Better outcomes for all

Diversity and inclusion for our people, customers, and communities
Diversity and inclusion at Commonwealth Bank

FY18 highlights

More culturally diverse than Australia
Our Cultural Diversity Index(1) measures the cultural mix across the Bank with a 0-1 number — the higher the score, the more diverse the population.

Commonwealth Bank: 0.77
General Managers+: 0.60
Executive Managers+: 0.64
Australia (2016 census): 0.59

Fostering gender diversity and flexible working

74% people worked flexibly in 2018
Up from 69% in 2017

20% of people worked part-time or job-shared

More than 57% women in our workforce

44.6% women in Manager and above roles

Role modelling reconciliation

66 Indigenous students completed a traineeship

47% secured employment on completion

24 joined our graduate program

300 of our people received Indigenous cultural capability training

40 of our people went on cultural immersion programs

Supported 34 Indigenous peoples complete their financial counselling diploma

Better outcomes for all

---

Embracing diversity of thinking

Commonwealth Bank's focus on having a diverse workforce has seen the Bank become more culturally diverse than Australia’s population at large. We are now closer than ever to closing the gap between aspiration and reality.

But our work doesn’t stop here. We know there’s more work to be done to improve the diversity of our leadership teams and to promote greater diversity in thinking.

Why? Diversity – when underpinned by a strong culture of inclusion – is a powerful combination that delivers better outcomes for our people, customers, communities and shareholders.

Our 2018+ Diversity and Inclusion Strategy marks the next phase of our development; it details the steps needed to embed inclusion-led practices, become more outcomes-focused, and create a greater sense of shared ownership.

Diversity and inclusion – two separate concepts of equal importance

Diversity is where different perspectives, backgrounds and experiences come together. Inclusion is the deliberate act of valuing diversity and creating an environment where everyone can thrive and succeed. When combined – diversity and inclusion delivers better outcomes for all.
Over the past year we saw a greater uptake of parental leave amongst new fathers; more training and employment opportunities for Indigenous students in STEM-related areas (science, technology, engineering and mathematics); an increase in flexible working; and a positive response to our Domestic Violence Emergency Assistance Program.

We are proud to celebrate our differences, and committed to ensuring that diversity and inclusion is not measured by the latest initiative or goal – but in the outcomes of our day-to-day business. This is where the real work starts. The following pages document some of the year’s highlights grouped together under three pillars – our people, our customers, and the communities we serve.

“We’re working hard to create a better bank for our people, our customers and the community, and that includes ensuring we create an environment where all our people can bring their whole selves to work.”

Matt Comyn, Chief Executive Officer, Commonwealth Bank of Australia

The value of diversity of thinking

Diversity of thinking can increase innovation by 20% and reduce business risks by 30% (1)

We believe a greater focus on diversity and inclusion in the coming years will go a long way in helping us become a better bank.

Better outcomes for all


Creating a diverse and inclusive culture

Employee networks

Our employee-led networks give our people a stronger voice to shape areas such as recruitment, leadership initiatives, product development, accessibility of services and community outreach initiatives. The growth of our networks over the past five years is a reflection of the important role they play both inside and outside the Bank.

Over the past four years, our LGBTI employee network, Unity, has partnered with the Pinnacle Foundation to help provide scholarships and mentoring for disadvantaged LGBTI youth across Australia. The Foundation awarded more than 20 scholarships to LGBTI students in 2018 to study in their chosen field and pursue their dreams.

Janine Middleton, CEO of the Pinnacle Foundation, says the Bank’s financial support for marginalised LGBTI youth through the Pinnacle Foundation is a great measure of its commitment to equality and social justice. “It’s powerful to see one of Australia’s largest companies dedicate financial, volunteer and technical support to support our youth with such high potential.”

When it comes to cultural diversity, our employee network MOSAIC made great strides and helped kick off a number of mentoring and internship programs for multicultural communities over the year.

Last year, MOSAIC joined forces with our Multicultural Banking team to help launch our first African Internship program in partnership with the Melbourne Employment Forum. The program provides meaningful work opportunities for African communities and is designed to promote a pipeline of diverse talent into the Bank.

In addition to this, we have been working with the Victoria University Mentoring Program to mentor students from diverse backgrounds and assist them with navigating, and transitioning to, the corporate world. This year we saw 18 MOSAIC members mentoring final year students from across a range of fields.

Our LGBTI employee network

Unity empowers our people to bring their whole selves to work every day – regardless of their sexual orientation, gender identity, or gender expression.

