



CommonwealthBank

FOUNDATION

Financial Inclusion Action Plan 2016 - 2017



What is financial inclusion?

“Having access to appropriate, affordable and acceptable financial resources and supports and the capability and capacity to utilise those resources and supports for financial resilience.”

– Centre for Social Impact





Statement from the CEO

For more than a century, the Commonwealth Bank has been securing and enhancing the financial wellbeing of people, business and communities.

We do this every day by looking after our customers' savings and investments, helping them buy a home or business, protecting their lives and property, and helping them prepare for retirement.

Beyond our day-to-day business, we are also conscious of our long-term impact overall. Financial inclusion is one important way we play our part in building a prosperous and fair society.

I am therefore pleased to present our first Financial Inclusion Action Plan (FIAP).

Our FIAP aims to ensure as many people as possible have access to affordable and appropriate financial resources – and the capability to make the most of those resources. It is designed to build people's financial resilience and ultimately secure their financial wellbeing, regardless of gender, culture, sexual orientation, age, disability or financial vulnerability. Among other things, it also deepens our focus on the economic security of women.

Our FIAP includes some initiatives we have been delivering for many years and others that are relatively new. These include providing fee-free accounts, accessible branches, and cultural awareness training for staff, as well as specialised assistance for remote Indigenous communities and people in financial hardship. In the year ahead, we will continue looking for ways to achieve our goals.

Our FIAP is also an extension of a number of current initiatives including our Reconciliation Action Plan, Diversity & Inclusion Plan and our Disability & Inclusion Plan. It also includes actions that align to the National Financial Literacy Strategy to build the financial capability of Australians.

We are proud to be part of the collective effort, led by Good Shepherd Microfinance, to improve financial inclusion in Australia. This is one important way we will fulfil our vision to excel at securing and enhancing the financial wellbeing of people, businesses and communities.

A handwritten signature in black ink that reads "Ian Narev". The signature is written in a cursive, slightly slanted style.

Ian Narev

Chief Executive Officer
Commonwealth Bank of Australia

About our Financial Inclusion Action Plan

The Commonwealth Bank's foundation Financial Inclusion Action Plan (FIAP) reflects our desire to better serve our customers and meet their needs. It brings together actions that demonstrate how we embed our vision and values in our business practice and will enable us to identify further opportunities for action.

Our foundation FIAP includes initiatives identified across the four Action Areas of the FIAP program and in relation to four stakeholder groups. The result is a range of actions that contribute to improved financial resilience and inclusive economic growth – especially for women.

Action Areas

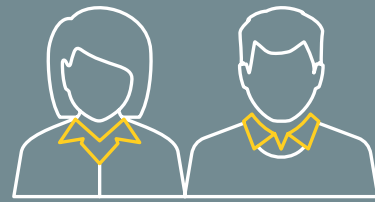
- ◆ Products and services
- ◆ Capabilities, attitudes and behaviours
- ◆ Awareness and understanding of culture and diversity
- ◆ Economic participation and status

Stakeholders

- ◆ Customers – current and potential
- ◆ Employees
- ◆ Suppliers
- ◆ Community and Partners

As one of Australia's largest companies, we are committed to making a positive contribution to our customers, communities and the economies in which we operate. The Financial Inclusion Action Plan contributes to our corporate responsibility plan Opportunity Initiatives, to drive positive, lasting change through education, innovation and good business practices.

“Our vision to excel at securing and enhancing the financial wellbeing of people, businesses and communities. To deliver on our vision, we have a set of values to inform the way we do business. These are integrity, collaboration, excellence, accountability and service.”



Build capability of staff to assist customers experiencing domestic violence



Provide accessible bank branches and ATMs for people with a disability



Educate refugees and their case workers about managing money in Australia



Specialised banking services phone line for Aboriginal and Torres Strait Islander people living in remote Australia



Waive monthly account keeping fees for eligible low-income Australians



Highlights

2016 - 2017



Build the financial capability of disadvantaged children and youth



Provide assistance to customers experiencing financial difficulty



Pay the superannuation guarantee to eligible staff on paid and unpaid parental leave

Pillar I. Products and services

As one of Australia's largest financial services organisations, the Commonwealth Bank plays an important role in the financial lives of many Australians. We strive to continually improve our offering and will work to ensure our financial products and services are appropriate, affordable and accessible. Each year we waive more than \$200 million in fees for customers on low incomes and the not-for-profit sector.

