



Financial Inclusion Action Plan

FOUNDATION 2022-2024



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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. Our purpose is to help more people get financial and we're committed to helping people lead better lives using finance. We understand the importance of financial inclusion in our community and the vital role that we play in advocating for and fostering a culture of financial inclusion and wellbeing in Australia.

We believe our Financial Inclusion Action Plan has helped us to make a measurable contribution and are proud to report in these pages the completed actions that we committed to in our Foundation FIAP.

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 so far, and we're excited about how the FIAP will embolden us to do more.

We have already seen the impact of our Foundation FIAP and the additional value it creates for our customers, our products and services, and our community.

Through the actions we committed to in our Foundation FIAP, and have now completed, we helped over 3,000 customers with financial hardship, increasing early, proactive support for those who are financially vulnerable. We were also able to help more than 2,000 people gain access to motor finance within their means, which wasn't previously available to them.

Empowering both staff and customers to take control of their financial wellbeing, we introduced an online budget planner and gave team members access to learning and support resources. These include a wellbeing subsidy and other measures that help meet the needs of the community, promoting inclusive growth and reducing inequality.

Many people experience unexpected challenges or hardship during their life. With a desire to be in the best position to provide the support that helps them recover quickly, our customer-facing teams underwent extensive training to help them identify customer vulnerability and mental health issues.

Through the introduction of new and extended leave and support policies, Liberty has broadened its gender diversity and inclusion efforts to provide a safer and more supportive workplace. This encourages our team to bring their authentic selves to work without fear of judgement, bias or exclusion.

In completing our FIAP report, 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 FIAP and future financial inclusion efforts.



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 more than 550 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 innovate on 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 S&P Global Ratings 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 stable 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 850,000 customers, advanced over \$38 billion in finance and manage about \$13.8 billion of loan assets. 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	Status	Commentary
1	Analyse portfolio data to identify and proactively reach out to customers who may be experiencing hardship.	<p>Processes established to proactively identify customers in hardship.</p> <ul style="list-style-type: none"> - Implemented customer outreach program for customers at risk of, or who maybe, experiencing hardship but have not reached out to Liberty. - Implemented a customer care initiative that supports and strengthens Liberty's relationship with customers experiencing hardship. 	<p>Improved support for financially vulnerable customers, staff, suppliers and wider community.</p> <p>Increased ability to meet current financial needs and expenses.</p>	Completed	On the first day of a missed payment, Liberty sends an SMS to customers, even if their loan account is in advance. Liberty's hardship account manager proactively contacts customers to learn about their current situation and offer assistance. In October 2023 we sent 3,777 SMS messages to proactively contact customers who had loans in arrears. Our staff are also supported with specialised training through a third-party, Gallagher, in understanding and how to spot vulnerability so they can proactively support our customers who may be experiencing hardship.
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>	Completed	Liberty offers a Motor Loan product for customers looking to purchase vehicles that are 10+ years old. Older vehicles often cater to individuals who may not have the means to purchase newer, more expensive cars. This product supports our customers by ensuring they can access the transportation they need for work, daily activities, and improving their quality of life. In the past 12 months we have helped 2,132 people purchase vehicles that are 10+ years old.

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	Committed Action Statement	Output	Outcome	Status	Commentary
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>	Completed	Learning is one of Liberty's values for which we have a KPI of 2 hours self-driven learning per month for all staff. We provide LinkedIn Learning which has numerous wellbeing topics. Staff have also been provided access to a Neurodiversity Best Practices workshop. We support this learning culture with targeted policies aimed at raising awareness of and helping to increase the financial capability of our staff and customers. Examples of such policies are our Financial Empowerment subsidy and Family and Domestic Violence Policy. Through our partnership with Kearny Group, we have provided staff with education and subsidised or free support on topics including tax, budgeting, superannuation, and wills. Liberty partners with Converge to provide a SAP service and training on topics that build emotional resilience and wellbeing such as Dealing with Tech Stress, Thriving Under Pressure, Maintaining Motivation. After 12 months of service, staff are eligible for a Health and Wellbeing subsidy.
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>	Completed	Liberty provides an online tool to help consumers estimate their future living expenses when considering taking on a loan. This tool is freely available on our website and can be found here . The calculator is simple and easy-to-use, to help people assess surplus funds depending on living expenses. Consumers can change variables such as living expenses and loan repayments and be shown a surplus or deficit to help assess affordability. So far this year we have had 433 visits to the site, of which there were 337 unique visitors to this tool.

