

Customer benefit.

Annual customer benefit

	2012/13	2011/12	2010/11	Difference b/w 11/12 & 12/13
Customer benefit	\$25.00m	\$20.14m	\$31.17m	24%
Average customer benefit	\$199.38	\$155.35	\$231.6	28%

Quality competitive product and service

	Jun-13 (%)	Jun-12 (%)	Jun-11 (%)
Loans mix			
Personal	91.18	91.58	93.04
Commercial	8.82	8.42	6.96
Deposit mix			
Deposits at call	48.36	48.62	53.29
Fixed term	51.64	51.38	46.71

Commercial lending has increased by 5.3% over the past 12 months into core strategic areas such as disability, community services and community housing.

During 2012/13, staff at the National Call Centre answered 239,300 calls, 80% were answered within 40 seconds of the customer selecting their option – providing prompt and personal customer service.

New products and services launched in 2012/13

- National Call Centre hours extended to 8.00am – 8.00pm Monday to Friday
- New Basic Home Loan product
- **bankmecu** Super
- Energy Smart Home Loan
- PIN change at rediATMs
- RediATM app for iPhone
- SMS on demand

Competitive pricing benefit

bankmecu consistently aims to offer its customers competitive pricing compared to Australia's four major banks. Independent financial services research group, Canstar Cannex, assessed that during 2012/13 our customers were collectively \$25m better off than they would have been with the average of the four major banks. This is an increase in pricing benefits of \$4.86m from 2011/12, which is due to our competitive term deposit products and maintenance of value across loan products and loan fees.

A fee-free banking option remains available to all customers. During 2012/13, **bankmecu** subsidised the cost of access to payment services to customers by \$168,707 (2011/12: \$716,988).

Social and environmental benefits

As at 30 June 2013, 88% of all customer deposits were lent to other customers. The remaining 12% of customer deposits and accumulated cash reserves were predominantly invested across a range of cash securities – Term Deposits and Negotiable Certificates of Deposit with Australian based Authorised Deposit-Taking Institutions regulated by the Australian Prudential Regulation Authority (APRA).

All customer deposits lent to other customers are subject to the Bank's Responsible Lending and Investment Policy. As a consequence **bankmecu** continued to have low levels of impaired loans.

The Bank includes a range of responsible banking features in its loans, which encourage both investors and borrowers to make more environmentally and socially responsible choices.

The value of environmental and social loans as a percentage of the total loan portfolio has increased by 2.14% since 2009/10. Commercial lending with a social benefit has increased by 6.21% since 2011/12.

To date, the Bank has committed to offset 48,963 tonnes of carbon dioxide equivalents (CO₂-e) in its Conservation Landbank for the cars it has financed, an equivalent of 12,240 cars taken off the road for one year. We have also committed to a total biodiversity offset of 417,662 m² for new home construction financed.

bankmecu has an exemption from fees and charges for customers who represent an organisation or group that is recognised by the Australian Taxation Office as a not-for-profit organisation and operates a Community Access Account with a balance of \$100,000. We also exempt fees and charges for any customer who cannot conduct his or her banking due to a disability.

This year **bankmecu** purchased 1,860 tonnes of carbon offsets from the Community Climate Chest (C3) to remain carbon neutral.