	4	4	4	4

* Mr Larkin is not a member of the Audit or People & Culture Committee. He has a standing invitation to attend each meeting of the Audit and People & Culture Committees.

Management

Organisation structure

The responsibility for the day-to-day operations and administration of TCV is delegated to the Chief Executive Office and the Executive Leadership Team.



Executive Leadership Team



Michael Larkin

Managing Director and CEO
Joined February 2023



Justin Lofting

Executive Director – Treasury
Joined January 1995



Mike van de Graaf

Executive Director – Risk
Joined February 2012



Hazel Kenyon
Chief Financial Officer
Joined November 2023



Warren Murray
Executive Director – Information Technology
Joined June 1999



Amy Ridley
Executive Director – People & Culture
Joined April 2025

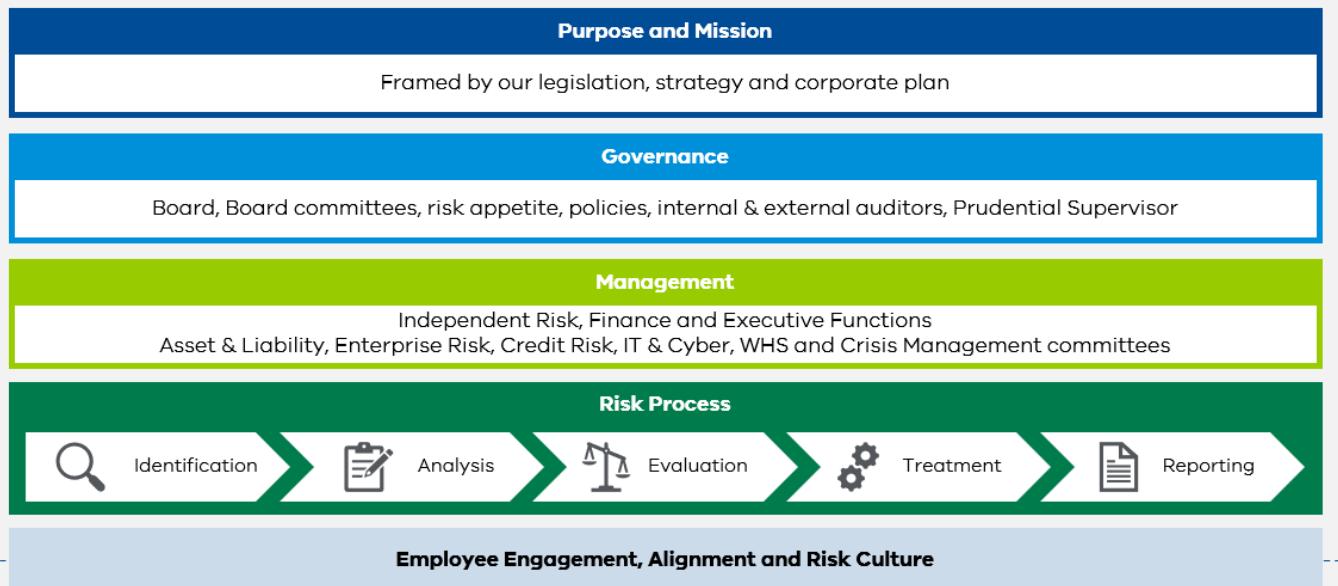


Michelle Siekierka
General Counsel & Corporation Secretary
Joined September 2023

Risk and controls

Risk Management and Control Framework

Our risk management framework is designed to proactively identify, assess and mitigate potential risks, ensuring the stability and resilience of our operations.



Prudential Supervision

The Victorian Government has significant financial assets and liabilities that need to be managed in a professional and efficient manner. The Victorian Government actively promotes prudent behaviour by managers of the State's public financial corporations. Consistent with these aims, the Treasurer has implemented a Prudential Supervision standard, which aims to ensure that TCV operates in a sound and prudent manner.

Prudential Supervision at TCV integrates with, and builds on, existing Government wide (financial) risk policies. A Prudential Supervisor (Ernst & Young) has been appointed by the Treasurer to independently assess the fitness for purpose of requirements established by the Australian Prudential Regulation Authority (APRA) in its application to TCV. This assessment is reflected in TCV's Prudential Standard.

Management met with the Prudential Supervisor regularly during the year to review our compliance with the Prudential Standard and to assess impacts of changes that emerge from global and domestic financial markets and regulation.

Internal Risk Management and Control

TCV's operations expose it to financial and operational risks and management of these risks is core to our mission. In this respect, TCV's principal objective is to provide a robust and consistent risk management, performance measurement and capital management framework commensurate with our purpose, objectives, strategy and risk appetite.

TCV's risk appetite is articulated by a formal Risk Appetite Statement approved by the Board.

The risk management framework is consistent with the Prudential Standard requirements and is monitored by the Board and the Prudential Supervisor. The risk management framework includes a dedicated and independent Risk function, led by the Executive Director, Risk, who reports directly to the CEO. The Risk function has established internal risk management policies and controls set by the Board and senior management. In addition, TCV maintains an Internal Audit function (outsourced to Deloitte) to, amongst other things, monitor our internal controls and risk management framework.

Interest Rate Risk

Interest rate risk is the risk of a loss due to adverse movements in market prices or interest rates of financial instruments and their derivatives. TCV has a comprehensive measurement and limits framework to manage and control interest rate risk.

Interest rate risk is quantified daily using both Value at Risk and other portfolio level risk measures. These metrics measure the potential loss that TCV might incur under various market scenarios and stress tests. Risk is managed within an approved limit and control structure and monitored daily, with breaches or excesses being reported to the Managing Director and the Board as appropriate.

Funding and Liquidity Risk

Funding and liquidity risk is the risk that TCV may not be able to raise funds to meet its financial obligations as and when they fall due.

TCV has a comprehensive policy to manage liquidity risk, the key elements of which are:

- Operational controls, including limits against daily net and cumulative cash flows, balance sheet mismatches, maturity concentrations, investment risk, and cash flow stress tests
- A liquidity crisis action plan that is reviewed and updated periodically.

Credit Risk

Credit risk to TCV arises from loans it makes to borrowers other than the State of Victoria. Loans to the State of Victoria are in all instances covered by a Treasurer's guarantee. Our primary credit exposure therefore arises from investment in financial assets and derivative transactions. TCV's credit exposures are actively managed within Board approved limits. Our investments are high grade and are held for liquidity and hedging purposes. TCV has implemented Credit Support Annexes with derivative counterparties consistent with market practice.

Capital Adequacy

Our risk management framework incorporates a risk-based capital adequacy approach as specified in the Prudential Standard and generally follows APRA's standards on Capital Management. Under this standard, the Corporation is required to hold a minimum

capital adequacy ratio of 8% of risk-weighted assets. TCV targets a capital ratio of at least 10.5% of risk weighted assets.

At 30 June 2025, our capital ratio was 21.8%.

Enterprise Risk Management and Operational Risk

Operational risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events.

TCV has an enterprise-wide risk management approach, integrating risk identification (risk register), measurement (risk self-assessments), mitigation and reporting (operational/incident reporting). A Risk Management Policy embeds the Enterprise Risk Framework into our operations.

The Enterprise Risk Management Committee meets at least quarterly to address operational risk management issues review actual operational risk incidents, and guide enterprise risk activities across TCV.

A risk report addressing both financial and operational risk management is presented to the Board quarterly, whilst any significant operational risk issues and a summary of lower rated errors that occurred are reported to the Board monthly. Details of incidents are captured in an internal operational risk database.

Climate risk assessments are made for physical and transition risks for each of the risks that are annually reviewed in the risk register. TCV provides input into the State's Climate Risk disclosure.

In addition, Anti Money Laundering and Counter-Terrorism Financing (AML/CTF) policies and processes are implemented by TCV to ensure that we take a risk-based approach to AML/CTF risks, consistent with the Board's risk appetite and legislative requirements. For further information, see the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)* disclosure content below.

Business Continuity

Business continuity is critical to our ability to achieve our objectives. As part of its overall crisis management plan, TCV has in place detailed business continuity and cyber incident response plans to ensure that:

- The safety of our employees is prioritised
- All aspects of the business are addressed and that critical business operations can continue to the extent possible
- Key resources are available and effectively managed.

Supporting systems and infrastructure are configured in a resilient manner with key up-to-date information available to employees even if all core systems are offline.

Business continuity plans are tested quarterly and a full disaster recovery test is performed annually.

In addition, we conduct a range of activities in relation to cyber security to ensure the ongoing integrity of information systems, including periodic testing of the cyber incident response plan.

Workplace Health and Safety

TCV manages potential risks to the health and safety of our employees and visitors, overseen by the Board People & Culture Committee and supported by TCV's Workplace Health and Safety Committee, which comprises employees from across the organisation.

External Controls and Compliance

TCV is subject to compliance monitoring in line with the State's financial management principles and financial risk management framework. Several external entities monitor, supervise and report on our activities, including:

- Treasurer of Victoria – Member of Parliament and TCV's sole stakeholder
- Prudential Supervisor – reports to the Treasurer. Monitors TCV's risk framework and provides independent advice to the Treasurer on the financial health, risks and risk management policies of our operations. The Treasurer has currently appointed Ernst & Young as TCV's Prudential Supervisor
- Department of Treasury and Finance – reports to the Treasurer, maintains a stakeholder monitoring role and manages the prudential

supervision relationship with TCV and Ernst & Young

- Auditor-General – reports to Parliament, provides an independent audit of TCV, and expresses an opinion on its financial statements to the Members of the Parliament of Victoria, the responsible Ministers, and TCV's Board, as required by the *Audit Act 1994* (Vic). The Victorian Auditor-General's Office has currently appointed Ernst & Young as its audit agent
- Minister for Finance – Member of Parliament. Monitors TCV's compliance with the applicable requirements of the *Financial Management Act 1994* (Vic)
- Internal Audit – provides independent assurance to the Board and management that TCV's risk management, governance and internal control processes are operating effectively and support compliance with the *Financial Management Act 1994* (Vic).