Action statement	Output	Outcome / Impact	Responsibility	Time frame
Customers Stakeholder group				
Train selected retail bank staff to conduct quality, needs-based conversations with customers focused on identifying customer goals and needs.	Selected frontline staff undertake the Financial Health Check (FHC) training and accreditation module.	Where a Financial Health Check is conducted customers disclose goals and needs enabling customer centric suggestions being offered to provide convenience, save them money and time, make them money or protect their assets or income.	Group Sales & Service – Retail Banking Services	June 2018
Continue to offer monthly account and withdrawal fee waivers for eligible low-income Australians, according to product terms and conditions.	If applicable, monthly account and assisted withdrawal fees are waived on a range of eligible accounts if the customer: <ul style="list-style-type: none"> ◆ Receives Australian War Veteran, Aged or Disability Pension directly credited to an account; or ◆ Is under 21; or ◆ Relies on over-the-counter services because of a disability which prevents e-banking facility usage. 	People on eligible pensions, young people and people with a disability have access to the basic means of safely participating in the economy.	Deposits and Transactions – Retail Banking Services	Ongoing and reviewed annually
Continue to assist customers experiencing financial difficulties through CommBank's financial hardship team, Customer Assist.	Customer Assist continues to work with customers in difficulty.	Customers are provided support to get their finances back on track.	Collections and Customer Solutions – Retail Banking Services	Ongoing
Continue to provide over-the-counter banking services to customers outside of major cities.	Provision of CommBank's banking services via Australia Post outlets across Australia.	Customers can access over-the-counter banking in areas where a stand-alone branch is no longer viable.	Branch and Self Service Distribution – Retail Banking Services	Reviewed annually
Remove unnecessary complexity in the design of basic personal banking products and prioritise use of plain English in general insurance policies to make it simpler for customers to understand what is covered.	Recommendations made for product design changes. Implementation of design changes.	Increase in customer understanding of product. Reduce number of customers experiencing unintended adverse outcomes as a result of complex product design.	Retail Banking Services CommInsure -Wealth Management	Ongoing





Pillar 2. Capabilities, attitudes and behaviours

Commonwealth Bank is building its capabilities internally to better deal with customers experiencing financial hardship, domestic violence and economic abuse. We will continue to develop the financial capability of children and youth, including from disadvantaged backgrounds, through School Banking and our world-leading financial literacy program, Start Smart.

Action statement	Output	Outcome / Impact	Responsibility	Time frame
Customers Stakeholder group				
Build capability of frontline staff that specialise in complex and sensitive matters, to deal with customers experiencing domestic violence through development of appropriate training.	Develop and deliver appropriate domestic violence training for staff.	More people who are experiencing domestic violence and/or economic abuse are identified and assisted on a journey to financial safety and independence.	Group Customer Relations, Collections & Customer Solutions – Retail Banking Services	2017-2018
Increase visibility of our financial hardship program, Customer Assist.	Customer Assist message present on CommBank homepage and internet banking.	More customers and intermediaries know that assistance is available. Greater numbers of customers who are struggling financially seek help via Customer Assist.	Digital Sales & Publishing, Collections & Customer Solutions – Retail Banking Services	Ongoing and reviewed annually
As part of our School Banking program, young Australians are encouraged to save regularly and are rewarded for doing so.	More than 250,000 reward items distributed to young Australians.	Young Australians learn financial literacy skills from an early age and develop regular savings habits.	School Banking and Youth – Retail Banking Services	Annual and ongoing
Continue to teach young Australians the importance of saving regularly and lifelong money skills through our School Banking program.	School Banking program delivered to over 3,900 schools across Australia, including 730 schools within low socio-economic areas.	Young Australians, including those from low socio-economic areas, learn financial literacy skills from an early age and develop regular savings habits.	School Banking & Youth – Retail Banking Services	Annually and ongoing
Community Stakeholder group				
Continue to deliver Start Smart financial literacy workshops to children and youth across Australia, including in disadvantaged areas ¹ .	More than 2,000 financial literacy workshops delivered to students in schools in the most disadvantaged 20 per cent of postcodes. More than one-third of Start Smart sessions are delivered in regional and rural areas.	Increase in financial capability of children and youth in disadvantaged areas.	Corporate Responsibility – Group Corporate Affairs	2016-2018

¹ Commonwealth Bank delivers this initiative in support of the National Financial Literacy Strategy 2014-17, led and coordinated by the Australian Securities and Investments Commission.

Pillar 3. Awareness and understanding of culture and diversity

Our FIAP incorporates actions identified in our Reconciliation Action Plan and Diversity and Inclusion Strategy and extends those actions to address barriers that may hinder the financial inclusion and resilience of groups who may be more vulnerable in relation to money and finances because of language, disability, or cultural values and religious beliefs.

