



**FOURTH REPORT ON
CORPORATE SOCIAL RESPONSIBILITY
BY THE IRISH BANKING FEDERATION ON BEHALF
OF MEMBERS COVERED UNDER THE
CREDIT INSTITUTIONS (FINANCIAL SUPPORT) SCHEME**

22 SEPTEMBER 2010

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1. Statutory Instrument

Section 45 of the Credit Institutions (Financial Support) Scheme (hereafter 'the Scheme') as set out in Statutory Instrument 411 of 2008 specifies that:

"Each covered institution shall procure that the Irish Banking Federation, on behalf of all covered institutions, submits a bi-annual report to the Minister on goals and targets laid down by the Minister in relation to Corporate Social Responsibility (CSR), including the goals and targets with respect to the objectives of this Scheme, the delivery of the national payments strategy, the promotion of financial inclusion, the development of financial education and the implementation of the next phase of the Government's Social Finance Initiative. This report shall also be published on each covered institution's website within five working days of being issued".

Following Ministerial Orders made on 24 October and 5 November 2008, the following credit institutions and subsidiaries are 'covered institutions' for the purposes of the Credit Institutions (Financial Support) Scheme 2008:

- 1) Allied Irish Banks, p.l.c. and its subsidiaries AIB Mortgage Bank, AIB Bank (CI) Limited, AIB Group (UK) plc and Allied Irish Banks North America Inc.;
- 2) Anglo Irish Bank Corporation Limited and its subsidiary Anglo Irish Bank Corporation (International) Limited;
- 3) The Governor and Company of the Bank of Ireland and its subsidiaries Bank of Ireland Mortgage Bank, ICS Building Society and Bank of Ireland (I.O.M.) Limited;
- 4) EBS Building Society and its subsidiary EBS Mortgage Finance;
- 5) Irish Life & Permanent plc and its subsidiary Irish Permanent (IOM) Limited;
- 6) Irish Nationwide Building Society and its subsidiary Irish Nationwide (I.O.M.) Limited;
- 7) Postbank Ireland Limited.

This report is submitted to the Minister for Finance on 15th September 2010, as the fourth bi-annual report in compliance with Section 45 of the Scheme.

This report will be published on each covered institution's website within five working days of being issued.

2. Introduction

This is the fourth IBF Report on the CSR activities of banking institutions covered under Credit Institutions (Financial Support) Scheme.

The [first](#), [second](#) and [third](#) reports were issued on March 18th 2009, September 16th 2009 and 18th March 2010 respectively. They were published on the websites of covered institutions and the Irish Banking Federation (IBF). The Reports summarise the activities and programmes of Covered Institutions in the area of corporate social responsibility under the headings defined in the Credit Institutions (Financial Support) Scheme.

Banking institutions remain focussed at the moment on adapting to the changed market environment. The banking sector continues to undergo significant adjustment in response to market and regulatory developments. The third report on CSR activities of Covered Institutions was published in March 2010 and since then there have been a number of significant developments, particularly in the area of assisting debtors who are experiencing financial difficulties.

The IBF Pledge to homeowners facing difficulties with their mortgage repayments was issued in November 2009. The Pledge affirms that all IBF members who are mortgage-lenders are committed to working with customers who are facing repayment difficulties on their principal private residence due to changed economic circumstances. Such lenders are committed to working with borrowers to formulate a mutually acceptable and affordable repayment plan. Once the repayment plan is maintained, lenders will not initiate legal proceedings. An IBF Oversight Committee composed of representatives of the Money Advice and Budgeting Service (MABS) and IBF, and chaired by former Minister for Economic Planning and Development, Martin O' Donoghue, has been monitoring the application of the Pledge by lenders.

In May and in early September, the Financial Regulator published data on mortgage arrears and repossessions gathered from all lenders, including specialist or sub-prime lenders. While the data noted that there was an increase in mortgage accounts in arrears for more than 90 days, it also showed that lender forbearance is enabling mortgage borrowers experiencing financial difficulties to manage their arrears and avoid repossession. The number of repossessions fell for the third consecutive quarter in Q2 2010 to 86 properties. Similarly, the level of outstanding arrears cases where Court proceedings have been issued also decreased in the period in contrast to the trend in arrears overall. Early engagement between the borrower and the lender is key to reaching a resolution where a mortgage arrears problem arises.

In April 2010, IBF launched a new website, www.helpinghomeowners.ie to provide information and guidance to mortgage borrowers who may be experiencing financial difficulties. The website highlights the importance of borrowers engaging with their lenders as part of a step-by-step plan to reaching a mutually-acceptable solution. Such borrowers should contact their lender as soon as repayment difficulties are anticipated, respond to letters and phonecalls from their lender, and look to maximise their income by drawing up a budget. Where a borrower is genuinely unable to meet their repayments, the lender will explore a number of options with the borrower to find a sustainable solution.

In July the Expert Group on Mortgage Arrears and Personal Debt published an [interim report](#) which detailed a range of recommendations for various stakeholders. The recommendations cover a broad spectrum including lender communications with borrowers and the requirement for a Mortgage Arrears Resolution Process (MARP) to be developed by each lender. The underlying principles include ensuring that any solution should aim at assisting borrowers remain in their homes where it is feasible and appropriate. Lenders and borrowers should both act in good faith at all times in seeking a solution. The Report also recommends that the Financial Regulator's [Code of Conduct on Mortgage Arrears](#) (CCMA) is amended accordingly and applied to Credit Unions while guidance from the Department of Environment, Heritage and Local Government is updated to reflect the provisions of the revised CCMA. Changes to the Mortgage Interest Supplement (MIS) Scheme are also outlined. The work of the Expert Group is continuing as the representatives explore proposals around loan modification and borrowers with unsustainable mortgages. The final report is expected in October.