Our Risk Culture

Managing risk is central to everything we do. While we have a dedicated risk function that provides oversight and expertise, it is essential that all employees understand and apply our risk policies, procedures and approach in their day-to-day work. We actively monitor our risk culture through a biannual employee survey, with results consistently placing us in the top quartile of benchmarked organisations – reflecting a strong, organisation-wide commitment to risk awareness and accountability. In particular, our 2025 results found:

- There is a positive culture when it comes to risk management issues
- Leaders encourage a culture of improvement
- Employees have a strong understanding of compliance obligations
- TCV fosters an environment in which mistakes are learned from
- Employees are comfortable speaking up and raising issues.

Regulatory compliance and disclosures

Treasury Corporation of Victoria Act 1992 (Vic)

The TCV Act establishes TCV and sets out its objectives, functions and powers, and deals with matters regarding its operation.

Direction of the Treasurer under the TCV Act

On 25 June 2025 the Treasurer of the State of Victoria made the following direction:

'I, JACLYN SYMES MP, Treasurer of the State of Victoria, pursuant to section 31 of the *Treasury Corporation of Victoria Act 1992* and after consultation with the Board, HEREBY DETERMINE that the Treasury Corporation of Victoria must pay to the Consolidated Fund, by the end of June 2025, a dividend of \$122 127 531 to the Consolidated Fund on or before 30 June 2025.'

Borrowing and Investment Powers Act 1987 (Vic)

TCV's power to borrow, invest and undertake financial arrangements is conferred under this Act and the TCV Act.

Financial Management Act 1994 (Vic)

This annual report has been prepared in accordance with this Act and the Standing Directions 2018 issued under this Act.

Information in respect of Financial Reporting Direction 22 *Standard Disclosures in the Report of Operations* (FRD 22) under the Act which is not contained in this annual report has been prepared and is available to the Treasurer, Members of Parliament and the public on request, subject to the provisions of the *Freedom of Information Act 1982* (Vic).

Public Administration Act 2004 (Vic)

TCV is a 'public entity' as defined in the *Public Administration Act 2004* (Vic). As a public entity, TCV promotes the public sector values and requires its employees to comply with codes of conduct and certain Whole of Government policies established under the *Public Administration Act 2004* (Vic). TCV is also required under the Act to keep and make readily available to its Directors documents required to be kept by 'standard entities'.

Freedom of Information Act 1982 (Vic)

Pursuant to section 40 of the TCV Act, TCV is not, and is not eligible to be declared to be, an agency or prescribed authority within the meaning of the *Freedom of Information Act 1982* (Vic).

Building Act 1993 (Vic)

TCV does not own or control any government buildings and is therefore not required to notify of its compliance with the building and maintenance provisions of the *Building Act 1993* (Vic).

Equal Opportunity, Gender Equality and Anti-Discrimination Legislation

TCV is subject to Commonwealth and State legislation prohibiting unlawful discrimination and harassment. TCV is a proponent of equal opportunity in the workplace and employee selection is based on skills, competence and experience. Equal opportunity policies are regularly updated, and an employee awareness program is in place. All employees and potential employees are entitled to be treated with dignity, free from discrimination of any kind.

TCV considers sexual harassment, harassment, bullying and discrimination unacceptable forms of behaviour that will not be tolerated under any circumstances. TCV believes that all people have the right to work in an environment that is free of harassment and discrimination.

TCV has a Gender Equality Action Plan approved by the Gender Equality Commission.

Occupational Health and Safety Act 2004 (Vic) and Accident Compensation Legislation

TCV is committed to fulfilling its obligations under the *Occupational Health and Safety Act* (Vic), the *Workplace Injury Rehabilitation and Compensation Act 2013* (Vic), and the *Accident Compensation Act 1985* (Vic).

TCV has implemented workplace health and safety policies and procedures to ensure compliance with these legislative requirements. To support this, TCV's Workplace Health and Safety Committee, which comprises employees from across the organisation, is actively involved

in monitoring and preventing any hazards or incidents in the workplace. In the event of a work-related injury, TCV is committed to preventing recurrence and provides necessary assistance to ensure employees can remain at work or return to work when it is considered safe.

No incidents were reported, nor were any 'lost time' standard claims received, during the financial year.

We are dedicated to providing a safe and healthy workplace. Recognising the critical importance of both mental and physical health, TCV has developed a comprehensive wellbeing program in partnership with Health at Work. This program includes a range of health-focused activities and services, including health and lifestyle assessments, annual flu vaccinations, skin checks and nutrition support. Employees and their families can also access TCV's Employee Assistance Program (EAP) which provides confidential coaching and mental health support for both personal and professional challenges.

This year, 17 TCV employees undertook Mental Health First Aid training delivered by Mental Health First Aid Australia. The training provided employees with the skills and knowledge required to recognise and respond to someone experiencing a mental health problem or a mental health crisis in the workplace.

Privacy and Data Protection Act 2014 (Vic) and Health Records Act 2001 (Vic)

TCV is subject to the *Privacy and Data Protection Act 2014 (Vic)* which aims to protect personal information and promote the transparent handling of personal information in the public sector. TCV is also subject to the *Health Records Act 2001 (Vic)* which aims to protect personal information contained in health records.

All TCV employees receive training regarding the application of the *Privacy and Data Protection Act 2014 (Vic)*.

Local Jobs First Act 2003 (Vic)

TCV is subject to the *Local Jobs First Act 2003 (Vic)* and Local Jobs First Policy. The Local Jobs First Policy supports Victorian businesses and workers by ensuring that small and medium size enterprises are given a full and fair opportunity to compete for both large and small government contracts, helping to create job opportunities. The Local Jobs First Policy is comprised of the

Victorian Industry Participation Policy and the Major Projects Skills Guarantee.

Public bodies are required to apply the Local Jobs First Policy for all procurements and construction or grant or loan projects over \$3 million in metropolitan Melbourne and \$1 million in regional Victoria.

TCV did not commence or complete any Local Jobs First projects during the financial year. It has one project in progress which was commenced last financial year.

Social Procurement Framework

The Social Procurement Framework governs how the Victorian Government undertakes social procurement. The framework applies to the procurement of all goods, services and construction undertaken by, or on behalf of, entities subject to the Standing Directions 2018 under the *Financial Management Act 1994* (Vic).

TCV leverages its buying power to deliver social, economic and environmental outcomes benefiting the Victorian community, the economy and the environment – above and beyond the goods, services and construction works procured.

During 2024-25, TCV:

- Engaged 2 social benefit suppliers with a total spend of \$9,573 with certified Victorian social enterprises
- Increased spend with certified Victorian social enterprises from \$1,650 in prior year.

During 2024-25, TCV also implemented several initiatives to support its Social Procurement Strategy, which included:

- Updating TCV's procurement policy and procedures to strengthen and embed the use and importance of the Social Procurement Framework
- Incorporating social and sustainable evaluation criteria into procurement documentation to ensure purchases align with TCV's Social Procurement Strategy
- Providing mandatory social procurement training to relevant staff to increase awareness of social procurement.

Competition Policies and Taxation

The *Competition and Consumer Act 2010 (Cth)* and *Australian Consumer Law and Fair Trading*

Act 2012 (Vic) and regulations made under those Acts apply to TCV.

The Competitive Neutrality Policy of Victoria also applies to TCV. Competitive neutrality requires government businesses to ensure that where services compete, or potentially compete, with the private sector, any net advantage arising from government ownership is accounted for if it is not in the public interest. Government businesses that undertake significant business activities are required to implement competitive neutrality measures (such as setting competitive neutral prices), which accounts for any net advantage that comes from public ownership. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

TCV is subject to certain applicable Commonwealth and State taxes, charges and fees, including Goods and Services Tax (GST), Payroll Tax and Fringe Benefits Tax (FBT)..

Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)

TCV is subject to the suspicious matters reporting requirement of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)*. TCV has designated an AML/CTF compliance officer and implemented an AML/CTF program which is subject to oversight by the Board. The program is risk-based and sets out TCV's approach to activities, including training of employees, employee due diligence, reporting of suspicious matters, and ongoing customer/transaction monitoring and customer identification processes and procedures.

Code of Conduct

All TCV employees must comply with the Code of Conduct for Victorian Public-Sector Employees as a condition of employment, and with the code of conduct developed by the Australian Financial Markets Association.

Employee Numbers

At 30 June 2025, TCV employed 58 people (54 full time equivalent). At 30 June 2024, TCV employed 56 people (53 full time equivalent).

Consultants

Pursuant to FRD 22 *Standard Disclosures in the Report of Operations*, TCV is required to provide disclosures in respect of consultancy engagements. During 2024-25, there were 4 consultancy engagements valued at more than \$10,000 (exclusive of GST), with a total of \$83,380 incurred (exclusive of GST). Further information on these consultancies is available on TCV's website (www.tcv.vic.gov.au). There were no consultancy engagements valued at less than \$10,000 (exclusive of GST).

Major Contracts

TCV did not enter into any contracts greater than \$10 million in value during the financial year. Details of contracts that have been disclosed in the Victorian Government Contracts Publishing System previously can be viewed at: www.tenders.vic.gov.au.

Information and Communications Technology Expenditure

FRD 22 *Standard Disclosures in the Report of Operations* requires that TCV disclose its Information and Communications Technology (ICT) expenditure.

ICT expenditure includes:

- Operating and capital expenditure (including depreciation)
- ICT services internally and externally sourced
- Cost of providing ICT services (including personnel and facilities).

Non-Business as Usual ICT expenditure is incurred to extend or enhance current ICT capabilities, activities usually run as projects.