Action statement	Output	Outcome / Impact	Responsibility	Time frame
Customers Stakeholder group				
Continue to provide specialist banking services for Aboriginal and Torres Strait Islander customers in remote Australia ² .	Provision of the Indigenous Customer Assistance Line (ICAL) to enable access to funds, replacement cards and free balance enquiries.	Indigenous customers have access to, and are able to operate, their bank account and are not negatively impacted by their remote geographical location.	Direct Banking – Retail Banking Services	Ongoing and reviewed annually
Support Indigenous business owners to create sustainable businesses through the provision of specialised Indigenous banking ² .	Indigenous businesses supported.	More Indigenous businesses become financially sustainable and prosper.	Not-for-Profit sector – Business and Private Banking	Ongoing and reviewed annually
Develop a refugee assistance package offered via Humanitarian Settlement Services (HSS) providers to assist newly arrived Syrian refugees set up their banking.	Package available to HSS providers, including fee-free transaction accounts set up for each newly arrived adult.	Refugees are able to receive government or other payments and participate in the economy.	Specialist Retail Distribution – Retail Banking Services	2016-2018
Provide accessible bank branches and ATMs for people with a disability.	97% branches wheelchair accessible. 100% of ATMs are audio-enabled.	Customers with a disability are able to access a range of banking services.	Branch and Self-Service Distribution – Retail Banking Services Design and Delivery – Financial Services	2016-2018
Where demand exists, provide Bank product and service information in languages other than English.	Product and service information is available in multiple languages, when required. ATM screens display other languages where appropriate to the area.	Greater numbers of culturally and linguistically diverse customers are included in the financial system and have a better understanding of the products they sign up to.	Consumer Marketing – Marketing and Strategy	Ongoing and reviewed annually

Action statement	Output	Outcome / Impact	Responsibility	Time frame
Community Stakeholder group				
Work with Humanitarian Settlement Services (HSS) providers to develop financial literacy modules for refugees.	Deliver financial literacy worksheets for refugees to HSS providers along with guidance for case workers to implement.	Newly arrived refugees better understand the cost of living and financial system in Australia, reducing the risk of financial hardship.	Corporate Responsibility – Group Corporate Affairs	2016-2018
Support young Indigenous students to develop life skills and achieve their goals ² .	Work with the Australian Indigenous Mentoring Experience (AIME) to build financial literacy of AIME students. Provide financial support to Indigenous students through scholarships with the Australian Indigenous Education Foundation (AIEF).	Increase in financial capability of Indigenous students. Greater numbers of Indigenous students graduate high school, increasing opportunities for future study and employment.	Indigenous Affairs – Group Corporate Affairs	2017-2018
Provide scholarships to Indigenous Consumer Assistance Network (ICAN) to fund two financial counselling scholarship programs for Indigenous ² and Culturally and Linguistically Diverse (CALD) people.	At least 10 Indigenous and 10 CALD financial counsellors trained.	More Indigenous and CALD clients have an option to seek a financial counsellor from within their own community if they need assistance to get their finances back on track.	Indigenous Affairs – Group Corporate Affairs	December 2017
Staff Stakeholder group				
Develop cultural diversity and awareness 'champions' throughout the business	More than 1,000 CommBank staff per year complete the MOSAIC Champion cultural diversity and awareness training.	Staff and customers from culturally and linguistically diverse backgrounds do not feel excluded and their needs are better served.	Learning and Development – Human Resources	Ongoing with progress reviewed annually

² This action is contained in our Reconciliation Action Plan FY2017 – FY2019.

Pillar 4. Economic participation and status

The Commonwealth Bank is committed to ensuring more Australians can become more active participants in the financial system. In particular we seek to improve the financial inclusion of women who face systemic challenges to their economic security.