Following on from this, on August 13th the Financial Regulator announced a review of the CCMA. The review of the CCMA, which was originally a voluntary industry code, is intended to reflect the recommendations of the Interim Report of the Expert Group on Mortgage Arrears and Personal Debt. The CCMA consultation proposes that each lender introduces a MARP, that a dedicated Arrears Support Unit (ASU) is established, and that an appeals process is put in place so that borrowers can request an independent review of the outcome of the MARP. IBF welcomes this review and notes that lender forbearance is helping thousands of homeowners to work with their mortgage lender in managing their mortgage and other debts.

The [IBF-MABS Operational Protocol: Working Together to Manage Debt](#) has been in place since September 2009 and it enables IBF creditors and MABS money advisers acting on behalf of their clients to work together effectively to help their customers/clients deal with their debt issues. The Protocol outlines general principles and processes involved in the five key steps for agreeing a mutually-acceptable, affordable and sustainable repayment plan between IBF creditors and money advisers. The Protocol has been acknowledged by both MABS and IBF creditors as a valuable agreement that works well for all parties, especially the debtor.

Following the implementation of the Protocol, a joint Monitoring Group was established to share experiences on its operation and to examine where improvements could be made where appropriate. The Review had a number of outputs:

- Progress by MABS in reporting statistics that show the effectiveness of the Protocol and also a very low decline rate of negotiated offers
- Escalation processes undertaken by IBF creditors and explored by MABS
- Agreement to explore the amendment of the MABS Financial Statement to include client assets
- An enhanced understanding of Provision 2 (h) with a view to clarifying that creditors will suspend or withdraw legal action where there is engagement with MABS

The [Interim Report on Personal Debt Management and Debt Enforcement](#) published by the Law Reform Commission in May 2010 contains a 14 point action plan for stakeholders involved in dealing with personal debt. This report follows a broad and detailed consultation launched in September 2009, one of the outputs of which was the formation of a Working Group to bring forward solutions in the area of personal debt. The 14 points include a recommendation that the IBF-MABS Protocol is extended to other financial institutions such as Credit Unions and sub-prime lenders. The Report also recommends, inter alia, the development of a Standardised

Financial Statement, regulation of money advice and debt collection undertakings, and reform of relevant financial services legislation. In addition, the Report recommends that amendments to the Protocol arising from the Review are reflected in any similar arrangements between MABS and other creditor groups.

Finally, since the Third Report on CSR Activities was published, approval from the European Commission was granted for the extension of the revised State Guarantee Scheme. Participating institutions in the Credit Institutions (Eligible Liabilities) Scheme can avail of a Government Guarantee for certain liabilities for a period of up to five years. Covered institutions welcome this development as it will facilitate institutions in their continued adjustment to the changed market environment and also assist in the phased withdrawal of State support. Covered institutions wholly appreciate and remain very grateful for the significant State support received since 2008.

2.1 Profile of Covered Institutions

The nature and scope of the CSR activities of covered institutions will obviously vary and depend on their structure, profile and the products and services they offer. The table below captures some of the differences between covered institutions such as the types of customer bases and their roles in the payments and clearing system.

COVERED INSTITUTION	CLEARING INSTITUTION? ¹	CUSTOMER BASE	CSR POLICY	CSR REPORTING
AIB	YES	Personal Customers Business Customers	YES	CSR Overview in Annual Report and Summary Report; CSR website: www.aibgroup.com/csr
ANGLO IRISH BANK	NO	Personal Customers-savings only Business Customers	Yes, CSR Policy currently under review	CSR Overview in Annual Report
BANK OF IRELAND GROUP	YES	Personal Customers Business Customers	Written policies on CSR-related activities	CSR Overview in Annual Report
EBS BUILDING SOCIETY	NO	Personal Customers <i>Primarily Savings and mortgages</i> Business Customers	YES	Yes in Annual Report and other publications
IRISH LIFE & PERMANENT	YES	Personal Customers Business Customers	YES	Annual CSR Reports published since 2004. CSR Overview in Annual Report

¹ Clearing institution defined as member of Irish Retail Electronic Clearing Company Ltd. and the Irish Paper Clearing Company Ltd.

COVERED INSTITUTION	CLEARING INSTITUTION? ¹	CUSTOMER BASE	CSR POLICY	CSR REPORTING
IRISH NATIONWIDE BUILDING SOCIETY	NO	Personal customers- <i>Savings and mortgages only</i> Business Customers	YES	CSR included in Director's Report in Annual Report
POSTBANK*	NO	Personal Customers	CSR is embedded in the bank's overall strategy	Postbank is a community-based bank

*On 26 February 2010 Postbank announced that its shareholders - An Post and BGL BNP Paribas - decided to discontinue the Postbank joint venture by end of 2010. Postbank services are currently being phased out. Customer accounts are scheduled to be closed by end-September 2010.

2.2 List of Covered Institutions and Web Resources

Full details of the broad range of activities covered within these programmes can be accessed through the following links:

AIB Bank Plc

www.aibgroup.com/csr

Anglo Irish Bank

www.angloirishbank.com/Investors/Responsibility_Governance_/Corporate_Responsibility

Bank of Ireland Group

www.bankofireland.com/about_us_new/index.html

EBS Building Society

www.ebs.ie

Irish Life & Permanent

<http://www.irishlifepermanent.ie/en/corporate-responsibility.aspx>

Irish Nationwide Building Society

www.inbs.ie

Postbank

www.postbank.ie

3. Implementation of the National Payments Strategy

3.1 Introduction

A modern payments environment is an important element in enhancing economic efficiency and growth. In Ireland, more efficient electronic payments have not been availed of to the same degree as in other countries and traditionally there has been greater usage of cash and cheques. In 2008, the value of ATM cash used per capita at €6,493 per annum was the highest in the EU and nearly 2.5 times the EU average according to the Irish Payments Services Organisation (IPSO). Similarly, the attachment to cheques as a payments instrument equates to volumes of two million cheques issued per week in 2009 and cheque usage levels are around twice the European average.