Business as Usual ICT expenditure is all other ICT expenditure (operational and capital).

Expenditure 2024-25	\$000
Business as Usual ICT	7,040
Non-Business as Usual ICT	1,142

Environmental, Social and Governance Risk

Environmental Data

FRD 24 was introduced by the Victorian Government to enhance transparency in public sector environmental performance, support the

identification and management of climate-related risks, and promote continuous improvement in environmental reporting. In accordance with FRD 24, TCV is required to report on the environmental indicators outlined in the following 3 sections.

All the operations and activities of TCV are included within the organisational boundary for this reporting period.

Electricity Consumption

For the 2024-25 financial year, TCV continued to operate on a hybrid basis (work from home and office) in line with Government policies. TCV implemented a range of energy efficiency measures since moving to our new offices in January 2024 to reduce electricity consumption. TCV's key electricity consumption is as follows:

	2024-25 (MWh)
Purchased electricity - State Purchase Contract	73.1
Not directly purchased but sourced from outside the organisation*	122.5

* Includes TCV's share of electricity for the 80 Collins Street base building and TCV's Offsite Data hosting and Disaster Recovery Site

Electricity Offsets

For the 2024-25 financial year, TCV's electricity offsets were as follows:

Offset type	2024-25
LGCs voluntarily retired by the entity	0
LGCs voluntarily retired on the entity's behalf	51
GreenPower or certified carbon neutral electricity purchased	145
LGCs mandatorily retired (for RET liable entities only)	0
LGCs conveyed to an entity's retailer for mandatory retirement (where relevant)	0

Public Interest Disclosures Act 2012 (Vic)

The *Public Interest Disclosures Act 2012 (Vic)* (PID Act) encourages and assists people in making disclosures of improper conduct by public officers and public bodies (including TCV and its employees) and protects people who report improper conduct in accordance with the PID Act. It also establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

TCV does not tolerate improper conduct by its employees, officers or Directors, nor the taking of reprisals against those who come forward to disclose such conduct.

TCV recognises the value of transparency and accountability in its administrative and management practices and supports the making of disclosures revealing improper conduct and will take all reasonable steps to protect people making disclosures from reprisals. It is also committed to affording natural justice to the person subject of the disclosure.

TCV is not able to receive disclosures regarding improper conduct by its employees, officers or Directors under the PID Act. Any such disclosures are required to be made to the Independent Broad-based Anti-Corruption Commission (IBAC) or investigating entities if the discloser wishes the disclosure to be protected under the PID Act.

TCV has established procedures to:

- Make TCV employees and other persons aware that they can make disclosures under the PID Act directly to IBAC
- Keep a discloser's identity and the content of a disclosure confidential
- Manage the welfare of disclosers, including protecting them from detrimental action.

TCV's Public Interest Disclosures procedures are accessible on TCV's website at www.tcv.vic.gov.au.

Transportation

TCV did not own or lease any vehicles in 2024-25.

Financial Management Compliance Attestation Statement

I, Cassandra Kelly, on behalf of the Board, certify that Treasury Corporation of Victoria has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* (Vic) and Instructions.



Cassandra Kelly

Chair

Annual Financial Report

For the year ended
30 June 2025

Contents

Statement of Comprehensive Income	45
Statement of Financial Position	46
Statement of Changes in Equity	47
Statement of Cash Flows	48
Notes to the Financial Statements	49

Statement of Comprehensive Income

For the year ended 30 June 2025

	Note	2025 \$ million	2024 \$ million
Net gain on financial instruments at fair value through profit and loss	2	78.2	131.3
Interest on financial assets at amortised cost	3	92.6	33.5
Other fees and income		5.6	7.3
		176.4	172.1
Borrowing expenses	4	9.8	12.8
Operating expenses	4	24.7	24.7
Interest on financial liabilities at amortised cost	3	46.2	11.9
Hedge ineffectiveness on cash flow hedge		0.6	0.6
		81.3	50.0
Net profit		95.1	122.1
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Cash flow hedge reserve	5	(101.3)	2.9
Total other comprehensive income		(101.3)	2.9
Total comprehensive income		(6.2)	125.0

This statement should be read in conjunction with the accompanying notes.

Statement of Financial Position

At 30 June 2025

		2025	2024
	Note	\$ million	\$ million
Assets			
Cash and cash equivalents	8	2,576.7	5,524.8
Other receivables		86.8	0.6
Investments	9	17,123.4	12,563.4
Derivative assets	10	296.8	261.2
Loans	11	187,301.7	157,498.7
Other assets		8.5	8.5
Total assets		207,393.9	175,857.2
Liabilities			
Deposits		59.8	51.7
Other payables	12	17,757.9	13,908.5
Derivative liabilities	10	795.9	915.1
Borrowings – domestic	13	185,238.7	159,370.9
Borrowings – offshore	14	3,309.2	1,254.7
Other liabilities and provisions		31.7	26.9
Total liabilities		207,193.2	175,527.8
Net assets		200.7	329.4
Equity			
Contributed equity		30.0	30.0
Cash flow hedge reserve	5	(142.1)	(40.8)
Retained earnings		312.8	340.2
Total equity		200.7	329.4

This statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2025

		Contributed equity	Cash flow hedge reserves	Retained earnings	Total
	Note	\$ million	\$ million	\$ million	\$ million
As at 30 June 2024		30.0	(40.8)	340.2	329.4
Net profit for the period		-	-	95.1	95.1
Other comprehensive income		-	(101.3)	-	(101.3)
Distributions paid	23	-	-	(122.1)	(122.1)
Distribution Payable	23	-	-	(0.4)	(0.4)
As at 30 June 2025		30.0	(142.1)	312.8	200.7

		Contributed equity	Cash flow hedge reserves	Retained earnings	Total
	Note	\$ million	\$ million	\$ million	\$ million
As at 30 June 2023		30.0	(43.7)	362.7	349.0
Net profit for the period		-	-	122.1	122.1
Other comprehensive income		-	2.9	-	2.9
Distributions paid	23	-	-	(144.6)	(144.6)
As at 30 June 2024		30.0	(40.8)	340.2	329.4

This statement should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 30 June 2025

		2025	2024
	Note	\$ million	\$ million
Cash flows from operating activities			
Interest received		6,145.0	4,792.6
Interest paid		(5,434.9)	(4,461.0)
Net interest paid on derivatives		(105.3)	(38.2)
Fees received		5.4	7.4
Operational expenses paid		(34.9)	(34.8)
Cash flows from/(used in) operating activities before changes in operating assets and liabilities		575.3	266.0
Changes in operating assets and liabilities			
<i>Net (increase)/decrease in</i>			
Loans to the State of Victoria		(18,045.2)	(24,972.8)
Loans to Participating Authorities		(2,169.5)	(1,743.6)
Treasury guaranteed loans		(36.8)	(519.6)
Investments		(3,935.5)	(427.4)
<i>Net increase/(decrease) in</i>			
Borrowings		20,696.8	28,220.7
Deposits		8.0	21.8
<i>Net movement in derivatives</i>		82.2	328.3
Changes in operating assets and liabilities arising from changes in cash flows		(3,400.0)	907.4
Net cash provided by/(used in) operating activities	24	(2,824.7)	1,173.4
Cash flows from investing activities			
Payments for other assets		(1.3)	(0.2)
Net cash provided by/(used in) investing activities		(1.3)	(0.2)
Cash flows from financing activities			
Distributions paid	23	(122.1)	(144.6)
Net cash provided by / (used in) financing activities		(122.1)	(144.6)
Net increase/(decrease) in cash and cash equivalents		(2,948.1)	1,028.6
Cash and cash equivalents at beginning of financial year		5,524.8	4,496.2
Cash and cash equivalents at end of year	8	2,576.7	5,524.8

This statement should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

1. Basis of preparation

Treasury Corporation of Victoria (TCV or the Corporation) was established by the *Treasury Corporation of Victoria Act 1992* (Vic) (TCV Act) as the central financial institution for the State of Victoria (the State) and Participating Authorities.

The financial report of TCV for the year ended 30 June 2025 was authorised for issue in accordance with a resolution of the Board of Directors on 26 August 2025. The Board has the power to amend and reissue the financial statements.

(a) Basis of accounting

TCV, a Victorian statutory corporation, is a for-profit entity and has a single reportable operating segment for the purposes of preparing financial statements.

This financial report is a general-purpose financial report, prepared in accordance with Directions 5.2 of the Standing Directions 2018 under the *Financial Management Act 1994* (Vic), applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements. The financial statements also comply with International Financial Reporting Standards issued by the International Accounting Standards Board.

Material accounting policies adopted in the preparation of these financial statements are reported in this and subsequent notes to the financial statements. These policies have been consistently applied for all years presented, unless otherwise stated.

The financial statements have been prepared in accordance with the historical cost convention except for those financial assets and liabilities which are reported at fair value and certain provisions.

The presentation currency is Australian dollars which is the Corporation's functional currency. All amounts are rounded to the nearest \$100,000 unless otherwise indicated.

(b) Foreign currency

Assets and liabilities denominated in foreign currencies are initially converted at the rate of exchange at the date of the transaction and, at the end of the financial year, are translated using the applicable rates of exchange. Net unrealised gains and losses arising from translation of foreign currency assets and liabilities are recognised in the Statement of Comprehensive Income.

(c) Income tax

TCV is not subject to income tax under the *Income Tax Assessment Act 1936* (Cth) or Victorian taxation under the *State Owned Enterprises Act 1992* (Vic). Accordingly, no Income tax expense is recognised in the financial statements.

(d) Critical estimates and assumptions

The fair value of financial instruments not traded in active markets is determined using industry standard valuation techniques that involve significant estimates and assumptions. Valuation techniques include the use of indicative quotes for prices directly from, or interpolated or extrapolated from, prices for like instruments in active markets, and the use of quotes from market makers and established brokers.