Since its inception more than five years ago, Unity has driven awareness, engagement and behavioural change, helping the Bank achieve recognition as one of Australia’s top LGBTI employers for five consecutive years by the Australian Workplace Equality Index awards.

Two members of our Unity network were recognised in Deloitte’s Outstanding 50 LGBTI Leaders Report in 2018, a prestigious annual list that highlights role models across the private and public sector.

Employee networks

- **Unity**
  - sexual orientation and gender identity

- **mosaic**
  - cultural diversity

- **ENABLE**
  - accessibility and disability

- **ADVANTAGE**
  - age and life stage

- **Can**
  - gender
The power of flexibility
Flexible working improves the wellbeing and performance of individuals, teams and organisations. Research shows that employees with flexible working arrangements have 55% higher engagement, 55% less stress, and 45% lower turnover intention than employees who do not. We encourage our people to balance work with other important responsibilities in their lives. Our iCAN Flex program supports our people to adopt flexible working practices – allowing them to adjust how, when and where they work, to deliver better outcomes for themselves, our customers and the business.

We have seen a steady increase in flexible working practices since 2014 and most notably since iCAN Flex was launched in 2016. For example, in 2015 – before iCAN Flex was launched – approximately 45% of our people worked flexibly. In 2018 this number was 74%, which is a 62% increase in flexible working practices over those three years.

Accessibility for everyone
The provision of equity, access and support for people with a disability is part of our culture and integral to our diversity and inclusion strategy. Our 2017-2020 Accessibility and Inclusion Plan outlines the steps we are taking to improve access for our customers, our people and the communities we operate in.

Improvements in the accessibility of our bank branches and workplaces, along with accessibility e-learning for employees, have been a particular focus for us over the financial year. We have also set ourselves minimum accessibility standards and created an assessment tool for internal projects and product development to help guide our day-to-day business.

The Plan details a range of measurable goals to improve accessibility as we progress towards 2020. Our accessibility employee network, ENABLE, continues to provide invaluable advice, raise awareness and support the initiatives undertaken to date.

Flexible working delivers better outcomes for all
Over the year, more than 3,500 people in Group Operations (GO) increased their uptake of the division’s flexible working initiative, GO Flex.

Not only has there been a marked improvement in engagement and wellbeing – where participants have noted higher job satisfaction due to more time spent with family and friends – there has also been positive knock-on-effect on overall efficiencies.

GO Flex is saving people up to two or three hours of travel time each day, reducing travel costs, boosting productivity, and in turn, providing a better experience for our customers.

---


Dad’s the word on parental leave

We believe the workplace plays a critical role in the lives of new fathers. We’re seeing more dads taking time off to support their families following a birth or adoption than ever before. Between 2016 and 2017, there was a 22% increase in the number of male employees taking time off to assume or share childcare responsibilities. This positive trend is set to continue.

A greater take-up of parental leave by men not only supports their wellbeing and engagement at work – it also goes a long way in improving gender equality in the workplace. Our research shows that 90% of Australians believe men taking parental leave supports women to succeed in their careers, however 40% of men still have concerns about taking parental leave. (4)

To help address these concerns, we changed our parental leave entitlements in 2017 to remove the distinction between fathers, mothers or other guardians. Our people can switch from being secondary to primary carer (and vice versa) during the first 12 months of their child’s life.

Commonwealth Bank’s Head of Diversity and Inclusion, Liz Griffin, says more work is needed. “We’ve made great progress but we’re focusing on promoting a gender-neutral approach to overcome preconceptions and make parental leave accessible to all.”

Research conducted by Direct Advice for Dads and research firm CoreData found Commonwealth Bank to be one of the top five large companies in Australia for working dads. (5) Our flexible parental leave policy, 52-week superannuation payments for primary carers, and return-to-work benefit for primary carers were just some of the areas we were recognised for.

“Having that time to focus on my daughter without any distractions brought us closer together. It’s incredible to watch your child grow, learn new things, say new words, and take their first steps.”

Greg Sarlas, Group Operations, Commonwealth Bank

An extraordinary impact on our family

Greg Sarlas, from Group Operations, took secondary carer leave when his daughter was born, followed by a period of parental leave when his wife returned to work.

“When Penelope was born, I took four weeks parental leave as a secondary carer to spend time with her and support my wife in those early weeks. Then, when Penelope was around nine months old, my wife returned to work and I took another eight weeks’ leave as the primary carer.

Spending that time with Penelope had an extraordinary impact on our family. It helped me appreciate what life had been like for my wife over those months one-on-one with the baby.”