There are indications of a nascent shift towards electronic payments in 2009, even accounting for the decline in economic activity. The number of cheques issued in Ireland fell by more than 13%, marking a fourth successive annual decline. Cheques have fallen from 27% to 15% of non-cash payments after the last five years. While the number and value of payments overall decreased in 2009, the number of electronic payments increased and now account for 41% of non-cash payments in volume terms. This is still somewhat behind the European average and denotes an area where there is further scope for improvement, particularly in terms of the value of electronic payments.²

Electronic payments are a better and more efficient payment method than cash or cheques as they can offer savings to consumers and businesses, improve business efficiency and enhance economic competitiveness.

Electronic payments provide many benefits over paper transactions including:

- A more secure form of payment as physical handling is not required;
- Added convenience and efficiency as electronic payments are processed more quickly than paper transactions;
- Certainty of payment for beneficiaries;
- Automated payment processes reduce the administrative burden for businesses and payment institutions;
- Less risk and associated costs in terms of transporting and maintaining stocks of large amounts of cash;
- More environmentally-friendly; and
- Scope to progress financial inclusion.

3.2 The National Payments Implementation Programme

The National Payments Implementation Programme (NPIP) is tasked with developing 'a best in class' payments environment which delivers efficiencies to all sectors of the economy, is inclusive of all sectors of society, and shares the benefits universally'. The NPIP Advisory Group (a multi-stakeholder group facilitated by the Department of Finance) drafted a report for the Minister for Finance recommending the establishment of a task force to prepare a National Payments Plan. It

² Irish Payment Services Organisation, *Annual Review 2009*. pp. 8-11.

is anticipated that this task force will be established and work commenced on a National Payments Plan in 2010.

3.3 The Single Euro Payments Area (SEPA)

SEPA is the biggest payments initiative ever undertaken in Europe as it seeks to create a single market across Europe for payments, including cross-border payments, so that making a payment between different European countries is the same experience as making a payment within Ireland.

SEPA was launched in January 2008 and European banks have signed up to the Credit Transfer Scheme. The uptake of such SEPA payments has largely been for cross-border payments as there has been little in the way of domestic migration to SEPA standards. Since November 2009, banking institutions across Europe, including covered institutions, have been rolling out SEPA Direct Debit services. The two schemes that have been launched facilitate cross-border euro direct debit payments for the first time. It is anticipated that SEPA Direct Debit services will be widely available in Ireland by the end of 2010.

SEPA will provide more efficient and cost-effective cross-European payments for consumers and businesses and promote spin-off benefits such as e-invoicing, and mobile and internet payment services.

3.4 Progress by Covered Institutions in Advancing Payments Strategy

Covered institutions are committed to advancing payments strategy and progress in terms of reducing the volume of cheques being used is outlined in the table below.

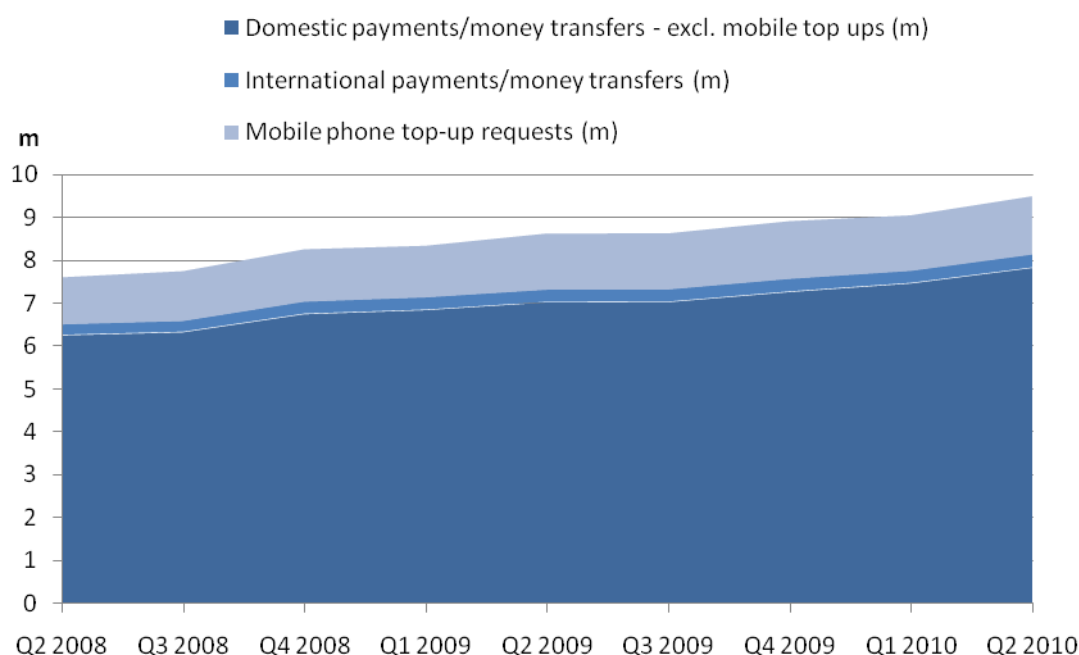
CHEQUE REDUCTION

INSTITUTION	%CHANGE YoY 2008				% CHANGE YoY 2009				% Change YoY 2010	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
AIB	-8%	-7%	-7%	-7.85%	-13%	-15%	-20%	-18%	-12%	-8%
BANK OF IRELAND GROUP	-2%	-3%	-4%	-4.21%	-10%	-10%	-10%	-9%	-7%	-7%
IRISH LIFE & PERMANENT	-8%	-5%	-6%	-7.89%	-16%	-17%	-19%	-23%	-16%	-15%

3.5 Growth of Online Banking

Progressing online banking is an important factor in Payments Strategy. The [IBF/IPS0 Online Personal Banking Report](#) showed that there were 2.5m customers registered for online banking by the end of June 2010, an increase of 4% compared to the same period in 2009. Accounts were accessed online 37.1m times in Q2 2010, a year-on-year increase in activity of 10%. The number of payments conducted online reached a new record of 9.5m in the second quarter of 2010, 10.1% more than in Q2 2009.

Payments (m)



Online banking provides customers with detailed and up-to-date information and additional services in terms of managing their finances. It also provides greater efficiency and cost-effectiveness for banking institutions. The development of online banking is an important corresponding element of encouraging usage of electronic payments under the National Payments Strategy.