Understanding financial vulnerability

No	Committed Action Statement	Output	Outcome	Status	Commentary
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 financial inclusion, financial resilience and financial wellbeing (including economic inequality).</p> <p>Improved support for financially vulnerable customers, staff, suppliers and wider community.</p> <p>Increased pathways & tools for ongoing support for vulnerable groups.</p> <p>Policies, processes & actions implemented to address economic inequality.</p>	Partially completed	<p>Liberty will implement a data exercise to measure the change in creditworthiness of our customers once they have engaged in one of our products. We will do this by measuring the change in the customers credit bureau score from application date, then at various intervals. This will help us understand any change in a customer's financial wellbeing. We have identified various cohorts of financially vulnerable customers that we intend to include. The key objective is to develop new products or improve existing products that will provide greater economic inclusion. We have engaged Equifax to obtain the data required to complete this initiative.</p>

“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

No	Committed Action Statement	Output	Outcome	Status	Commentary
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 financial inclusion, financial resilience and financial wellbeing (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>	Completed	<p>Our teams have deep experience in providing support to customers in financial difficulty that may be impacted by mental health issues. We have strengthened these skills through training with Good Shepherd. All customer facing staff undertake training on identifying vulnerability and are required to take extra care with customers experiencing mental health issues. In 2023 we had 55 staff members attend Mental Health Challenges training run by Converge. The teams follow the RRR model, which stands for Recognise (when a customer may be vulnerable, struggling or in crisis), Respond (with empathy and respect), and Refer (to external support services, where appropriate). We provide Liberty and LFI customers free access to Converge counselling and career services.</p> <p>Our converge training (for the vulnerabilities and behaviours) which is about helping our customer facing teams to introduce the support offerings (Counselling and job search support) to customers was compulsory attendance. 82% attendance of customer interfacing roles.</p> <p>The training of F&DV provided by GS which is about educating our customer facing teams regarding these issues that may be experienced/experiencing by customers when they engage with customers, was compulsory attendance (and has been arranged annually - both 2022 and 2023). 86% attendance of customer interfacing roles.</p> <p>The training of F&DV provided by Women's Health Victoria (2nd worksheet in FIAP Training Overview document) is about education for staff and managers regarding these issues that may be experienced by our internal staff and was optional for attendance. However, we did have 29.4% attendance by those in the customer interfacing roles.</p>

No	Committed Action Statement	Output	Outcome	Status	Commentary
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>	Completed	<p>Liberty has a family violence policy and statement for customers and staff. Customers can find details of Liberty's Family violence policy on our website. Also, specialist domestic and family violence training is provided by external parties to the entire customer servicing (hardship) department. In 2023 we ran two training sessions with 62 staff members attending. In May-June 2023 we provided Safe and Supported training through Women's Health Victoria to all leaders to learn how to support and manage staff experiencing family and domestic violence situations.</p>
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>	Completed	<p>Where the servicing team has identified a customer may be experiencing unemployment, they may recommend to the customer a free, independent, and confidential career counselling service arranged through Converge. In 2023 we referred 57 customers to this service.</p> <p>Additionally, staff are trained to have conversations with customers to help them understand if they have insurance cover in the event of involuntary unemployment. Our servicing team may recommend that the customer check their Product Disclosure Statement and contact their insurer.</p>

Economic security

No	Committed Action Statement	Output	Outcome	Status	Commentary
9	Continue supporting our corporate Lend-a-Hand partnerships and build on opportunities for financial wellbeing and inclusion for those people that they support.- These partnerships with charity organisations who care for vulnerable people in the community whose access to finance is, or is likely to be, diminished.	Opportunities identified for mentoring and providing access to appropriate finance, where possible.	<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>	Completed	Lend-A-Hand offers substantial financial assistance to community partners, and our team actively engages in volunteer work for these organizations with 408 volunteer hours engaged in 2023. Liberty matches all staff donations, directing the funds to our Lend-A-Hand partners. Liberty is B Corp certified and hold ourselves to a high standard for social and environmental accountability. Liberty has also partnered with the Victorian peak body representing Aboriginal and Torres Strait Islander businesses – Kinaway Chamber of Commerce, to help support First Nations businesses seeking finance. We have appointed a First Nations Lending Specialist to help support this initiative.
10	Continue to evolve leave policies at Liberty to support gender diversity and inclusion and maximum participation in the workforce.	<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 & actions implemented to address economic inequality.</p>	Completed	<p>Liberty's World Cultural and Belief Leave policy supports the celebration of faith practices. Our Cultural and Ceremonial leave policy provides First Nations staff time off to attend ceremonial responsibilities.</p> <p>We support gender diverse staff through our Gender Affirmation/Transition policy. Liberty's Reproductive Health Leave policy provides support for various reproductive health challenges (e.g.; endometriosis, PCOS, menopause, prostate health, and penile disorders). Our Fertility Support Leave policy supports individuals and their partners undergoing treatments such as IVF.</p> <p>For new parents, Liberty offers an extensive Parental Leave policy. Notably, whilst on leave, staff continue to accrue benefits including superannuation.</p> <p>Ensuring maximum participation in our workforce is further supported by our Working Practices policy that offers a flexible framework to balance work and personal life.</p>

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 2023 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

