



Financial Inclusion Action Plan

SEPTEMBER 2022



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Acknowledgement of Country

Liberty's head office is located on the traditional lands of the Kulin Nation, with offices across the country. We respectfully acknowledge the Traditional Owners of the land, the Bunurong Boon Wurrung and Wurundjeri Woi Wurrung peoples of the Eastern Kulin Nation and their continuing connections to lands, waters, cultures and communities. We pay our respects to Elders past, present and emerging.

A message from our CEO

Liberty is a major non-bank lender in Australia and New Zealand, with a clear purpose of helping more people get financial. We understand the importance of financial inclusion in our community and are committed to helping people lead better lives using finance.

We believe through a Financial Inclusion Action Plan we can make a measurable contribution to increasing financial inclusion and wellbeing in Australia.

We are a motivated and values-driven team that wants to have a positive, sustainable impact in our community. We are proud of what we have achieved for consumers so far and we're excited about how the FIAP will help us do more.

We believe our FIAP will create additional value in three important ways.

First, it will increase our understanding of the financial wellbeing of our customers. This will help us tailor our credit products and support services to help meet the needs of the community, promoting inclusive growth and reducing inequality.

Many people experience unexpected challenges or hardship during their life. We want to be in the best position to provide the support that helps them recover quickly.

Second, it will guide us to increase the accessibility of our products and services. We will assess accessibility in the context of the products and services we offer. We will also consider the ways in which we engage and communicate with customers, recognising as we do that unconscious bias can drive inequality.

Third, our FIAP includes actions to continuously build and maintain a skilful, resilient and diverse Liberty team. These qualities are important if we are to sustainably provide the highest standard of service and care to all our customers. Our focus on gender diversity means we are aware of the barriers women face in applying for a loan.

In preparing our Foundation FIAP we are grateful for the support of the FIAP team at Good Shepherd. The guidance we have received has been very helpful. We look forward to ongoing collaboration with our stakeholders, with Good Shepherd and EY as we implement and measure the impact of our Foundation FIAP.



James Boyle
Chief Executive Officer, Liberty Financial



About Liberty

Liberty was founded in 1997 on the premise of fairness and financial inclusion. A premise which understands that providing credit for good purpose has a sustainable and positive impact on the community.

We are headquartered in Melbourne and have almost 500 people working in the Liberty Group across Australia and New Zealand. We align our businesses across three areas, being residential finance, secured finance and financial services.

Our approach to risk management, combined with our culture of innovation focused on tailoring products and solutions to meet changing customer needs, promotes financial accessibility and inclusion. Ever since we were established, we have been able to provide lending solutions to customers who conventional financial institutions have been unable, or unwilling, to serve.

In addition to our innovative lending solutions, we have proven capability in servicing

customers. Our skills in supporting customers through their life challenges are crucial to protecting and enhancing financial inclusion and wellbeing.

Liberty has a rating of “STRONG” from Standard & Poor’s for the servicing of prime and non-prime mortgages as well as for servicing auto loans and commercial mortgages. Liberty is also Australia’s only investment grade rated non-bank issuer (BBB-, outlook positive by S&P). We are one of only a few lenders with an unblemished, capital markets record with no ratings downgrades or charge-offs ever experienced by our securitisation program.

We listed Liberty Financial Group on the ASX in December 2020 (ASX:LFG). We have helped more than 700,000 customers, advanced over \$38 billion in finance and manage about \$12.9 billion of loan assets¹. We align our businesses across three areas, being residential finance, secured finance and financial services.

In residential finance we offer prime and custom home lending for owner occupier and investment purposes in Australia and New Zealand.

In secured finance we offer motor and commercial finance in Australia. In financial services in Australia we offer personal loans, SME loans, general insurance and life insurance.

Liberty customers access our services through an extensive national network of over 14,000 active independent introducers including, mortgage brokers, finance brokers, real estate agents and accountants and a growing direct distribution capability. This network directly facilitates accessibility and inclusion.