4. FINANCIAL INCLUSION

4.1 Introduction

Financial inclusion is the concept of universal access to basic financial services which have become part of everyday life for a majority of people. Low income groups can be considered to be vulnerable to financial exclusion if they cannot obtain basic banking services which are required for important aspects of everyday life. Financial inclusion forms an important pillar of the NPIP, as ensuring access of vulnerable groups to electronic payments services is necessary to minimise the risk of their financial exclusion while also advancing payments strategy. By accessing basic banking services, vulnerable groups can also develop their financial capability and financial management skills, and benefit from access to other financial services and products.

4.2 Basic Bank Accounts

Under the NPIP, the provision of basic banking services was considered to be key to promoting financial inclusion and in particular, the development of a basic bank account. A basic bank account is a simple current or payment account which is low cost and does not have any credit facilities attached to it. A basic bank account is targeted at vulnerable groups to ensure they can access basic banking services.

The development and implementation of basic banking services have also been discussed in other policymaking arenas. In 2009, the European Commission conducted a public consultation on financial inclusion which focussed on access to basic bank accounts for vulnerable groups across Europe. The consultation raised a notable level of interest, with 97 responses being received.

In the Recapitalisation Scheme as announced in December 2008 by the Minister for Finance:

“The recapitalised banks have committed to broaden the provision of basic or introductory bank accounts and will promote these accounts to socio-economic groups where the holding of bank accounts is less prevalent and to those who find that a current account does not suit their basic banking needs. The Department of Social and Family Affairs will continue its engagement with the financial institutions with a view to increasing availability and demand for basic bank accounts. Each bank can develop the form of its basic bank account in discussion with the Financial Regulator and in all cases it will provide cash card facilities. In support of this initiative the Government will arrange that stamp duty will not apply to cash cards for basic bank accounts. Detailed targets for basic bank accounts will be negotiated with each institution.”

In February 2009, a Government announcement updated on engagement between participating institutions and the Financial Regulator with progress made on the development of basic bank accounts and the identification of targets.

In July 2010, the Government committed to implementing a number of sectoral measures to the European Commission in order to gain approval required under State aid rules. These included promoting consumer protection and financial inclusion to ensure that vulnerable groupings have access to basic banking services and products. To that end, a review is to be undertaken of the measures available to promote financial inclusion with reference to international best practice. The review will look to issue recommendations aimed at advancing financial inclusion over a three to five year period. As part of Government strategy, the domestic banking sector will be

required to support and promote the availability of basic bank accounts. The Social Finance Foundation (SFF) have been asked to carry out the review on behalf of the Department of Finance. A steering group of key stakeholders is being established which will begin its discussion in September and deliver its recommendation by the end of 2010. This marks significant progress in terms of progressing a multi-stakeholder and holistic approach towards promoting financial inclusion and the implementation of basic bank accounts.

4.3 Banking Services Accessibility

Appendices 1 and 2 detail initiatives that covered institutions have in place to promote the accessibility of their banking services. The volume and scale of these initiatives will differ depending on each covered institution's size, the institution's level of focus on the retail sector, and the geographic span of its branch network.

5. FINANCIAL EDUCATION

5.1 Introduction

For consumers, financial education and the development of their financial capability are key to understanding and making informed decisions about financial services and products. The knowledge requirements also shift with changes in financial products and services, and the consumer's life-stage. Therefore, it is crucial that consumers have the appropriate tools to develop their financial capability.

The consumer information website, www.itsyourmoney.ie, initiated by the Financial Regulator and now operated by the National Consumer Agency (NCA) provides useful product-specific information and general advice on dealing with aspects of financial services and products. Covered institutions are involved in advancing financial capability along with other stakeholders and also provide web-based resources.

5.2 Improving Financial Capability

In 2006 the Financial Regulator formed a National Steering Group on Financial Education. The Group is composed of key stakeholders with an interest in financial education such as Government departments, educational and training institutions, non-governmental organisations and industry bodies including IBF. The Steering Group sought to review current practice and resources in relation to financial education in Ireland and internationally. One of the outputs from this workstream was an [audit](#) of independent financial education resources which is now available on the NCA website www.financialcapability.ie.

The National Steering Group also sought to develop a financial competency framework that would act as a financial education resource development tool with defined learning outcomes for a financially-capable individual across four different learning levels.

The Financial Regulator published the first [Financial Capability Study](#) in March 2009 which sought to measure and assess the level of financial capability among consumers. The Study provided the National Steering Group with valuable insights on consumer behaviours and attitudes. A matrix of disadvantaged groups with a view to targeting financial education measures at these groups was also developed.

In July 2009, the National Steering Group published the landmark report [Improving Financial Capability - A Multi-Stakeholder Approach](#). This document sets out commitments and recommendations aimed at developing financial education in Ireland in a co-ordinated and transparent manner.

Improving Financial Capability outlines commitments and recommendations to be undertaken by:

- the Financial Regulator (now the NCA following the transfer of consumer information and educative functions effective 1st March 2010)
- the Irish Insurance Federation (IIF),
- the Money Advice and Budgeting Service,
- the National Adult Literacy Agency,

-
- the Irish League of Credit Unions,
 - the Irish Vocational Education Association (VEA),
 - Fás,
 - the National Council for Curriculum and Assessment (NCCA),
 - the Pensions Board
 - the Department of Education and Science
 - the Institute of Bankers in Ireland
 - and the IBF

5.3 Recommendations in Improving Financial Capability- A Multi-Stakeholder Approach for IBF Members

Improving Financial Capability contains a list of recommendations and actions for stakeholders, including IBF (see list below). IBF have established a working group of members, including covered institutions to drive forward the recommendations.