Where the valuation technique requires adjustments that cannot be sourced directly from active markets, they are determined from inputs from market makers/brokers and internally developed models. The level of subjectivity and degree of management judgment required varies depending on the sophistication of the models and proportion of unobservable inputs.

(e) Adoption of new and revised accounting standards

Commencing 1 July 2024, there were no new standards adopted by TCV. A number of amended standards and interpretations were effective during the period. These amendments did not have any significant impact on the amounts or disclosures recognised in prior periods and does not impact current or future periods.

1. **Basis of preparation (cont.)**

(f) New and amended accounting standards issued but not yet effective

Standard	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 18 - Presentation and Disclosure in Financial Statements	1 January 2027	30 June 2027

At the time of these financial statements, the standard listed above was issued but not yet effective. TCV will assess the impact closer to the effective date. A number of amended standards and interpretations have been published that are not yet effective and have not been early adopted by TCV. These amendments and interpretations are not expected to have a material effect on the financial statements.

Revenue and Expenditure

2. Net gain on financial instruments at fair value through profit and loss

The Corporation generates revenue primarily through its lending activities and the associated risk management strategies. Revenue is recognised as the net result of the realised or unrealised differential between the fair value movements of financial assets and financial liabilities. This includes interest income on financial assets, as well as interest expense on financial liabilities. Together, these form the 'Net gain on financial instruments at fair value through profit and loss'.

	2025 \$ million	2024 \$ million
Financial assets at fair value through profit and loss		
Interest income on cash and investments	733.1	649.1
Interest income on loans	5,791.8	4,520.8
Fair value movement of financial assets	5,852.7	191.3
Net gain on financial assets at fair value through profit and loss	12,377.6	5,361.2
Financial liabilities at fair value through profit and loss		
Interest expense on borrowings	(6,610.3)	(5,174.1)
Fair value movement of financial liabilities	(5,938.6)	13.7
Net loss on financial liabilities at fair value through profit and loss	(12,548.9)	(5,160.4)
Net gains/(loss) on derivatives	249.5	(69.5)
Net gain on financial assets and liabilities at fair value through profit and loss	78.2	131.3

3. Interest from financial instrument at amortised cost

The Corporation recognises interest income on financial assets measured at amortised cost using the effective interest method. These include loans disclosed in Note 11, which are held to collect contractual cash flows that are solely payments of principal and interest. The offshore borrowings, disclosed in Note 14, were issued to fund these loans and are designated in cash flow hedge relationships. Although derivatives used in the hedging relationships are measured at fair value, the underlying financial assets and liabilities are measured at amortised cost, and interest on these instruments is recognised separately.

Refer to Note 5 for details of movements in the hedge reserve within other comprehensive income and equity.

	2025 \$ million	2024 \$ million
Interest on financial assets at amortised cost	92.6	33.5
Interest on financial liabilities at amortised cost	46.2	11.9

4. Operating expenses

	2025 \$ million	2024 \$ million
Borrowing expenses		
Issuance fees	5.4	6.2
Other fees and charges	4.4	6.6
	9.8	12.8
Other operating expenses		
Employee expenses	13.4	11.9
Information technology	2.9	2.8
Professional services ⁽¹⁾	2.9	4.5
Market information services	2.0	2.0
Other operating expenses ⁽²⁾	3.5	3.5
	24.7	24.7

⁽¹⁾Professional services include \$416,298 (2024: \$404,300) paid or payable to the Victorian Auditor-General's Office in respect of the audit of the financial statements.

⁽²⁾Includes a non-monetary ex-gratia expense of \$19,800 in relation to outplacement support services provided to an employee.

5. Cash flow hedge reserve

TCV applies hedge accounting to manage foreign exchange risk associated with its foreign currency borrowings. These arrangements are designated as cash flow hedges under AASB 9. Derivatives designated as cash flow hedges are measured at fair value, with the effective portion of the fair value movement is recognised in the hedge reserves within equity, with any ineffective portion recognised in profit or loss.

	2025 \$ million	2024 \$ million
As at 30 June 2024	(40.8)	(43.7)
Changes in cash flow reserves	(101.3)	2.9
As at 30 June 2025	(142.1)	(40.8)

Financial Instruments

6. Financial instruments overview

All financial assets and liabilities are measured at Fair Value Through Profit or Loss (FVTPL) when mandatorily required by AASB 9, except for financial assets that are held to collect contractual cash flows solely representing payments of principal and interest, and financial liabilities that are part of designated hedge accounting relationships. This approach aligns with TCV's risk management strategy, which evaluates the performance of financial instruments on a fair value basis.

Financial instruments measured at FVTPL are initially recognised and subsequently measured at fair value, with changes recognised in profit or loss.

Financial instruments are recognised on a trade date basis. Transactions executed but not yet settled are included in the Statement of Financial Position under 'Other receivables' or 'Other payables'. Financial instruments are derecognised when the contractual rights to the cash flows expire or when the instrument is qualified for derecognition under AASB 9.

TCV debt securities may be repurchased from the market and cancelled prior to maturity. Similarly, loans provided by TCV may be repaid before maturity. Gains and losses associated with these repurchases/repayments are recognised immediately in the Statement of Comprehensive Income.

TCV applies hedge accounting to manage foreign exchange risk associated with its foreign currency borrowings. These arrangements are designated as cash flow hedges under AASB 9. Financial liabilities that are designated in hedge accounting relationships are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest method. These instruments are held with the objective of collecting contractual cash flows that are solely payments of principal and interest, consistent with TCV's business model, and risk management strategy.

7. Overview of fair value determination

TCV measures the fair value of financial instruments in accordance with AASB 13 Fair Value Measurement (AASB 13). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, in the principal market or, in the absence of a principal market, the most advantageous market.

Financial instruments, other than those measured at amortised cost under hedge accounting, are fair valued on a recurring basis. Where observable market data is available, it is used in the valuation process. For instruments not actively traded, recognised valuation techniques are applied using relevant market inputs.

Bid-offer adjustments are applied where market risk is not offset. Further information on the determination of fair value is provided in Notes 8 to 15.

8. Cash and cash equivalents

Cash and cash equivalents include deposits with financial institutions and liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value. The fair value of cash and cash equivalents approximates their carrying amount due to their short-term nature.

	2025 \$ million	2024 \$ million
Current		
Cash at bank	34.3	22.5
Deposits with futures clearing house	6.5	2.5
Deposits with financial institutions	466.5	658.7
Short term discounted securities	718.2	3,688.6
Reverse repurchase agreements	1,351.2	1,152.5
Total cash and cash equivalents	2,576.7	5,524.8

Valuation Methodology

Except for short-term discounted securities and reverse repurchase agreements the fair value of cash and cash equivalents reflects the sum of interest accrued and their nominal value. Short term discounted securities are valued by discounting the face value of the securities using yields interpolated off curves derived from market data. The fair value of reverse repurchase agreements reflects the discounted value of their cash flows.

9. Investments

Investments include liquid securities with original maturities longer than three months.

	2025 \$ million	2024 \$ million
Short term discounted securities	11,209.0	7,097.4
Fixed interest securities	5,914.4	5,466.0
Total investments	17,123.4	12,563.4
Maturity in 12 months or less	11,846.5	7,418.1
Maturity in more than 12 months	5,276.9	5,145.3
Total investments	17,123.4	12,563.4

Valuation Methodology

Short term discounted securities are valued by discounting the face value of the securities using yields interpolated off curves derived from market data. The fair value of fixed interest securities is determined utilising market quotes.

10. Derivative financial instruments

TCV enters into derivatives to manage interest rate and foreign currency risks associated with its borrowing and investment activities, as well as risk arising from the activities of the State of Victoria and Participating Authorities. TCV may also enter into foreign exchange and commodity derivatives to manage risks associated with client activities. These derivatives are consistent with TCV's risk management strategy.

Derivatives are initially recognised at fair value on the trade date and are subsequently measured at fair value. Changes in fair value are recognised in profit or loss, unless the derivative is designated in a qualifying hedge relationship under AASB 9. For derivatives designated in a cash flow hedge, the effective portion of the fair value movement is recognised in the hedge reserves within equity, with any ineffective portion recognised in profit or loss.

	2025 \$ million	2024 \$ million
Derivative financial instrument assets		
Interest rate swaps	228.7	246.6
Cross currency swaps	55.9	-
Forward foreign exchange contracts	7.7	12.3
Other	4.5	2.3
Total derivative asset	296.8	261.2
Maturity in 12 months or less	6.8	9.3
Maturity in more than 12 months	290.0	251.9
Total derivative asset	296.8	261.2
 Derivative financial instrument liabilities		
Interest rate swaps	385.3	463.2
Cross currency swaps	389.0	434.4
Forward foreign exchange contracts	7.7	12.3
Other	13.9	5.2
Total derivative liability	795.9	915.1
Maturity in 12 months or less	15.4	20.0
Maturity in more than 12 months	780.5	895.1
Total derivative liability	795.9	915.1

Valuation Methodology

Over the counter derivatives, including interest rate swaps and cross currency swaps are valued using present value techniques, based on observable market inputs such as interest rate and currency swap curves. Cross-currency swaps are valued in line with market conventions including adjustments for basis risk where applicable.

Credit valuation adjustments (CVA) are applied to reflect TCV's assessment of counterparty credit risk, and debit valuation adjustments (DVA) are applied to reflect TCV's own credit risk. These adjustments are consistent with current market practice and AASB 13 requirements.

11. Loans

A function of the Corporation under Section 8(1) of the TCV Act is to provide financial accommodation to the State of Victoria or a Participating Authority. A Participating Authority is a public authority accepted by TCV as a Participating Authority under the TCV Act. At the request of the Department of Treasury and Finance (DTF) and subject to the provision of a guarantee by the Treasurer, the Corporation also lends to other approved entities.

