

Reputation.

Pre-eminent
customer
owned bank
brand.



Did you know we won
best online Annual Report
(private) at the Australasian
Reporting Awards.



Did you know we have
been awarded the Best
Value Customer Owned
Bank by financial data
provider Canstar Cannex.



Did you know we won
best integrated Annual
Report at the Australasian
Reporting Awards.

Trustworthy

bankmecu seeks to have its brand represent leadership in responsible banking performance. The Bank invests 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.

The Bank is part of an international cooperative movement and has been actively supporting activities in Australia to promote the role of cooperatives as an alternative business model.

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

We continued to support the national effort to 'close the gap' between Aboriginal and Torres Strait Islander Australians and other Australians through our Reconciliation Action Plan.

The Bank does not participate in direct political lobbying nor does it provide political party contributions. Instead, we advocate through the Customer Owned Banking Association (COBA) and the Australian Bankers' Association (ABA) as a member organisation.

Banker for community and government

Satisfying the expectations of people and organisations engaged within the community sector demands a responsible approach to banking that reflects customer attitudes and values, as we invest customers' funds for economic, social and environmental return.

In 2012/13 **bankmecu** invested 3.9% of after tax profits (\$1.03 million) through its Community Investment Program. The program invests in key areas, including: 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 928 hectares. In 2012/13 we invested \$360,558 towards the project.

bankmecu maintained its Financial Inclusion Policy to encourage greater levels of access to financial products and services for people experiencing disadvantage. We are developing financial inclusion expertise in the disability sector and in the Latrobe Valley. **bankmecu** is also utilising the merger with Fitzroy & Carlton Community Credit Cooperative Limited (FCCC) to build on their legacy of working with financially excluded people living in Melbourne's inner north.

bankmecu provided lending of \$865,000 in finance for community asset property ownership in 2012/13 to support Foresters Community Finance Community Asset Building Program.

We have been working with the community housing sector for a number of years to fund projects which provide secure housing for those in need. In 2012/13 we provided \$38.1m towards community housing projects.

bankmecu also provided \$844,320 in lending to local government infrastructure projects.

Satisfied and engaged customers

Customer satisfaction remains very high at 93% (2011/12: 94%) and we achieved a Net Promoter Score of 16 (2011/12: 35). A study of detracting customer commentary points to a number of factors with service centre closures and fees being a possible source of dissatisfaction.

There was an increase in the number of complaints received in 2012/13 from 250 to 266. The main categories for complaints were 'service centre closures' and 'cards'. In the same year, we received 106 service compliments (2011/12: 104).

During 2012/13 we provided 113 (2011/12: 55) customers with hardship assistance on their loans.

Engaged staff

A high level of staff satisfaction continued, with overall staff satisfaction at 84% (2011/12: 88%). Employee organisational commitment remained high at 86% (2012/12: 88%) and the Employer of choice decreased slightly to 82% (2011/12: 87%). 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.

Watch our video:

bankmecu Conservation Landbank



At 30 June 2013, we had 348 employees. Of these 127 staff members worked in metropolitan Melbourne, 105 in Gippsland, 74 in Western Victoria and a further 42 at service centres located around Australia. **bankmecu** has a predominantly female workforce with 253 females of the 348 total employees at year end. The executive team is male. Of the seven non-Executive Directors, three are female including the Deputy Chair.

The turnover rate for continuing employees including full-time, part-time and casual staff was 10.40% (2011/12: 9.70%). The Bank spent an average of \$845 per full time equivalent (FTE) on training and development, equating to an average of 40.96 hours training per employee.

During 2012/2013 no new workers compensation claims were accepted. However, a total of 36 lost work days were recorded. There were no incidents of discrimination identified or reported in the 2012/2013 period.

Investment grade rating

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