- **Recommendation in Relation to Research and Best Practice**
IBF-member institutions variously develop consumer information/education initiatives and the very wide range of materials available is reflected in the National Audit of Personal Finance Education Resources (Ireland). The Irish Banking Federation (IBF) will continue to share with the Steering Group information on such activities and any relevant research conducted by them or their members as it becomes available.
- **Financial Competency Framework**
The IBF commits to promoting awareness of and adoption of the Financial Competency Framework among its member institutions.
- **Direct Provision of Personal Finance Education Resources**
The IBF will work with member institutions in making available, the people expertise to support and assist relevant stakeholders, including the Financial Regulator, in promoting financial education in Ireland. Such expertise may be provided on a volunteering or secondment basis.
- **Future Direction**
To set up a Financial Capability fund with seed funding from the Recapitalisation Scheme.

The Recapitalisation Scheme, announced by the Government in December 2008, stipulates that:

“The recapitalised banks will provide funding and other resources, in cooperation with the Financial Regulator, to support and develop financial education for consumers and potential consumers. The resources to be made available will take account of the Financial Regulator’s Financial Capability Study and the Report of the Steering Group on Financial Education”.

Discussions have progressed between the NCA and IBF and its members on driving out these recommendations. In particular, a Workplace programme whereby staff from financial institutions are made available to support and deliver educative workplace programmes for companies has been advanced, co-ordinated by the NCA. This initiative is now progressing to the planning stage with a view to implementation in early 2011.

5.4 Education Programmes Supported by Covered Institutions

There are many useful financial education resources delivered by a variety of stakeholders through different channels. IBF and members have developed several such financial education resources.

The Money-Go-Round II Primary School Resource Programme was developed in conjunction with the Department of Education, the National Council for Curriculum and Assessment, and the Irish National Teachers' Organisation. The Programme is targeted at eight to twelve year-olds with a view to fostering an early understanding of money and money management, to provide a basic introduction to financial services and to lay the basis for critical thought for students' future financial lives.

IBF also developed Paymaster II, an internet resource for post-primary level students that aims to assist secondary level students understand personal finance management, provide information on payment methods including cashless alternatives, and encourage informed decision-making in relation to financial services and products.

Money-Go-Round and Paymaster II are available for download at www.ibf.ie.

Covered institutions also have their own initiatives to promote financial education in schools across the country. For more details on these, see Appendices 3 and 4. The scope and nature of these initiatives will depend upon the size of the covered institution, its involvement in the retail banking market and its geographic coverage.

6. Implementation of the Social Finance Initiative

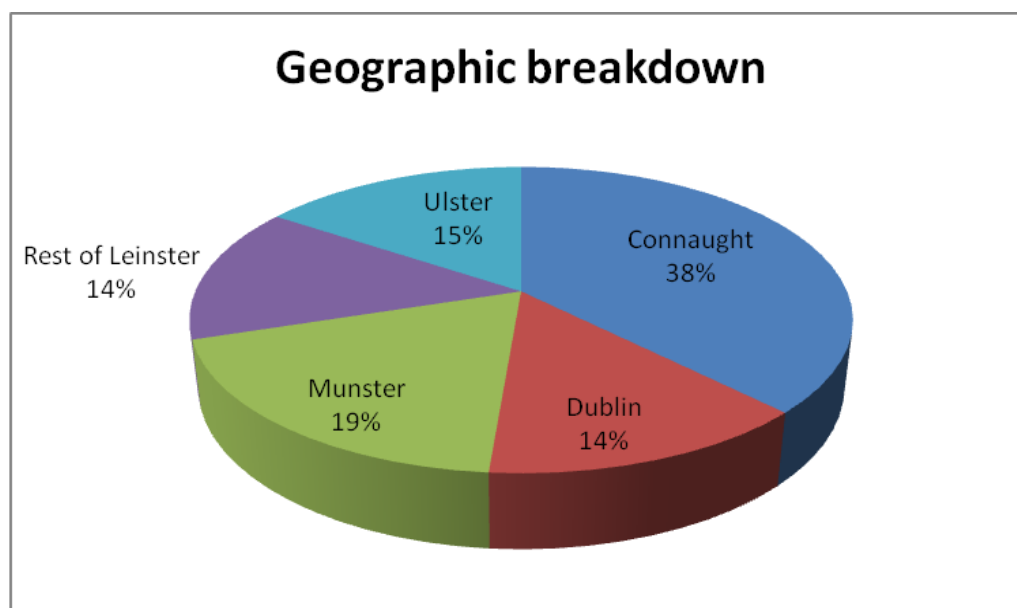
6.1 Introduction

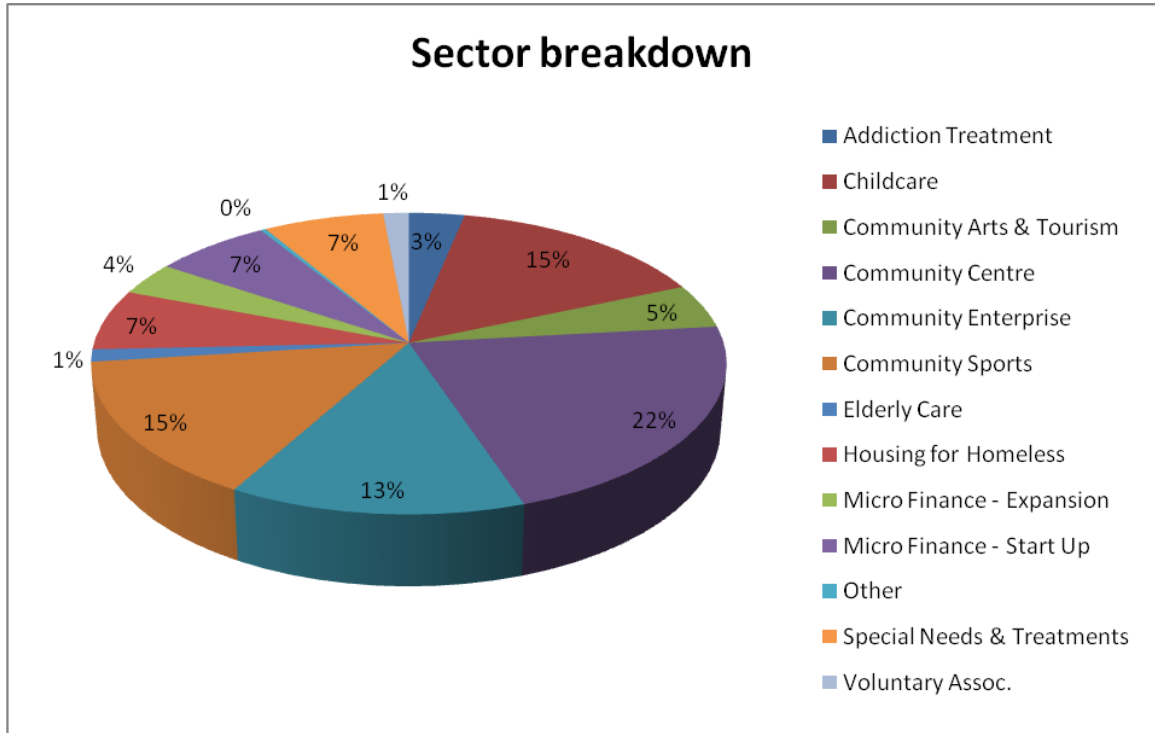
The Social Finance Foundation was established in 2006 as a not-for-profit company limited by guarantee and has since become a significant wholesale supplier of funding for social finance. In 2007 the banking industry (including covered institutions, see below for contributions) together gifted €25m to establish the Foundation. Two years later, a loan agreement was put in place to establish the Foundation on a sustainable, long-term footing. The loan agreement involves the contributing institutions making €72m available in loans over the next twelve years at very competitive interest rates appropriate to social finance.

