

FAQs: About RIAA Certification for Responsible Investment

All retail mortgages and deposit accounts opened by the Bank are Certified as Responsible Investment. The Certification is by the Responsible Investment Association Australasia (RIAA)ⁱ.

Who is the RIAA?

The Responsible Investment Association Australasia (RIAA) is the peak industry body representing responsible, ethical and impact investors across Australia and New Zealand. RIAA has an active network of over 240 members who manage more than \$9 trillion in assets globally. More info: <https://responsibleinvestment.org/>

What is RIAA Certification?

RIAA's *Responsible Investment Certification Program (RICP)* provides investors with standardised and consistent information allowing them to compare and contrast the investment options that have been assessed and verified as responsible or ethical.

RIAA's *Certification Symbol Trade Mark* provides consumers and industry alike with a quality mark of Australia and New Zealand's standard for responsible investing products and advice. The Certification Symbol is the only symbol of its kind in the world.

Where is the Certification published?

The Banks' products are listed on RIAA's *Responsible Returns* website www.responsiblereturns.com.au and products on this web-tool have been certified in accordance with RIAA's Program.

Is the RIAA independent from the Bank?

Yes. The RIAA is an independent body with its own Constitution, Mission and Objects. The Bank is 1 of 240 members in the network.

What Bank products are Certified?

All new retail mortgage and deposit products sold via its four brands: Firefighters Mutual Bank, Health Professionals Bank, Teachers Mutual Bank, and UniBank. Certification commenced on December 1 2018. This means that;

- Every *saving/deposit account* we open is a **Certified Responsible Investment**.
- Every *mortgage/home loan* we sell is a **Certified Responsible Investment**.

What other products at the Bank are certified?

Around 98% of the products the Bank sells is mortgages and deposits. Certification covers all new products sold after December 1 2018. It cannot be applied retrospectively applied to previously held mortgages and deposits.

The Bank's \$1 billion Debt Issuance Programme (DIP) for wholesale investors is a Certified Ethical Investment by RIAA. The cash proceeds raised are used to fund The Bank's balance sheet, largely mortgages.

What are the benefits for members?

- There is zero cost, and zero change - the products remain the same
- *Third party verification* means our responsible investment credentials can be trusted, and that we are a leader.
- **The deposits you give us** is not used to fund various damaging industries such as fossil fuels
- **The money we lend you** for your mortgage does not come from damaging industries.

Is the Bank Certified?

No, the RICP programme is designed for products only and cannot be applied to an organisation. The Certification evidence is centred on the banks' distinctive socially responsible strategies, standards and practices.

What exactly is 'responsible' about your products?

The Bank operates under distinctive socially responsible strategies, standards and practices and these apply to all its products – primarily mortgages and deposits. The Bank also has specific *social responsibility exclusion criteria* in relation to the provision of credit.

- **When members obtain a mortgage from the Bank they are accessing funds that are mostly sourced from member and customer deposits**, plus wholesale funds.
- **When members or customers deposit funds with the Bank**, these are all subject to specific social responsibility exclusion criteria when providing credit.

Did you pay for the RIAA certification?

You can't buy Certification, it is awarded by meeting the detailed RIAA criteria. There is a very small fee paid for administration costs. To be Certified, a list of criteria must be met and is detailed in the *Program Requirements Guide*.

At a glance what exclusions apply to the Banks products?

- **Lending exclusions.** These apply where the 'primary purpose of the entity or business is alcohol, armaments, correctional facilities, cryptocurrency, deforestation or gross environmental degradation, gambling, military activities, political activities, pornography, slavery, tobacco or uranium'.
- **Fossil fuel exclusions.** The Bank does not use members' deposits to directly lend to, buy equity or debt in, any large-scale greenhouse polluting activities from fossil fuel exploration, extraction, production and use. This is written in our Treasury Credit Risk and Lending Risk Policy.
- **No political donations.** We do not donate, give gifts or employee or management time, to support political candidates or political organisations.

ⁱ Retail mortgages and deposits have been certified by RIAA according to the strict operational and disclosure practices required under the Responsible Investment Certification Program. See www.responsibleinvestment.org for details. The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold an Australian Financial Services Licence.