Loans are measured at fair value through profit and loss unless otherwise stated.

	2025	2024
	\$ million	\$ million
Short term cash	1,250.1	1,006.8
Floating rate loans	16,954.0	18,791.1
Fixed interest loans	165,831.0	136,247.4
Fixed interest loans at amortised cost ⁽¹⁾	3,187.5	1,357.3
Index linked loans	79.1	96.1
Total loans	187,301.7	157,498.7
Maturity in 12 months or less	11,627.8	10,589.1
Maturity in more than 12 months	172,486.3	145,552.3
Maturity in more than 12 months - Fixed interest loans at amortised cost ⁽¹⁾	3,187.6	1,357.3
Total loans	187,301.7	157,498.7
State of Victoria	161,926.0	136,863.1
State of Victoria - Fixed interest Loans at amortised cost ⁽¹⁾	3,187.5	1,357.3
Participating Authorities	20,472.3	17,650.3
Treasurer guaranteed loans	1,715.9	1,628.0
Total loans	187,301.7	157,498.7

⁽¹⁾ The fair value of the loans as at 30 June 2025 was \$2,905.9 million (2024: \$1,073.9 million).

Valuation Methodology

- Short term cash: fair value reflects the sum of interest accrued and the nominal value.
- Floating rate loans: valued using standard market conventions, with projected cash flows based on the AUD swap curve and discount rates derived from the TCV yield curve.
- Fixed interest loans (excluding those measured at amortised cost): valued using standard market conventions based on the TCV yield curve.
- Indexed linked loans: valued off curves derived from market data on indexed linked securities.
- Treasurer guaranteed loans: TCV collects from the client and pays DTF a proportion of interest received for the provision of the guarantee, fair value is based on net cash flows after deducting the guarantee fee.

12. Other payables

Other payables reflect amounts payable in respect of transactions executed but not yet settled and other financial liabilities. The fair value of unsettled trades reflects the discounted value of their expected future cash flows. The Corporation holds unsettled trades with various future settlement periods. At 30 June 2025, the balances comprise of \$12.5 billion within 3 months (2024 \$10.1 billion), \$1.2 billion between 3-6 months (2024 \$0.1 billion), \$3.9 billion between 6-9 months (2024 \$3.7 billion) and \$0.1 billion beyond 12 months (2024 nil). These unsettled positions reflect our prefunding strategy aligned with mandated funding requirements. Prefunding is undertaken to manage refinancing and funding risk and designated to support forward dated loans that form part of our upcoming funding program.

	2025 \$ million	2024 \$ million
Unsettled trades		
Loans payable to State of Victoria and Participating Authorities	17,537.5	13,759.4
Treasurer guaranteed loans payable	196.3	147.5
Payables to market participants	23.9	-
Total unsettled trades	17,757.7	13,906.9
Other financial liabilities	0.2	1.6
Total other payables	17,757.9	13,908.5
Maturity in 12 months or less	17,681.1	12,441.4
Maturity in more than 12 months	76.8	1,467.1
Total other payables	17,757.9	13,908.5

13. Borrowings – domestic

All borrowings issued by TCV have the benefit of the guarantee of the Government of Victoria pursuant to Section 32 of the TCV Act. TCV issues a range of domestic borrowing instruments to support its funding and lending programs. These include:

- Domestic benchmark bonds: fixed interest securities issued to provide deep market liquidity and support ongoing lending activities.
- Promissory notes: short term instruments issued under the Commercial Paper Program with maturities up to one year.
- Fixed interest bonds – issued to diversify maturity profiles and meet investor demand.
- Floating rate notes: issued to compliment the Domestic benchmark program and provide funding flexibility.

	2025 \$ million	2024 \$ million
Benchmark bonds	163,340.1	135,206.8
Promissory notes	2,636.2	3,800.0
Fixed interest bonds	3,205.4	3,187.8
Floating rate notes	15,808.6	16,915.4
Indexed linked securities	111.1	148.0
Payables to market participants	137.3	112.9
Total Borrowings – domestic	185,238.7	159,370.9
Maturity in 12 months or less	8,388.0	11,403.7
Maturity in more than 12 months	176,850.7	147,967.2
Total Borrowings – domestic	185,238.7	159,370.9

13. Borrowings – domestic (cont.)

Valuation Methodology

- Domestic benchmark bonds are measured at fair value based on quoted market yields.
- Promissory notes and fixed interest bonds are valued by discounting contractual cash flows using discount rates derived from the TCV yield curve.
- Floating rate bonds are valued using projected future cash flows derived from the observable market swap curve and discounted using the TCV yield curve.
- Index linked securities are measured using standard market conventions and yields provided by market participants.

14. Borrowings – offshore

TCV issues offshore borrowings under its Euro Commercial Paper (ECP) program and Euro Medium Term Note (EMTN) program to access a broader investor base and diversify its funding sources.

- ECP: short term instruments issued under the AUD5 billion multi-currency ECP Program. At 30 June 2025, the face value of the ECP outstandings was USD150 million (2024: USD150 million).
- EMTN: longer dated instruments issued under the USD 10 billion EMTN Program in multiple currencies including Japanese Yen (JPY), Euro (EUR), and Swiss Franc (CHF). At 30 June 2025, the balance comprises face value of AUD104 million (2024: AUD104 million), JPY7.5 billion (2024: JPY7.5 billion), EUR1,350 million (2024: EUR750 million) and CHF450 million (2024: 0 million).

All foreign currency risk associated with foreign currency issuances is fully hedged using derivatives. The long term foreign currency borrowings are designated within cash flow hedge relationships under AASB9. Financial liabilities are measured at FVTPL except for those designed as part of a cash flow hedge relationship, which are initially recognised at fair value, and subsequently measured at amortised cost.

	2025	2024
	\$ million	\$ million
Euro Commercial Paper	229.2	222.1
Euro Medium Term Notes	86.6	80.3
Euro Medium Term Notes at amortised cost	2,993.4	952.3
Total Borrowings - offshore	3,309.2	1,254.7
Maturity in 12 months or less	229.2	222.1
Maturity in more than 12 months	3,080.0	1,032.6
Total Borrowings - offshore	3,309.2	1,254.7

Valuation methodology

- ECP are measured at fair value using observable market inputs
- AUD-denominated EMTNs are valued using present value techniques, with discounted rates derived from the TCV yield curve.
- Foreign currency denominated EMTNs designated in cashflow hedge relationships are measured at amortised cost, with associated derivatives accounted for under hedge accounting.

15. Fair Value Hierarchy

TCV applies the fair value hierarchy in accordance with AASB 13, which categorises financial instruments into three levels based on the observability of inputs used in the valuation techniques:

- Level 1 instruments are valued utilising unadjusted prices quoted in active markets for identical assets or liabilities. Financial instruments included in this category are Commonwealth of Australia government, semi government, supranational and bank issued bonds and exchange traded derivatives
- Level 2 instruments are valued utilising valuation techniques that utilise prices for like instruments in active markets without significant adjustment. Instruments valued on a cashflow basis using curves constructed from Level 1 instruments are included in this category such as discount instruments, less liquid bonds issued, client loans and over the counter derivatives
- Level 3 instruments are valued utilising inputs that are not based on observable market data. There are no instruments having unobservable market inputs significant to valuation.

The table below summarises the fair value of financial instruments grouped by the level of the fair value hierarchy as at reporting date. TCV's policy is to recognise transfers between levels of fair value hierarchy at the date of the event or change in circumstances that caused the transfer.

15. Fair Value Hierarchy (cont.)

	Level 1	Level 2	Level 3	Total
	\$ million	\$ million	\$ million	\$ million
2025				
Assets				
Other receivables	-	86.8	-	86.8
Investments				
- Short term discounted securities	-	11,209.0	-	11,209.0
- Fixed interest securities	5,914.4	-	-	5,914.4
Derivative assets	8.6	288.2	-	296.8
Loans (excludes loans at amortised cost)	-	184,114.2	-	184,114.2
	5,923.0	195,698.1	-	201,621.2
Liabilities				
Deposits	-	59.7	-	59.7
Other payables	-	17,757.9	-	17,757.9
Derivative liabilities	8.5	787.4	-	795.9
Borrowings – domestic	163,477.3	21,761.4	-	185,238.7
Borrowings – offshore (excludes borrowings at amortised cost)	-	315.8	-	315.8
	163,485.8	40,682.2	-	204,168.0
2024⁽¹⁾				
Assets				
Other receivables	-	0.6	-	0.6
Investments				
- Short term discounted securities	-	7,097.4	-	7,097.4
- Fixed interest securities	5,466.0	-	-	5,466.0
Derivative assets	12.3	248.9	-	261.2
Loans (excludes loans at amortised cost)	-	156,141.4	-	156,141.4
	5,478.3	163,488.3	-	168,966.6
Liabilities				
Deposits	-	51.7	-	51.7
Other payables	-	13,908.5	-	13,908.5
Derivative liabilities	13.3	902.2	-	915.5
Borrowings – domestic	135,319.6	24,051.3	-	159,370.9
Borrowings – offshore (excludes borrowings at amortised cost)	-	302.4	-	302.4
	135,332.9	39,216.1	-	174,549.0

⁽¹⁾ 2024 disclosures have been updated using the methodology applied for 2025, aligning with best market practice.

16. Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset, and presented net in the Statement of Financial Position, only when there is a legally enforceable right to offset the recognised amounts and an intention to either settle on a net basis or realise the asset and settle the liability simultaneously.

The majority of the offsetting applied by TCV relates to derivatives and collateral arrangements, as well as repurchase (repo) and reverse repurchase agreements.

