

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

### REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS

#### Commonwealth Bank of Australia

**CBA71QON:** Dr LEIGH: You say you've made improvements, but this is a report that just came down, in December. Have you materially changed the program since December?

Mr Comyn: I think we had been improving it for some time. If you would like a breakdown of the changes that we have made over the last several years, as well as our reconciliation against the recommendations from ASIC, I'd be happy to provide that to you separately.

**Answer:** For 90 years our School Banking program has helped children learn about money, reinforced the importance of regular savings and provided structure for parents to support their children to save. We were making improvements to our School Banking program for some time before the Review of School Banking Programs by the Australian Security and Investments Commission (ASIC) began in October 2018. We worked closely with ASIC and stakeholders during their two-year review. Though ASIC released its report publicly in December 2020, we were given an opportunity to respond to their findings and prepare a detailed action plan in mid-2020. Therefore, by December, much of this work was already completed or well progressed.

Financial support is provided to participating schools through the School Banking Contributions Program to assist with and recognise the administration required to run the School Banking program. This money is spent at the discretion of the school (e.g. for books, technology, sports equipment). In November 2017, we developed a new framework for Contribution Payments to schools with the aim of ensuring that school communities are rewarded for encouraging regular savings behaviour in participants, regardless of the dollar value of the deposits. This was implemented from the beginning of the 2018 school year.

We made changes to our School Banking program materials in line with feedback from ASIC, parents, schools and community groups.

To improve transparency and in line with feedback from ASIC, we published our school payments rationale on our website including a state-by-state breakdown, and our community initiatives are also listed in the Annual Report.

We conducted an end-to-end review of all program materials, including physical materials, scripting, online resources and our public website. This was completed and from March this year changes were implemented. We also committed to regularly checking in with key stakeholders to seek feedback.

We have also committed to ASIC that we will create evaluation and success measures for any new offerings for young people, to ensure we capture feedback and respond accordingly.

We are committed to supporting the financial wellbeing of young Australians and are proud of the positive impact our School Banking program delivers.