

Reputation – Pre-eminent customer owned bank brand

'On 1 September 2011, **bankmecu** became Australia's first customer owned bank.'

Trustworthy

bankmecu seeks to have its brand represent leadership in responsible banking performance. The bank invests its customers' money in ways which provide both an economic return as well as contributing to positive social and environmental outcomes. Again this year, **bankmecu** was recognised for its leadership in responsible banking and was invited to present at a range of industry and community forums.

bankmecu is part of an international cooperative movement. The United Nations General Assembly declared 2012 as the International Year of Cooperatives and **bankmecu** has been actively supporting activities in Australia to promote the role of cooperatives in Australia, to generate brand awareness and to assist consumers in making informed decisions about banking.

bankmecu is also a signatory to the United Nations Environment Programme Finance Initiative, United Nations Global Compact and United Nations Principles for Responsible Investment.

bankmecu produced its second Reconciliation Action Plan in collaboration with Reconciliation Australia. This assists the bank to contribute to the national effort to 'close the gap' between Aboriginal

and Torres Strait Islander Australians and other Australians.

During 2011/12, **bankmecu** was pleased to receive the following awards and recognition:

- Socially Responsible Institution of the Year (unlisted), *Money Magazine* 2012
- *Your Mortgage Magazine* Gold for the bank's 1-Year Fixed Home Loan.

Banker for civil society and the government

Satisfying the expectations of people and organisations engaged within the community sector requires a combination of competitive banking products and services. It demands a responsible approach to banking that reflects customers' attitudes and values as **bankmecu** invests its customers' funds for economic, social and environmental return.

In 2011/12 **bankmecu** invested 4.2 per cent of after-tax profits (\$1.1 million) through its Community Investment Program. The program invests in key areas identified through engagement with customers. They include: environment, housing, community resilience and international development.

bankmecu continued to invest in carbon sequestration and biodiversity through its

Conservation Landbank, increasing its land holding to 761 hectares. In 2011/12 **bankmecu** invested \$251,394 towards the project, contributing to environmental, social and economic outcomes for the local and broader community.

bankmecu maintained its Financial Inclusion Policy to encourage greater levels of access to financial products and services for people experiencing disadvantage.

In 2011, **bankmecu** collaborated with the Community Housing Federation of Australia and Powerhousing Australia to quantify the social benefits of support for affordable housing.

Satisfied and engaged customers

Customer satisfaction remained at 94 per cent, maintaining the high result of the previous year.

In 2011/12, **bankmecu** achieved a Net Promoter Score of 35, which indicates a strong willingness by existing customers to refer **bankmecu** to their friends and colleagues. This score has continued to improve over the past three years from 6 in 2009/10 to 20 in 2010/11.

There was a decrease in the number of complaints received in 2011/12 from 345 to 250. The main categories for complaints were 'cards' and 'internet

'In this, the International Year of Cooperatives, **bankmecu** is actively working to define and develop a 21st century approach to banking.'



Did you know customer satisfaction has been over 93% for the past seven years? Happy campers here.

banking'. In the same year, **bankmecu** received 104 service compliments.

During 2011/12 **bankmecu** provided 55 customers with hardship assistance on their loans.

Engaged staff

bankmecu's high level of staff satisfaction improved in 2011/12 to 88 per cent from 86 per cent in 2010/11. The Employer of Choice result remained steady at 87 per cent. The benefit of the relationship **bankmecu** enjoys with its staff can be seen in the bank's high levels of productivity and low cost to income ratio which directly contribute to customer benefit and value.

At 30 June 2012, **bankmecu** had 341 employees. Of these, 118 staff members worked in metropolitan Melbourne, 101 in Gippsland, 76 in Western Victoria and a further 46 at service centres located around Australia. **bankmecu** has a predominantly female workforce with 246 females of the 341 total employees at year end. The executive team are male. Of the seven non-executive Directors, two are female including the Deputy Chair.

bankmecu's turnover rate for continuing employees including full-time and part-time staff decreased to 9.7 per cent from 13.76 per cent in 2010/11. The bank

spent an average of \$908.95 per FTE on training and development in 2011/12, equating to an average of 43.80 hours training per employee.

During 2011/12, three injuries resulted in workers compensation claims totalling 98.24 lost work days. There were no incidents of discrimination identified or reported in the 2011/12 period.

Investment grade rating

International rating agency Standard & Poor's reaffirmed the Bank's investment grade credit rating – BBB+/Stable/A-2.