6.2 The Work of the Social Finance Foundation

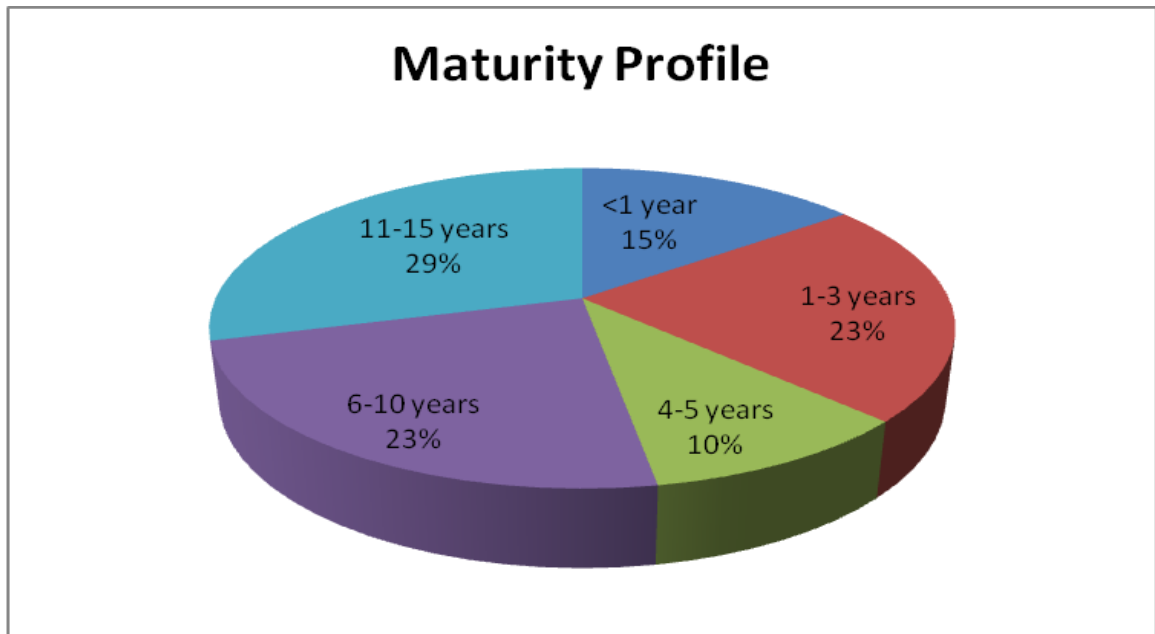
The Foundation provides funding to Social Lending Organisations (SLOs) which in turn provide loans for community projects and local development initiatives (such as micro-enterprises) which have a social impact. The Foundation takes a prudent approach to lending so that the funding can be recycled and the number of projects that can be financed is maximised. By June 2010, the Foundation had approved €24m in financing, with €12m drawn down for projects.

The Foundation is conscious of the need to ensure that funds are used appropriately and the charts below (reflecting the year ending 30th June 2010) indicate that the monies are being targeted at the right sectors, across the country as a whole and are meeting the needs for longer term funding.





The Foundation has been asked by the Department of Finance to manage the development of a strategy and implementation plan to promote Financial Inclusion in Ireland. It is planned to have the work completed by end-Dec 2010.



6.3 Contributions of Covered Institutions to SFF

All seven covered institutions contribute to the SFF, along with another six retail banking institutions. The table below outlines the commitments of covered institutions.

COVERED INSTITUTION	INITIAL SEED CAPITAL CONTRIBUTION (€m)	FUTURE LOAN CONTRIBUTIONS 2009-2021 (€m per annum)	TOTAL COMMITMENT (€m)
AIB	6.275	1.506	24.347
ANGLO IRISH BANK	0.950	0.228	3.686
BANK OF IRELAND GROUP	6.275	1.506	24.347
EBS BUILDING SOCIETY	0.950	0.228	3.686
IRISH LIFE & PERMANENT	3.125	0.750	12.125
IRISH NATIONWIDE BUILDING SOCIETY	0.625	0.150	2.425
POSTBANK	Prior to Postbank launch	0.048*	0.576*
TOTAL FOR COVERED INSTITUTIONS	18.2	4.416	71.192
TOTAL FOR NON-COVERED INSTITUTIONS†	6.8	1.584	25.808
TOTAL SFF FUNDING	25.000	6.000	97.000

* As of August 2010, Postbank is no longer a contributor to the SFF.