The following table discloses the impact of offsetting on TCV's financial position, with the columns explained as follows:

1. **Gross amounts:** the total amount recognised financial assets or liabilities before any offsetting.
2. **Gross amounts set off in the Statement of Financial Position:** the portion of gross amounts that have been legally offset.
3. **Net amounts presented on the Statement of Financial Position:** the net balances reported on the Statement of Financial Position after offsetting.
4. **Impact of master netting arrangement:** represents arrangements that do not meet criteria for offsetting in the normal course of business, but allow for the relevant amounts to be set off in certain circumstances, such as bankruptcy, default or insolvency.
5. **Cash and financial instrument collateral:** discloses collateral amounts received or pledged, including for amounts not offset. The rights to set off relating to the cash and financial instruments collateral are conditional upon the default of the counterparty.
6. **Net amount:** the impact on TCV's Statement of Financial Position if all existing rights of offset were exercised.

16. Offsetting financial assets and financial liabilities (cont.)

	Offsetting on the Statement of Financial Position				Amounts not offset	
	Gross amount	Offset amount	Net amount	Master netting arrangements	Cash and collateral	Net amount
	\$ m	\$m	\$ m	\$ m	\$ m	\$ m
2025						
Assets						
Reverse repos ⁽²⁾	1,351.2	-	1,351.2	-	(1,351.2)	-
Derivatives ⁽¹⁾	298.2	(1.4)	296.8	(141.6)	(135.7)	19.5
	1,649.4	(1.4)	1,648.0	(141.6)	(1,486.9)	19.5
Liabilities						
Derivatives ⁽¹⁾	797.3	(1.4)	795.9	(141.6)	(384.3)	270.0
	797.3	(1.4)	795.9	(141.6)	(384.3)	270.0
2024						
Assets						
Reverse repos ⁽²⁾	1,152.5	-	1,152.5	-	(1,152.5)	-
Derivatives ⁽¹⁾	263.2	(2.0)	261.2	(144.4)	(113.7)	3.1
	1,415.7	(2.0)	1,413.7	(144.4)	(1,266.2)	3.1
Liabilities						
Derivatives ⁽¹⁾	917.1	(2.0)	915.1	(144.4)	(429.9)	340.8
	917.1	(2.0)	915.1	(144.4)	(429.9)	340.8

⁽¹⁾ Cash collateral received, and cash collateral pledged are presented within cash and cash equivalents and interest-bearing liabilities – domestic respectively.

⁽²⁾ Reverse repurchase agreements are recognised within 'Cash and Cash Equivalents' if the maturity date is within 3 months.

17. Contractual obligations and financial liabilities

The table below outlines the difference between the carrying amount of financial liabilities and the contractual undiscounted cash flows TCV is required to pay.

	2025	2025	2025	2024	2024	2024
	Carrying amount	Principal owing at maturity ⁽¹⁾	Variance	Carrying amount	Principal owing at maturity ⁽¹⁾	Variance
	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million
Deposits	59.8	59.6	0.2	51.7	51.6	0.1
Borrowings – domestic	185,238.7	202,433.5	(17,194.8)	159,370.9	178,735.9	(19,365.0)
Borrowings – offshore	3,309.2	3,698.3	(389.1)	1,254.7	1,610.8	(356.1)

⁽¹⁾ Principal owing at maturity is the amount TCV is contractually required to pay at maturity, to the holder of the obligation, exclusive of interest due.

Risk Management

18. Risk management framework

TCV's activities expose it to a range of financial risks including market risk, funding and liquidity risk, credit risk, and limited foreign currency risk. These risks are managed in accordance with TCV's risk management framework, which is consistent with the TCV Prudential Standard. Compliance with the requirements of the Prudential Standard is monitored by an independent Prudential Supervisor appointed by the Treasurer.

Governance and oversight

The risk management framework comprises the following key components:

- Board of Directors
 - oversees the risk management framework
 - approves the Risk Appetite Statement and key risk policies
- Managing Director and CEO
 - responsible for the design and implementation of the risk management framework and the associated policies
 - ensure risks are within Board approved limits and report any breaches
- Audit Committee
 - supports the Board by overseeing financial governance, risk management, and compliance, and by reviewing the effectiveness of internal controls and assurance systems
- Management committees
 - Asset and Liability Committee (ALCO), the Credit Risk Committee and the Enterprise Risk Management Committee include the Managing Director and CEO and members of the Executive Leadership Team and relevant senior managers who are responsible for ensuring the Corporation's financial assets and liabilities are managed prudently and efficiently.

Functional Responsibilities

- Treasury Function
 - responsible for day-to-day management of the Corporation's assets and liabilities, funding and liquidity risks in accordance with approved risk policies
- Risk Function
 - responsible for developing and maintaining appropriate risk policies consistent with the Prudential Standard and the guidelines of the Board, relating to risk identification, measurement, control, reporting and implementation
- Internal Audit
 - provides an independent objective risk assurance and advisory service to assist the TCV Board, through its Audit Committee, to evaluate the effectiveness of TCV's internal controls and governance framework.

19. Market risk

Market risk is the risk of a loss arising from movements in market prices, yields, or interest rates affecting financial instruments and derivatives.

TCV's Treasury business manages market risk arising from lending, funding and investment activities. Loans are tailored to client cash flow needs, and funding is structured to manage interest rate risk mismatches. Liquid assets are actively managed within the approved risk parameters.

Value at Risk

Value at Risk (VaR) is a primary tool for measuring market risk. VaR estimates the potential daily loss on any day, within a 99% confidence interval, using a historical simulation approach. VaR positions are measured and monitored daily, with results reported to management. Back-testing is performed to validate the model, and results are monitored in accordance with the Prudential Standard.

The Corporation operates within Board-approved aggregate VaR limits. Sub-limits are allocated to individual portfolios and managed in line with the risk management framework.

The Corporation's VaR measure for the financial year was as follows:

	2025 \$ million	2024 \$ million
30 June	3.2	2.8
Average daily value during the year	2.3	3.7
Highest	3.2	6.1
Lowest	1.8	2.4

Throughout the financial year, VaR utilisation remained within approved limits

As VaR relies on historical data and assumptions, it may not always accurately predict all potential losses. The use of VaR is therefore complemented by Stressed VaR and a range of scenarios for stress testing to assess exposure to extreme events.

Contingent loss risk

TCV also uses Contingent Loss Risk (CLR), interest rate scenario model to quantify the exposure of TCV's core portfolios to plausible interest rate scenarios. CLR outputs are used to monitor interest rate risk and are governed by limits approved by the Managing Director and CEO.

20. Funding and liquidity risk

Funding and liquidity risk is the risk of an inability to meet financial obligations when they fall due and/or the ability to raise funds at the required volume or price.

TCV maintains liquidity policies and procedures in accordance with the Prudential Standard. In addition, DTF requires that TCV holds levels of surplus liquid assets for the State of Victoria to maintain the Whole of Victoria Government (WOVG) Liquidity Ratio at prescribed levels.

TCV has strong access to both domestic and offshore funding markets. It holds a portfolio of high-grade liquid assets to support its liquidity position. Funding is sourced through a range of programs including domestic bond issuance, Commercial Paper Program, and foreign currency issuance under Euro Medium Term Note and Euro Commercial Paper programs. These diversified funding sources help manage liquidity risk and support flexibility under evolving market conditions.

The Treasury business plans and executes funding activities aligned to State's financing needs. The Victorian State Budget and its updates provide guidance on funding requirements over a four year horizon. Market demand for volumes and maturities are also considered in funding plans to ensure appropriate market access and risk diversification.

Liquidity requirements are monitored daily using a number of measures, including the WOVG Liquidity Ratio, cumulative cashflows and funding capacity, liquidity stress scenario coverage and other measures.

The table below summarises the maturity profile of TCV's liabilities based on contracted undiscounted repayment obligations.

Maturity in:	Less	Between	Between	Between	Greater	Total
	At call	than 3 months	3 to 12 months	1 and 2 years	2 and 5 years	
	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million
2025						
Deposits	38.3	12.1	10.8			61.2
Borrowings – domestic	149.2	2,428.5	11,382.8	18,523.0	67,735.1	143,569.0
Borrowings – offshore	-	229.4	15.7	53.0	159.0	4,570.3
	187.5	2,670.0	11,409.3	18,576.0	67,894.1	148,139.3
						248,876.2
2024						
Deposits	39.8	12.0	-	-	-	51.8
Borrowings – domestic	101.5	2,771.4	13,562.8	13,484.2	56,671.1	128,066.4
Borrowings – offshore	-	-	235.9	9.7	29.1	1,556.9
	141.3	2,783.4	13,798.7	13,493.9	56,700.2	129,623.3
						216,540.8

21. Credit risk

Credit risk refers to the possibility that TCV may suffer financial loss due to the inability of its counterparties to honour their financial obligations as and when they fall due.

TCV is exposed to credit risk through its investment of funds in financial assets and derivative transactions with market counterparties. In respect of loans to the State of Victoria, Participating Authorities and Treasurer guaranteed entities, the ultimate credit exposure lies with the State.

The types of counterparties with which TCV may invest and the type of securities TCV may hold are set out in TCV's investment powers. These powers are approved by the Governor in Council on the recommendation of the Treasurer. TCV's powers to enter into derivative transactions are also subject to the approval of the Treasurer.

Under TCV's risk management framework, this credit risk is managed by:

- external credit ratings based maximum exposure limits consistent with TCV's investment powers
- internal risk assessment based individual exposure limits to counterparties and investments approved by the Board or the Managing Director and CEO
- periodic credit reviews and on-going monitoring of the credit quality of investments and exposures to market counterparties to ensure that any diminution of credit quality of a counterparty or investment occurring subsequent to the establishment of a limit is addressed.

21. Credit risk (cont.)

Concentration of Credit Risk - by credit rating (Standard & Poor's)

The credit quality of financial assets that are neither past due nor impaired are assessed by reference to external credit ratings. The following table summarises TCV's financial assets by credit rating categorises. All amounts shown are recorded at fair value unless otherwise stated.