(4) The research was commissioned by Commonwealth Bank and undertaken by independent research company, YouGov Galaxy – in April 2018 of 1,017 Australian respondents aged 18 years and older.

(5) Parental Leave: Inside the policies of Australia’s 500 biggest businesses, Direct Advice for Dad, June 2018
Better reflecting our customer base

The results of our Cultural Diversity Index show that the Bank is more culturally diverse than the population of Australia.

“We are proud of our cultural diversity and see it as one of our greatest strengths”, says Anvij Saxena, General Manager, Retail Bank Services Operational Risk and Co-Chair of MOSAIC.

“But we’re taking this further – we want our leadership teams to not only reflect the population of Australia – but match the incredible diversity of our workforce across the Bank.”

In 2015, we set a new target for gender diversity in leadership. By 2020, we want to see women comprising 40% of Executive Manager and above roles, and 45% of Manager and above roles. These targets represent the next part of our phased approach to progressing towards full gender parity from 2020 onwards. We are moving in the right direction and have more women in both Manager and Executive Manager roles than ever before. In total, 57% of our workforce are women.

Turning our attention to the future; more needs to be done to ensure our leadership teams reflect the diversity of our people, and we are developing actions to address this. Different points of view and a broader range of opinions and perspectives contribute to better decision-making.

Contributing to reports and publications is a powerful way of contributing to the public policy debate and research on diversity and inclusion. This year we contributed to a number of reports issued by the Australian Human Rights Commission, the Diversity Council of Australia, and Male Champions of Change.

Role modelling reconciliation

We are committed to fostering greater economic, social and financial equity for Aboriginal and Torres Strait Islander peoples across Australia. While we know there is still much more to do, we are proud of the progress we have made since the launch of our first Reconciliation Action Plan (RAP) in 2008.

Representing Indigenous peoples through the composition of our workforce is fundamental to the success of our RAP. We aim to reach employment parity – 3% Aboriginal and Torres Strait Islander representation across the Group – by December 2026, with a milestone target of 1.5% by December 2020.

Meaningful career pathways

Over the year, our Indigenous Careers team delivered more traineeships, internships and experienced recruitment opportunities to Indigenous peoples. We saw 66 Indigenous peoples completing school-based and full-time traineeships over the year; 47% of which secured employment opportunities with the Bank on completion of their traineeship.

To complement our traineeships, we also offer a number of internships through our 10-year partnership with the CareerTrackers Indigenous Internship Program. This year we exceeded our annual commitment and provided 30 opportunities to Indigenous university students. Since 2015, 24 students have secured a pathway into our graduate program, with nine set to join the Bank in 2019.

“It’s heartening to see one of Australia’s largest and most iconic organisations taking their social responsibility seriously and being fair dinkum about their contribution to reconciliation between Aboriginal and Torres Strait Islander Peoples and the rest of the population.”

Mick Gooda, Gangulu Man, Aboriginal and Torres Strait Island Social Justice Commissioner (2010-2016), Commonwealth Bank Indigenous Advisory Council Member

(6) Excluding ASB, Sovereign and Aussie. These metrics are extracted from the Group Annual Report, and for which PwC performed a limited assurance engagement. Further details on the scope of the engagement issued by PwC dated the 8 August 2017 can be found in the Assurance Statement available at https://www.commbank.com.au/investors/corporate-responsibility.html.
Meaningful career pathways in IT

STEM skills are important to education and the economy in ways that few other disciplines are; they are key to productivity, technological adaptation and research-based innovation. The number of Indigenous students transitioning to university in STEM-related programs is significantly lower than their non-Indigenous peers.

Our Enterprise Services team worked to create alternative pathways to IT careers for Indigenous communities in FY18. The team held a ‘hackathon’ to engage with Indigenous communities and created more entry-level IT roles supported by formal and on-the-job training to encourage applications. They also worked with cultural capability provider, BlackCard, to create a more culturally safe working environment for new hires.

The team’s hard work paid off. In the space of 18 months, 50 IT traineeship roles were filled, and 225 people from the team received cultural capability training. We are excited to continue the program in the coming financial year.

In community, by community

Indigenous peoples living in regional and remote communities often experience heightened consumer disadvantage and are frequently subject to financial exploitation. Australia’s Indigenous financial counsellors play an invaluable role in providing information, support and advocacy to assist those facing financial difficulty.

Over the past decade, through our partnership with Indigenous Consumer Assistance Network’s (ICAN) Indigenous Financial Counselling Mentorship Program, we have supported 34 Indigenous Australians to complete their diploma in financial counselling, with another 12 participants currently taking part in the program.