The Liberty Financial Group is led by a highly tenured group of directors and senior managers with extensive financial services expertise. The senior management team has an average tenure of over 10 years with the Group.

Our values

F

FAIR: Do the right thing by our customers, our people and our stakeholders.

L

LEARNING: Be curious and keep growing so we can realise our potential.

A

ACCOUNTABLE: Take responsibility to own and create solutions as needed.

I

INVESTED: Act like an owner of the business in striving for positive outcomes.

R

RESOURCEFUL: Collaborate and think outside the box to get the best results.

FIAP Action Areas

PRODUCTS AND SERVICES

How we focus on tailoring products and solutions to meet changing customer needs.

FINANCIAL CAPABILITY

How we train and empower our team and customers to understand and improve their own financial knowledge, skills, behaviours, and attitudes.

UNDERSTANDING OF FINANCIAL VULNERABILITY

What we are doing to continuously learn about diversity and inclusion and financial vulnerability and how we respectfully apply our knowledge to support customers.

ECONOMIC SECURITY

How we engage and support equality within the community we live and work, to provide opportunities for economic security.

Our Financial Inclusion Action Plan

Products and services

No	Committed Action Statement	Output	Outcome	Stakeholder	Timeframe	Responsibility
1	Analyse portfolio data to identify and proactively reach out to customers who may be at risk of hardship.	<p>Processes established to proactively identify customers in hardship.</p> <p>Implemented customer outreach program for customers at risk of, or who maybe, experiencing hardship but have not reached out to Liberty.</p> <p>Implemented a customer care initiative that supports and strengthens Liberty's relationship with customers experiencing hardship.</p>	<p>Improved support for financially vulnerable customers, staff, suppliers and wider community.</p> <p>Increased ability to meet current financial needs and expenses.</p>	Customers	Ongoing	Customer servicing team
2	Continue to develop and provide affordable lending products to assist customers who are not able to purchase late model vehicles.	Lend for vehicles up to 10 years old thereby assisting consumers not able to purchase a late model vehicle.	<p>Increase in strategies to address economic inequality* (e.g., equitable pay, mentoring, superannuation, education, housing).</p> <p>Improved access to appropriate financial products and services.</p>	Customer	Ongoing	Motor lending team

CASE STUDY

Measuring customer satisfaction

As part of a commitment to understand our customers better, the Customer Servicing team is now measuring how satisfied customers are with the service and support they've received. Not all the calls are straightforward nor all the problems presented by our customers, easy to resolve.

We collect the feedback at the end of a call by asking our customers to rate how satisfied they were on a number between 1 (not satisfied) and 5 (very satisfied). Depending on the customer's response, we then ask what they think we can do better (if rated low) or we ask them what they loved.

Positive feedback tells us that we are earning the trust of our customers. A trusted relationship is a driver of good customer outcomes. That's because it generally means we have established an open and honest relationship. That's critical in helping us provide the support that's needed.

We've also learned that negative feedback, or certain patterns of feedback, can be a lead indicator of whether a matter remains unresolved and requires further attention and support. This information is key to us being proactive with our customers in providing support, which also leads to better outcomes.

Asking our customers how satisfied they are with their engagement with us, is helping improve the way we work with our customers. We continuously review the feedback we receive and adjust how engage to better meet the expectations of our customers.



Financial capability

No	Action area	Output	Outcome	Stakeholder	Timeframe	Responsibility
3	Continue to evolve and implement policies that provide team members with access to resources which build and preserve their emotional and financial resilience, wellbeing and engagement with the business.	<p>Team members able to access a full suite of subsidised financial advisory services provided by Kearney Group, including financial planning strategy, superannuation and investing.</p> <p>Team members and their close family freely accessing Staff Assist Program provided by Converge for free and confidential personal coaching and counselling for work and personal problems.</p>	<p>Organisational culture enables staff to better identify and support financially vulnerable groups.</p> <p>Increase in targeted and scalable resources to build financial capabilities.</p> <p>Increase in awareness and availability of appropriate financial services.</p> <p>Increased financial capability of individuals.</p>	Staff	Ongoing	Culture and community team
4	Develop and make broadly available a tool for consumers which helps them estimate their future living expenses when considering taking on credit.	Tool available to customers.	<p>Increase in targeted and scalable resources to build financial capabilities.</p> <p>Increase in awareness and availability of appropriate financial services.</p>	Customers	June 2023	Technology team