2025	AAA	AA+/AA/AA-	A+/A/A-	BBB+/BBB	Other	Total
	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million
Cash and cash equivalents	-	2,542.0	34.7	-	-	2,576.7
Other receivables	0.2	43.7	42.9	-	-	86.8
Investments ⁽¹⁾	1,957.0	13,714.2	1,119.7	-	332.5	17,123.4
Derivative assets ⁽²⁾⁽³⁾	-	236.0	59.8	-	-	295.8
Loans ⁽³⁾⁽⁴⁾	-	187,301.7	-	-	-	187,301.7
Total credit risk exposure	1,957.2	203,837.6	1,257.1	-	332.5	207,384.4
2024						
Cash and cash equivalents	-	5,112.3	412.5	-	-	5,524.8
Other receivables	-	0.6	-	-	-	0.6
Investments ⁽¹⁾	1,370.9	9,377.4	1,688.3	-	126.8	12,563.4
Derivative assets ⁽²⁾⁽³⁾	-	253.9	7.3	-	-	261.2
Loans ⁽³⁾⁽⁴⁾	-	157,498.7	-	-	-	157,498.7
Total credit risk exposure	1,370.9	172,242.9	2,108.1	-	126.8	175,848.7

⁽¹⁾ Investments classified as rated "Other" are rated Aa3 by Moody's.

⁽²⁾ Reflects the credit exposure of derivative assets. This exposure is mitigated by derivative portfolio netting pursuant to Master Netting Agreements and collateral deposits. At 30 June 2025, TCV held \$129.5 million (2024: \$120.6 million) in cash deposits pursuant to Credit Support Annexures which provide for the provision of collateral to cover the credit risk arising from net derivative exposures to market counterparties.

⁽³⁾ Rating may reflect the State of Victoria's rating or its rating as guarantor.

⁽⁴⁾ Balances include client loans that are held at amortised cost as part of the hedge accounting portfolio.

Capital and Dividends

22. Capital adequacy

The Prudential Standard requires the Corporation to maintain sufficient capital to act as a buffer against the risks associated with its activities. TCV is required to hold a minimum capital adequacy ratio of 10.5% of risk weighted assets.

	Actual 2025 \$ million	Required 2025 \$ million	Actual 2024 \$ million	Required 2024 \$ million
Total capital ⁽¹⁾	342.8	125.63	370.2	115.7
Risk weighted assets ⁽²⁾	1,570.3	1,570.3	1,445.8	1,445.8
Capital ratio	21.8%	8%	25.6%	8.0%

⁽¹⁾ Total capital is the sum of contributed equity and retained earnings. It excludes hedge reserves

⁽²⁾ Risk weighted assets are calculated in accordance with TCV's Prudential Standard, which is based on APRA standards.

23. Distributions

Under Section 31 of the *Treasury Corporation of Victoria Act 1992* (Vic), TCV is required to pay to the Victorian Government Consolidated Fund, from its surplus for the preceding financial year, such amount as determined by the Treasurer after consultation with TCV. During the 2024-25 financial year, a dividend of \$122.1 million (2024: \$112.8 million) was distributed. An additional efficiency saving of \$0.4 million remains available for distribution at the direction of the Treasurer.

Other Information

24. Notes supporting Statement of Cash Flow

(i) Cash flows presented on a net basis

Cash flows arising from operating activities are presented on a net basis in the Statement of Cash Flows.

(ii) Reconciliation of net cash outflow from operating activities to net profit

	2025 \$ million	2024 \$ million
Net profit	95.1	122.1
Depreciation and amortisation	1.2	0.9
Increase/(decrease) in other payables and liabilities	3.4	2.7
(Increase)/decrease in other receivables and assets	-	(0.7)
(Increase)/decrease in interest receivable	(77.4)	(33.1)
Increase/(decrease) in interest payable	225.2	226.2
Discount/premium amortisation	575.9	127.1
Net gain from financial instruments	(248.7)	(179.8)
Hedge ineffectiveness	0.6	0.6
Operating cash flow items not included in profit	(3,400.0)	907.4
Net cash provided by/(used in) operating activities	(2,824.7)	1,173.4

25. Responsible persons

The following Directors together with the Treasurer, Jaclyn Symes MLC and the former Treasurer, Tim Pallas, are or have been responsible persons of TCV during the year:

- Cassandra Kelly, Chair
- Helen Thornton, Deputy Chair
- Michael Larkin, Managing Director and CEO
- Christopher Barrett
- Pippa Crawford
- Swati Dave (commenced 2 July 2024)
- Debra Hazelton (ceased 17 August 2024)
- Bruce MacDiarmid (commenced 8 October 2024)
- Peter McGregor, Audit Committee Chair.

TCV Directors have the benefit of indemnities given by the Treasurer pursuant to the *Financial Management Act 1994* (Vic) and by the Victorian Managed Insurance Authority pursuant to the *Victorian Managed Insurance Authority Act 1996* (Vic).

Remuneration

The total remuneration paid or payable to Directors for the year was \$1,225,707 (2024: \$1,171,374). These amounts include all employee benefits which are all forms of consideration paid, payable or provided by the Corporation, or on behalf of the Corporation, in exchange for service rendered.

Remuneration of Directors	2025	2024
Income band	No. of Directors	No. of Directors
\$720,000 to \$729,999 ⁽¹⁾	1	-
\$710,000 to \$719,999 ⁽¹⁾	-	1
\$160,000 to \$169,999	1	-
\$150,000 to \$159,999	-	1
\$70,000 to \$79,999	1	-
\$60,000 to \$69,999	3	3
\$50,000 to \$59,999	1	2
\$0 to \$9,999 ⁽²⁾	2	2

⁽¹⁾ The total remuneration reported for the Managing Director and CEO, includes recreational leave and long service leave accrued during the year. Non-executive directors do not accrue these benefits.

⁽²⁾ Director Christopher Barrett is an employee of DTF and is not compensated by TCV.

26. Remuneration of executives

The table below presents the total remuneration received or receivable by executives and the number of executives exclusive of the Managing Director and CEO (refer Note 25). Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the Corporation, or on behalf of the Corporation, in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis and is disclosed in the following categories:

- short-term employee benefits includes wages, salaries, accrued bonus, annual leave or sick leave that are usually paid or payable on a regular basis
- post-employment benefits includes superannuation and other benefits paid or payable after employment ends
- other long-term benefits includes long service leave and other entitlements not expected to be settled within 12 months
- termination benefit includes payments made upon cessation of employment, including notice pay, redundancy payments and other amounts payable upon cessation of employment.

Remuneration of executive officers	2025	2024
	\$	\$
Short-term benefits	2,040,898	1,685,258
Post-employment benefits	171,064	144,233
Other long-term benefits	72,531	77,944
Termination benefits	129,557	-
Total remuneration	2,414,050	1,907,435
Total number of executive officers	7	8
Total annualised employee equivalent (AEE) ⁽¹⁾	5.4	4.9

⁽¹⁾ The total annualised employee equivalent (AEE) provides a measure of full-time equivalent executive officers over the reporting period based on working 5 days per week.

27. Related parties

TCV is the central financing authority and financial markets adviser for the State of Victoria. TCV provides treasury services to the State of Victoria and Participating Authorities. TCV also provides financial advice and analytical services to Participating Authorities, government departments and agencies and other parties at the direction of the Treasurer. Significant transactions with government related entities that occurred during the year are discussed below.

Related parties of TCV include:

- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over)
- all cabinet ministers and their close family members
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

27. Related parties (cont.)

Key management personnel

Key management personnel of TCV include the Treasurer, Jaclyn Symes MLC, TCV's Directors (refer Note 25) and members of the Executive Leadership Team.

The remuneration below excludes the salaries and benefits of the Treasurer. Amounts relating to ministers are reported within the State's Annual Financial Report.

Remuneration of key management personnel	2025	2024
	\$	\$
Short-term benefits	3,166,863	2,766,691
Post-employment benefits	252,245	217,146
Other long-term benefits	91,092	94,972
Termination benefits	129,557	-
Total remuneration	3,639,757	3,078,809

Significant transactions with government related entities

In December 2019, TCV entered into a Deed of Guarantee and Indemnity with the Treasurer acting for and on behalf of the Crown in the right of the State of Victoria. The guarantee unconditionally and irrevocably indemnifies TCV against demands, claims, suits, actions, damages, liabilities, losses, costs and expenses incurred by TCV in respect of the obligations and payments of Aquasure Finance Pty Ltd for three floating rate amortising loans and four interest rate swaps to be provided by TCV. On trade date the loans had a face value of \$1.2 billion and the swaps a notional amount of \$1.8 billion. In consideration for providing that guarantee, DTF will receive a proportion of interest received from the loans and swaps by TCV. In respect of this consideration, in 2024-25 TCV paid DTF \$10.7 million (2024: \$6.4 million), with a further \$114.8 million (2024: \$126.5 million) due to be paid over the life of the loans and swaps until their maturity in 2038.

Transactions and balances with key management personnel and other related parties

All transactions that involve the related parties listed below are dealt with on normal commercial terms and conditions, and without reference to the key management personnel concerned. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

Key management person	Related party	Key management person	Services provided to the relationship with related party
Christopher Barrett, Director	Department of Treasury and Finance	Secretary	Loan and deposit products and advisory services
	Victorian Funds Management Corporation	Director	Bond repurchase agreements

28. Undrawn client loan facilities

Undrawn client loan facilities that did not expire on 30 June 2025 totalled \$1,596.1 million (2024: \$977.0 million).

29. Subsequent events

The Corporation had no material or significant events occurring after the reporting date.