Action statement	Output	Outcome / Impact	Responsibility	Time frame
Customers Stakeholder group				
Train financial advisers on financial issues that impact women.	All CommBank-employed advisers have completed training in financial advice for women.	Women customers have a better quality experience and receive advice that understands the structural disadvantages they face.	Women and Advice – Wealth Management	June 2017
Support customers affected by natural disasters by waiving banking fees and charges and where appropriate, restructuring loans.	Selected banking fees & charges waived. Loan and repayment restructuring. Emergency accommodation support for CommInsure customers where their homes have been so extensively damaged that it makes them unliveable.	Customers are able to get back on their feet faster after the financial shock of a natural disaster.	Retail Banking Services CommInsure	As required
Staff Stakeholder group				
Continue to pay superannuation to eligible staff on paid and unpaid parental leave.	All eligible staff on parental leave continue to receive superannuation entitlements (up to 40 weeks).	CommBank staff who take parental leave may not be financially disadvantaged in retirement by having children now.	Performance and Reward – Human Resources	Ongoing
Continue to engage with managers to provide female employees with opportunities for professional and leadership development.	Gender diversity strategy in place including development opportunities for women.	More women move into jobs of greater responsibility and influence and are paid equally to their peers.	Organisational Development – Human Resources	Ongoing and reviewed annually
Develop policies to assist and support staff experiencing domestic and family violence.	Select HR staff and management are trained in domestic and family violence issues. Eligible staff have access to domestic violence leave.	Employees who are victims or supporting family members, or members of their household, experiencing domestic and family violence have access to paid time off work.	Diversity & Inclusion – Human Resources	Ongoing and reviewed annually
Suppliers Stakeholder group				
Support Supply Nation to provide targeted and timely business coaching to their Indigenous certified suppliers ² .	A new business coaching app to connect Indigenous business owners to skilled volunteers.	Increased number of Indigenous-certified businesses in the supply chains of Supply Nation members.	Indigenous Affairs – Group Corporate Affairs	Ongoing and reviewed annually.
Encourage Supply Nation suppliers to tender in Group Procurement led tender events ² .	CommBank increases the number of introductions of Supply Nation suppliers to relevant Group buyers or decision makers, within their relevant spend categories.	Increased number of sustainable Indigenous businesses in the Group's supply chain.	Group Procurement – Financial Services	Ongoing and reviewed annually.
Use our influence and purchasing power to make a positive impact on the diversity and inclusion practices of our supplier base.	Signatory to the Male Champions of Change, Supplier Multiplier initiative. Group's Supplier Code of Conduct widely distributed Tender documents request supplier evidence of good diversity and inclusion practices.	More women are employed in the senior positions of our suppliers. The employees of our suppliers reflect the rich diversity of the community.	Group Procurement – Financial Services	Ongoing and reviewed annually.

² This action is contained in our Reconciliation Action Plan FY2017 – FY2019.

Foundation FIAP development process



FIAP Program Principles



Relationships

Our FIAP will be based on a foundation of strong relationships with the people, businesses and communities we serve and the organisations with which we partner for impact. We value meaningful relationships with our employees, customers and stakeholders



Impact

As a major bank, we play an important role in society in enabling social and economic development, employment, growth, innovation and opportunities for people and businesses. We believe the way we do business should be transparent, respectful, fair and ethical and we welcome the opportunity to focus on ensuring this approach contributes to greater financial inclusion, in particular for women, youth, Indigenous people, those from different cultural backgrounds, the LGBTI community and people with a disability.



Learning

Commonwealth Bank is committed to continuous improvement. Through the development of the FIAP we seek to: better understand the needs of financially excluded communities; equip our people with the skills and knowledge to address the unique needs of these customers; and assess whether new products, services or processes could help meet the needs of those who might otherwise be excluded.



Reporting

A strong framework of reporting and evaluation is a key element to achieving our goals. Insights gained from evaluating our work will help build the evidence-base about how to secure and enhance the financial wellbeing of people, businesses and communities. We will continue to report through our existing corporate responsibility framework and establish reporting through the FIAP program.

Statement by the FIAP Partnership Group

On behalf of the FIAP Partnership Group, I would like to acknowledge and congratulate Commonwealth Bank for your ongoing public commitment to financial inclusion and financial resilience.

Together we are embarking on a journey to explore, learn and grow – both as a program through this Foundation FIAP and as Trailblazers undertaking the important process of reducing inequalities and promoting inclusive growth in our communities.

Financial hardship can impact us all, at any stage in our lives – through the FIAP, our hope is that every organisation will be able to respond in time and every time to ensure financial hardship can be identified early, managed and overcome. By building capacity, awareness and greater access to appropriate products and services, organisations will see the social and economic benefits in their engagement, outcomes and prosperity of customers and employees.

The FIAP Partnership Group exists to support the growing community of practice to identify opportunities to better respond to financial risks, develop meaningful actions across key stakeholders and measure the social and economic impact. Drawing on our individual expertise the FIAP Partnership Group will provide implementation, evaluation and quality assurance support to ensure key actions you have identified are (i) on track to achieve the intended impact and (ii) engaging those stakeholders in most need of support. We are proud to be on this important journey with Commonwealth Bank.

At the heart of the FIAP program is the belief that together we can achieve more. Commonwealth Bank joins the growing community of organisations that understand they play a critical role in Australia's financial future – together we can reduce inequalities and realise inclusive growth for all Australians.

Sincerely,



Vinita Godinho

General Manager, Advisory
Good Shepherd Microfinance

On behalf of the FIAP Partnership Group.



Supported by



Contact our team

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