Understanding financial vulnerability

No	Action area	Output	Outcome	Stakeholder	Timeframe	Responsibility
5	Measure the financial wellbeing of customers.	<p>Internal financial wellbeing measurement strategy.</p> <p>Financial wellbeing measurements reported to Liberty management and Board.</p>	<p>Increased understanding of barriers to FI, FR & FW (including economic inequality).</p> <p>Improved support for financially vulnerable customers, staff, suppliers and wider community.</p> <p>Increased pathways and tools for ongoing support for vulnerable groups.</p> <p>Policies, processes and actions implemented to address economic inequality.</p>	Customer	June 2023	Customer servicing team
6	Improve the ability of customer service teams to identify and support customers experiencing mental health issues (including emotional stress tied to financial vulnerability).	<p>Training delivered to customer service teams on identifying and supporting customers with mental health issues.</p> <p>Customers given access to Converge independent counselling service.</p> <p>Customers contacting Converge for free, independent, confidential support services for up to 2 sessions each. There is opportunity to extend this, based on Converge contacting Liberty for approval if the customer needs it.</p> <p>LFI customers who identify during a claims enquiry that they are in need, are able to access Converge for free, independent, confidential support services for up to 2 sessions each.</p>	<p>Increased understanding of barriers to FI, FR & FW (including economic inequality).</p> <p>Organisational culture enables staff to better identify and support financially vulnerable groups.</p> <p>Increase in targeted and scalable resources to build financial capabilities.</p> <p>Improved support for financially vulnerable customers, staff, suppliers and wider community.</p> <p>Increased referrals to specialist mental health support services.</p>	Customer, Staff	Ongoing	Customer servicing team and customer engagement team

7	Support team members and customers experiencing domestic and family violence	<p>Culture and community team members trained to be capable of responding to concerns and situations of domestic and family violence.</p> <p>The Domestic and Family Violence Policy for customer interfacing staff to support customers evolved to ensure it continues to provide for appropriate and timely support.</p> <p>Skills and capability to support a staff member or customer in a crisis situation.</p> <p>Staff in Customer Servicing team, Customer Engagement and LFI, all to receive training to help identify and manage customer issues that relate to domestic and family violence.</p> <p>Liberty providing training to staff, especially the Culture and Community team about how to support and manage staff who are experiencing family and domestic violence situations.</p>	<p>Improved support for financially vulnerable customers, staff, suppliers and wider community.</p> <p>Increase in awareness and availability of appropriate financial services.</p>	Customer, Staff	Ongoing	Culture and community team
8	Provide support services to customers experiencing structural unemployment.	<p>Converge Employee Assistance Program evolved to provide career guidance and support services to customers experiencing structural unemployment.</p> <p>This service to include three sessions over a six-week period. It covers career planning, job search coaching, resumes and cover letters and interview techniques.</p>	<p>Increase in strategies to address economic inequality* (e.g., equitable pay, mentoring, superannuation, education, housing).</p>	Customers	Ongoing	Customer servicing team

“Liberty engaged Good Shepherd to deliver both financial hardship and family violence training to their front-line staff. After the training, the staff set up an initiative to further assist their customers experiencing hardship, particularly after COVID-19. It has been refreshing to work with Liberty and we look forward to potential future collaborations as they continue to be dedicated to enhancing staff skill and customer experience.”