Certification of Financial Statements

The attached financial statements for Treasury Corporation of Victoria have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994* (Vic), applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2025 and financial position of Treasury Corporation of Victoria as at 30 June 2025.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 26 August 2025.



Cassandra Kelly

Chair

Melbourne

Date: 26 August 2025



Michael Larkin

**Managing Director and
CEO**

Melbourne

Date: 26 August 2025



Hazel Kenyon

Chief Financial Officer

Melbourne

Date: 26 August 2025

Disclosure index

The Annual Report of TCV is prepared in accordance with all relevant Victorian legislation and statutory disclosure requirements. This index has been prepared to facilitate identification of TCV's compliance with statutory disclosure requirements.

Victorian Legislation and Pronouncements	Requirement	Page Reference
Financial Reporting Directions		
FRD 10	Disclosure index	74
FRD 11	Disclosure of ex-gratia payments	52
FRD 12	Disclosure of major contracts	41
FRD 21	Responsible person and executive officer disclosures	69
FRD 22	Manner of establishment and the relevant Minister	9
FRD 22	Purpose, functions, powers and duties	8
FRD 22	Nature and range of services provided	10
FRD 22	Organisational charts	35
FRD 22	Key initiatives and projects	15
FRD 22	Workforce data, employment and conduct principals	41
FRD 22	Workforce inclusion policy	N/A
FRD 22	Occupational health and safety	39
FRD 22	Summary of the financial results	16
FRD 22	Significant changes in financial position	5
FRD 22	Operational and budgetary objectives	15
FRD 22	Subsequent events	72
FRD 22	Expenditure on consultancies	41
FRD 22	Expenditure on government advertising	N/A
FRD 22	Information and Communications Technology expenditure	41
FRD 22	Disclosure of asset maturity assessment	N/A
FRD 22	Emergency procurement	N/A
FRD 22	Social procurement	40
FRD 22	Procurement complaints	N/A
FRD 22	Review and study expenses	N/A
FRD 22	Disclosure of grants and transfer payments	N/A
FRD 22	Application of <i>Freedom of Information Act 1982 (Vic)</i>	39
FRD 22	Application and operation of the <i>Public Interest Disclosures Act 2012 (Vic)</i>	42

Victorian Legislation and Pronouncements	Requirement	Page Reference
FRD 22	Statement on Competition and Taxation Policy	40
FRD 22	Statement on <i>Carers Recognition Act 2012 (Vic)</i>	N/A
FRD 22	Statement of compliance with <i>Building Act 1993 (Vic)</i>	39
FRD 22	Summary of environmental performance	41
FRD 22	Statement of availability of other information	39
FRD 24	Reporting of environmental data by government entities	41
FRD 25	Local Job disclosures	40
FRD 29	Employees employed under Part 3 of the <i>Public Administration Act 2004</i>	N/A

Victorian Legislation and Pronouncements	Requirement	Page Reference
2016 Standing Directions		
SD5.1.4	Financial Management Compliance Attestation Statement	43
SD5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	73
SD5.2.2	Declaration in financial statements	73
SD5.2.3	Declaration in report of operations	5
Legislation		
<i>Freedom of Information Act 1982 (Vic)</i>		39
<i>Public Interest Disclosures Act 2012 (Vic)</i>		42
<i>Local Jobs First Act 2003 (Vic)</i>		40
<i>Financial Management Act 1994 (Vic)</i>		39

Independent Auditor's Report

Victorian Auditor-General's Office

To the Board of the Treasury Corporation of Victoria

Opinion	<p>I have audited the financial report of the Treasury Corporation of Victoria (the Corporation) which comprises the:</p> <ul style="list-style-type: none">• statement of financial position as at 30 June 2025• statement of comprehensive income for the year then ended• statement of changes in equity for the year then ended• statement of cash flows for the year then ended• notes to the financial statements, including material accounting policy information• certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the Corporation as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the Corporation in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Other information	<p>The Board of the Corporation is responsible for the Other Information, which comprises the information in the Corporation's annual report for the year ended 30 June 2025, but does not include the financial report and my auditor's report thereon.</p> <p>My opinion on the financial report does not cover the Other Information and accordingly, I do not express any form of assurance conclusion on the Other Information. However, in connection with my audit of the financial report, my responsibility is to read the Other Information and in doing so, consider whether it is materially inconsistent with the financial report or the knowledge I obtained during the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude there is a material misstatement of the Other Information, I am required to report that fact. I have nothing to report in this regard.</p>
Key audit matter	<p>A key audit matter is a matter that, in my professional judgement, is of most significance in my audit of the financial report of the current period. This matter was addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.</p>

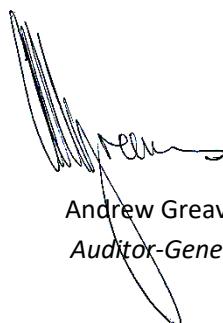
Key audit matter	How I addressed the matter
<p>Valuation of financial instruments carried at fair value and related net gain on financial assets and liabilities at fair value</p> <p>Refer to Note 7 of the financial report for the accounting policy associated with the valuation of financial instruments and the fair value determination section of the relevant financial instrument notes for the assumptions applied by management in valuing financial instruments.</p> <p>Financial assets at fair value - \$207.4 billion.</p> <p>Financial liabilities at fair value - \$207.2 billion.</p> <p>Net gain on financial assets and liabilities at fair value - \$78.2 million.</p> <p>I considered this to be a key audit matter because:</p> <ul style="list-style-type: none"> • financial instruments and the related fair value gain on financial assets and liabilities are financially significant • the underlying models used by management to reliably fair value financial instruments with higher estimation uncertainty are complex • a significant degree of management judgement is required in valuing these financial instruments • the performance of financial markets fluctuated over the period impacting the value of financial assets • manual valuation adjustments made outside of the system are complex and subject to management judgement • a small adjustment to a valuation input may have a significant impact on the fair value of each financial instrument • extensive disclosures are required by Australian accounting standards which are critical to the users understanding of the valuation of financial instruments carried at fair value. 	<p>My key procedures included:</p> <ul style="list-style-type: none"> • gaining an understanding of the valuation processes and identifying key controls supporting the valuation of financial instruments, and the calculation and measurement of related net gains • assessing the sufficiency and appropriateness of methodologies and valuation models across financial instrument classes • assessing the design and operating effectiveness of key manual, IT-dependent manual and automated controls supporting the valuation processes • assessing the characteristics and valuation methodology for each type of financial instrument and categorising them based on the level of estimation uncertainty in the valuation • engaging valuation specialists to perform independent testing of key valuation inputs, valuation methodology and assumptions for financial instruments with a higher level of estimation uncertainty • assessing, in conjunction with our valuation specialists, any manual fair value adjustments made to financial assets and liabilities that impact the net gain • obtaining independent counterparty confirmations of financial instruments at 30 June 2025 and agreeing these to the recorded balances • assessing the completeness and adequacy of financial statements disclosures against the requirements of Australian Accounting Standards.

The Board's responsibilities for the financial report	<p>The Board of the Corporation is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>
Auditor's responsibilities for the audit of the financial report	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"> • identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board. • conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern. • evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

Auditor's responsibilities for the audit of the financial report (continued)	<p>I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p> <p>From the matters communicated with the Board, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. I describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.</p>
---	---

MELBOURNE
1 September 2025

Andrew Greaves
Auditor-General



Contacts

Address	Level 29, North Tower, 80 Collins Street, Melbourne, Victoria, 3000	
Website	www.tcv.vic.gov.au	
Email	tcv@tcv.vic.gov.au	
Telephone	+61 3 9651 4800	General
	+61 3 9911 3636	Dealing room
	+61 3 9651 4802	Settlements
Facsimile	+61 3 9651 4880	General
	+61 3 9651 4880	Dealing room
	+61 3 9651 4899	Settlements
Registry of Inscribed Stock	<p>Inscribed stock registries are operated by Computershare Investor Services Pty Ltd, located at: Yarra Falls, 452 Johnston Street, Abbotsford, Victoria, 3067 Telephone: +61 3 9415 5000 Facsimile: +61 3 9473 2535.</p>	
Government Bonds of Victoria	Freecall number 1800 628 008	
Designated Investment Bonds	<p>For information on Designated Investment Bonds issued under the Australian Department of Immigration and Border Protection, please email tcv@tcv.vic.gov.au or telephone +61 3 9911 3636.</p>	

This document is produced by TCV for general information purposes and is not a recommendation, solicitation or invitation to purchase, hold or sell any notes or any other instruments issued or to be issued by TCV.

The information provided is based on facts and data available to TCV at the time of its preparation. It is in summary form and does not purport to be complete. It is not intended to be relied upon as advice and has been prepared without reference to the financial situation, funding requirements, investment objectives or specific needs of any particular client. The information is not to be used or relied upon as a substitute for professional financial, legal, tax or social advice, and the obligation to conduct such due diligence remains with the recipient.

This document may contain forward-looking statements including statements or opinions regarding the author's intent, belief or current expectations regarding TCV's business operations, economic and market conditions, financial instruments and credit markets. When used in this document, the words "estimate", "project", "intend", "anticipate", "believe", "expect", "may", "should" and similar expressions are intended to identify forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of the document. Opinion and forecasts do not guarantee future outcomes, performance or rates as they will be subject to variations due to fluctuations and changed financial market or economic conditions. TCV does not undertake to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date of the document.

TCV does not warrant or represent that the information contained in this document is complete, accurate or suitable for use. To the fullest extent permitted by law, TCV, its officers and employees accept no liability to any person for any direct or indirect loss, damage, cost or expense whatsoever arising from use of information contained in this document (whether arising from negligence or otherwise).

The logo for TCV (Trinity Capital Ventures) features the letters "TCV" in a white, sans-serif font. A small, five-pointed white star is positioned above the top right vertical stroke of the "V".

TCV