† Non-Covered Institutions: ACC Bank, Bank of Scotland (Ireland), KBC Bank, National Irish Bank, Ulster Bank

7. Summary

The focus of the banking sector is currently absorbed with adjusting to the changed market environment. There have been notable developments in the area of personal and mortgage debt management. This report has noted the following developments since the publication of the Third Report in March 2010:

- Under the National Payments Strategy and Financial Inclusion, the Steering Group on Financial Inclusion is being established to review measures aimed at achieving financial inclusion and the implementation of basic bank accounts
- Progress has been made under Financial Education, with a Workplace programme due to be put into action in 2011
- The SFF continues to provide funding for community projects and enterprises with a social benefit and by June 2010 the Foundation had approved €24m in loans

Covered institutions are very grateful and appreciative for the State support received under the Credit Institutions (Financial Support) Scheme. IBF and its members remain committed to being responsible corporate citizens and to contribute to a better society through CSR activities.

APPENDIX 1: INITIATIVES AIMED AT ENHANCING ACCESSIBILITY FOR CUSTOMERS WITH DISABILITIES

COVERED INSTITUTION	DESCRIPTION OF INITIATIVE	OBJECTIVES
AIB	AIB will on request provide Braille or large print statement and correspondence. Main points from any AIB brochures can be printed in Braille, on request.	Facilitates individuals who are visually impaired.
	All ATMs have an adopted keypad that has a raised pip on the number 5 button plus they have universal raised icons on the function keys for Enter, Clear and Cancel.	
	Induction loops for hearing aid users have been installed in 50% of AIB branch premises.	Facilitates individuals with hearing difficulties.
	AIB has piloted lower level counters and plans are in place to introduce one low-level service point into each branch refurbishment affecting counters.	Assists customers to conduct their banking at AIB branches in an easy manner.
	69% of AIB branches are accessible with 44 ramps/platform lifts having been installed since 2000 and doors to branches becoming automated.	
	80% of AIB's ATM network is wheelchair accessible and this is constantly reviewed. In certain locations providing wheelchair access may not be possible due to planning or other issues.	
	AIB Internet Banking and AIB Phone Banking are available day and night. Customer service agent service available for non-routine services or customers who experience difficulties.	General accessibility.
AIB has an objective to make websites accessible, i.e. ensuring web site content can be navigated to and read by everyone, regardless of their location, experience or the type of computer technology used. All AIB websites should comply with WA1 accessibility standards (level 2AA) as provided by the World Wide Web Consortium.	Facilitate individuals who are visually impaired.	
For certain disabled customers, a Chip and Signature Card has been introduced. This card can be used at Point of Sale and the customer will be provided with a receipt which they can sign, in order to purchase goods or services.	Assists disabled customers to purchase goods using their Debit or Credit card.	
ANGLO IRISH BANK	Wheelchair access and disabled toilet facilities have been provided in fitted-out offices since 1996.	Accessibility for those with disabilities.
	Online enquiry service 'Anglo Connect' is available to all customers of the Bank and gives them 24/7 access to account information.	General Accessibility.
	Anglo Irish Bank aims to maximise the accessibility of its websites. Since March 2009, Anglo Irish Bank websites have achieved level 1 and 2 of the Web Accessibility Initiative (WAI) accessibility guidelines as provided by the World Wide Web Consortium (W3C).	Website accessibility for the visually-impaired.
BANK OF IRELAND	Bank statements available in Braille.	Facilitates individuals who are visually impaired.
	Hearing Loop facilities available in more Bank of Ireland modern branches.	Facilitating individuals with hearing difficulties.
	Banking 365 (online and phone) available 24/7.	General Accessibility.
	Bank of Ireland customer service agent service available 8am to midnight Mon-Fri and 10am to 2pm Saturdays.	
	All new/refurbished Bank of Ireland branches over the last 3 years (c. 40 branches) have specially designed wheelchair accessible cash counters, self service equipment and customer service counters.	Wheelchair Accessibility.
	Bank of Ireland Group Website meets the visually impaired specified standards (DDA) and W3C accessibility standards.	Website accessibility for the visually-impaired.

COVERED INSTITUTION	DESCRIPTION OF INITIATIVE	OBJECTIVES
EBS BUILDING SOCIETY	Online banking is available 24/7 while EBS Direct also caters for customer queries by phone Monday-Friday, 9am-6pm.	General accessibility.
	<p>The EBS website incorporates features for those with visual impairments.</p> <p>A number of high transaction offices have hearing loops.</p> <p>All marketing collateral incorporates guidelines for the visually impaired.</p>	Visual and hearing impairments.
	EBS ensures that where refurbishments are taking place, branches are wheel-chair friendly.	Wheelchair accessibility.
	IRISH LIFE & PERMANENT	<p>Ptsb can provide Braille or large print statements on request.</p> <p>Ptsb has installed hearing aid induction loop systems in all of our branches and Head Office buildings.</p>
<p>c.95% of Ptsb branches are wheelchair accessible. All branch refurbishments comply with Part M of the Building Regulations.</p> <p>c.75% of Ptsb ATM machines meet internationally accepted guidelines for wheelchair accessibility (PIN pad not more than 950mm from floor or ground level).</p>		Makes products and services accessible to people with accessibility issues.
Online banking available 24/7 through "Open24". Telephone banking available Mon-Fri 8.00 am to 10.00 pm and Saturdays 10.00am to 2.00 pm (excl. Bank Holidays).		General accessibility
<p>Irish Life & Permanent group website complies with all of the Priority Level 1 criteria of the World Wide Web Consortium (W3C) (Web Content Accessibility Guidelines Version 1.0). We have a detailed set of accessibility standards for our Irish Life website and we are developing a similar set of standards for our permanent tsb website.</p> <p>We promote the use of Browse Aloud software on our customer websites for use by people with visual impairments, low literacy levels or who do not have English as a first language.</p>		Website accessibility for the visually-impaired.
IRISH NATIONWIDE BUILDING SOCIETY		<p>INBS has a well established national branch network enabling us to provide a local and personal service to all our customers.</p> <p>We also provide a telephone call service for all our customers with any queries regarding our mortgage and savings products.</p> <p>We are reviewing the wheelchair accessibility status of all our branches.</p>
	Our website meets W3C accessibility standards and is currently XHTML 1.0 with a Level A - Priority One and we are working towards having Level AA - Priority Two by the end of the year.	Website accessibility for the visually-impaired.
	POSTBANK	Postbank services will no longer be available in Post Offices and all customer accounts are scheduled to be closed by the 30 September 2010.