Hannan Amin, Training and Development Consultant, Good Shepherd Australia New Zealand

Economic security

No	Committed Action Statement	Output	Outcome	Stakeholder	Timeframe	Responsibility
9	<p>Continue supporting our corporate Lend-a-Hand partnerships and build on opportunities for financial wellbeing and inclusion for those people that they support.</p> <p>These partnerships with charity organisations who care for vulnerable people in the community whose access to finance is, or is likely to be, diminished.</p>	<p>Opportunities identified for mentoring and providing access to appropriate finance, where possible.</p>	<p>Organisational culture enables staff to better identify and support financially vulnerable groups.</p> <p>Increase in strategies to address economic inequality* (e.g., equitable pay, mentoring, superannuation, education, housing).</p> <p>Improved access to appropriate financial products and services</p> <p>Increase in financial inclusion (access to products and services).</p>	Community	Ongoing	Culture and community team
10	<p>Continue to evolve leave policies at Liberty to support gender diversity and inclusion and maximum participation in the workforce.</p>	<p>Parental leave benefits for all eligible employees, include:</p> <ul style="list-style-type: none"> • Superannuation entitlements up to 52 weeks • Adoption, foster and surrogacy medical parenting leave • Increased paid secondary carer leave to three weeks • Special parental leave in the event of miscarriage, stillbirth or infant death <p>Other inclusive policies include:</p> <ul style="list-style-type: none"> • Fertility support leave • Reproductive health leave (includes menopause leave) • World Cultural and Belief leave • Pandemic vaccination leave (for Covid-19, Monkeypox, etc.) 	<p>Increase in strategies to address economic inequality* (e.g., equitable pay, mentoring, superannuation, education, housing).</p> <p>Policies, processes and actions implemented to address economic inequality.</p>	Staff	Ongoing	Culture and community team

CASE STUDY

Lending a hand at Mirabel

Liberty team members wishing to volunteer in arranged activities with Liberty's Lend-A-Hand Program, are entitled to three fully-paid days per calendar year. We revised the policy in October 2021 to enable greater scope and more time in our volunteering activity.

As part of our long-standing relationship with The Mirabel Foundation, Liberty team members volunteer their time at events throughout the year. One of the events we support is the Mirabel Big Day Out.

In July 2022, a group of Liberty team members took a day out from work to be with a group of Mirabel children. The event was the Big Day Out, which involved a day at an entertainment complex, with many frames of tenpin bowling, a movie and lunch together. There was also much fun and adventure exploring the many games arcades in the complex had to offer. A great day was had by all.

Our involvement in the Big Day Out complements the ongoing support we provide to assist Mirabel to provide social inclusion opportunities, family holidays and respite services.

Our FIAP will help us further explore the relationship and the support we can provide Mirabel Children, Mirabel Teens their carers and other volunteers.



Liberty team volunteers on the Mirabel 2022 Big Day Out

“Liberty’s integrity, compassion and long-term commitment to Mirabel is the support that every not-for-profit dreams of.”

Jane Rowe OAM, Founder/CEO, The Mirabel Foundation

“Having recently joined Mirabel as the Volunteer Coordinator, I could not have asked for more from a corporate partner. The team at Liberty are enthusiastic, professional and reliable and above all amazing with the children. We could not have run the recent events without their assistance. I look forward to working with them in years to come.”

Theresa Mangion, Volunteer and Alumni Program, The Mirabel Foundation

Statement from the FIAP Advisory Group

FIAP members are part of an important movement to reduce inequalities and promote inclusive growth in Australian communities. Financial stress can impact us all, at any stage in our lives. Through the FIAP program, our aim is for organisations across all sectors to understand the impact of financial vulnerability on people's lives and commit to providing timely and effective responses to support them.

We congratulate Liberty on developing its first FIAP and for committing to strengthening financial wellbeing. By building capacity, awareness and greater access to appropriate products and services, Liberty will generate better social and economic outcomes for their customers, employees and the wider community.

Stella Avramopoulos
Chief Executive Officer
Good Shepherd Australia Zealand
On behalf of the FIAP Advisory Group



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Helping more people get financial