This mentorship approach is recognised within the financial counselling sector as a best practice training model for people wishing to undertake the diploma. The success of the program has encouraged ICAN to expand its scholarship offering to its new multicultural financial counselling mentorship program. We are excited to be funding 10 student placements for the 2017-18 program.

“Building a culturally safe environment has given our Indigenous staff the confidence to recommend the Bank to friends and family. Word of mouth is the strongest marketing in Indigenous communities, and as a result, we now have a father and daughter, mother and son, two brothers, two sisters, and a brother and sister working in Enterprise Services.”

Brad Cooke, Indigenous Engagement and Innovation, Co-Chair of Yana Budjari network

Supporting cultural capabilities

We are making sure that our people have the skills to build strong relationships with Aboriginal and Torres Strait Islander peoples. The roll out of our Cultural Capability Framework, which was developed alongside BlackCard, has been extremely successful – with more than 300 employees receiving training through face-to-face workshops over the year.

“Awareness and education are key to helping us become a more culturally diverse workplace”, says Kylie Macfarlane, General Manager, Corporate Responsibility and Co-Chair of Yana Budjari.

“We are reinforcing values-based behaviours to foster an inclusive environment where everyone has the opportunity to learn, grow and succeed.”

Each year we send 40 Bank employees on cultural immersion programs in the Bawaka and Nyinyikay Aboriginal homelands in North East Arnhem Land. The programs are operated by Lirwi Tourism and provide our people with unique cultural learning opportunities.

Securing better outcomes for communities

Playing our part to end domestic and family violence

The World Health Organisation estimates that around 1 in 3 women and 1 in 13 men will experience domestic abuse or family violence in their lifetime.\(^\text{(10)}\) As one of Australia’s largest banks – we recognise the important role we play in this community-wide issue. In recent years, we have been working with community organisations, government agencies and frontline support bodies to develop a strategy to respond to domestic and family violence.

Our strategy has five main pillars — to provide a safe place to work; support customers in crisis; champion gender equality; promote financial independence; and advocate for change. Amongst other actions, we increased domestic violence leave from 5 to 10 days, developed domestic violence support kits, and offer more training both internally and externally.

Our Domestic and Family Violence Emergency Assistance Program, which was launched in August 2017, provides expert counselling and financial support for those looking to leave an abusive relationship. Over the year, we distributed the package in partnership with Telstra, Women’s Services Network, and Rape and Domestic Violence Services Australia. More than 6,000 customers have accessed the program since its launch.

To coincide with the launch of the assistance program, we also developed Addressing Financial Abuse, a guide to help support workers assisting victims with establishing financial independence — a critical step in leaving an abusive relationship. We continue to work with community organisations and experts to better understand how we can expand our efforts to support those affected.

At the end of 2017 we contributed to a major report issued by UN Women Australia called ‘Taking the First Step: Workplace Responses to Domestic and Family Violence’. The report chronicles the efforts of Australian businesses to respond to domestic and family violence, with the aim of helping other organisations take the first step in protecting and supporting sufferers.

Sponsorships, recognition and affiliations

We are proud to have received a Platinum Employer accreditation from the 2018 Australian Workplace Equality Index awards, and the 2017/18 Employer of Choice Gender Equality citation by the Workplace Gender Equality Agency, alongside Bankwest. Bankwest was also awarded the Australian Institute of Management WA Pinnacle Award for Workplace Diversity Excellence in 2018. The Bank is compliant with the Australian Workplace Gender Equality Act 2012 following the submission of our annual compliance reports in 2018.\(^\text{(11)}\)


\(^\text{(11)}\) Excludes Bankwest and Aussie, who submit separate compliance reports. International businesses are excluded.
As individuals, we come together in organisations with our own frames of reference and perspectives shaped by our unique experiences.

Harnessing this diversity requires organisations to include people by listening, asking respectful questions, acknowledging differences, finding common ground, thinking about the collective as well as the individual, and considering how we participate and thrive together. Inclusion takes effort.

Getting it right will give us a better understanding of the different needs of customers and the communities that we operate in; unlocking greater engagement, increased innovation, and better risk management.

Looking ahead, rapid changes in the nature of work, shifting employee and customer demographics, and an increasingly complex and competitive environment will have substantial implications for our diversity and inclusion approach. Our aim is to be recognised as an authentic leader in diversity and inclusion, ensuring that our customers and our employees are at the centre of everything we do.
If you would like to provide feedback, or you have questions on this report or our corporate responsibility initiatives, please contact us at sustainability@cba.com.au