APPENDIX 2: INITIATIVES AIMED AT VULNERABLE GROUPS

COVERED INSTITUTION	TARGET GROUP	DESCRIPTION	OBJECTIVE
AIB	Migrant workers	Polish website www.aib.ie/polska . Polish-speaking staff available on the Phone and Internet Banking registration team. Introduction of international payments facility via internet banking.	International Payments facility provides a much more efficient & economical service for moving funds abroad which is of particular help to migrant workers.
	Customers over 60 years of age	Banking free of maintenance and transaction fees, as well as waiver of certain other commission/service charges.	To support older customers in retirement.
	Students	Banking free of maintenance and transaction fees, as well as waiver of certain other commission/service charges. Interest free overdraft and reduced rate personal loans for third level students.	To support and encourage students in the use of banking services.
ANGLO IRISH BANK	All customer groups	Anglo Irish Bank does not apply any charges for account maintenance or payments to its customers.	To enhance accessibility.
BANK OF IRELAND GROUP	Customers on lower incomes	Affordable Housing Breakthrough Mortgage available since 2006 provided through an agreement between the bank and the relevant local housing authority Mortgage.	Affordable Homes Scheme.
	Non-nationals /Migrant Workers	Bank of Ireland provides Migrant business information evenings i.e. Chinese import/export information and business start up seminars. Bank of Ireland has broad representation of migrant communities among our front-line employees, who are available if our migrant customers want to transact business in their own language.	Support for non-Irish Nationals/Migrant Workers.
	Students	Free banking. Interest Free Loan. Grant Advance Loan.	To empower students and support them with tailored financial products.
	Over 60's	Free banking.	To support older customers in retirement.
EBS BUILDING SOCIETY	Over 50s/Retiree Segment	Guaranteed acceptance – no medical check is necessary. It pays out a lump sum upon death. EBS also offers discounts for its more senior members, for example 10% for over 50's and 15% for over 60's on its home insurance policies. If you are a public servant, upon retirement, EBS offers an extra 0.25% on top of the standard rate of Family savings Accounts.	EBS Over 50s' Life Cover EBS Home Insurance EBS Fixed Savings Account

COVERED INSTITUTION	TARGET GROUP	DESCRIPTION	OBJECTIVE
IRISH LIFE & PERMANENT	Non-Irish Nationals/Migrant workers	<p>Ptsb has non-Irish national employees who can assist customers who would like to transact business in their own language.</p> <p>Polish section on the permanent tsb website.</p> <p>Ptsb is in the process of developing international payments online.</p>	Support for non-Irish Nationals/Migrant Workers.
	All customers	Transaction-fee free banking.	Affordable banking
IRISH NATIONWIDE BUILDING SOCIETY	All customers	Irish Nationwide does not apply any charges for account maintenance or payments to its customers.	Affordable banking
	Native Irish speakers	Irish Nationwide has native Irish speakers in our Galway branch who regularly provide services to customers through Irish.	Support for native Irish speakers and non-Irish Nationals.
	Non-nationals	Irish Nationwide has non-national staff working in the branch network who can assist customers in their native language.	
POSTBANK	All customers	Postbank services will no longer be available in Post Offices and all customer accounts are scheduled to be closed by the 30 September 2010.	

APPENDIX 3: SCHOOLS PROGRAMMES SUPPORTED BY COVERED INSTITUTIONS

COVERED INSTITUTION	PROGRAMME NAME	SCHOOL LEVEL	LOCAL/ REGIONAL / NATIONAL	PROGRAMME DESCRIPTION	PROGRAMME OBJECTIVES
AIB	Junior Achievement (JA)	Primary & secondary	National	JA Worldwide is a partnership between the business community, educators and volunteers. JA's approach allows AIB volunteers to deliver JA's curriculum while sharing their experiences with students.	JA programmes help to develop an entrepreneurial mindset among second-level students, prepare them for the world of work and teach financial literacy.
	AIB Kids website www.aib.ie/kids	Primary	National	This has very basic information about the bank, saving, money and games.	Teach children about finances in an easy, informative and fun way.
	AIB Build a Bank challenge	Secondary school	National	Annual event which provides transition and 5 th year students the opportunity to run their own school bank with the help of AIB.	Introduces the concept of banking and finance in a fun interactive manner.
	Business 2000 www.business2000.ie	Secondary School	National	AIB is a sponsor & partner in the Business 2000 initiative which brings business and enterprise education together to bring stories about enterprise to the classroom.	The focus of Business 2000 is to illustrate key areas of the 2nd Level curriculum by using up-to-date business examples coming from organisations operating on the island of Ireland. By experiencing how organisations manage their business and deal with everyday issues, students can gain a greater understanding of the realities of the world of business. These case studies can then be used as real examples to underpin their understanding of the various learning points in the curricula.
	Financial Education Module	Secondary School	National	AIB has developed a generic presentation on general banking products and services, which we are presenting to schools to support 'financial education' objectives. It does not have details of AIB's products.	The aim of this presentation is to teach secondary school children about money in simple English and in a way that is accessible and understandable to them in the class room environment.
ANGLO IRISH BANK	Schools Business Partnership Programme	Secondary Level	Regional	As part of this integrated programme specific guidance is given to transition year students by staff of the Bank and third party advisors on financial matters such as budgeting, credit, personal finance etc.	To positively impact on educational inclusion and address key issues in areas of educational disadvantage in local areas where the Bank has a presence.
BANK OF IRELAND	"Learn to Earn" a co-branded programme with Junior Achievement Ireland	Transition Year (17/18 year-olds)	National	The Learn to Earn programme aims to reach students over three years and will educate transition year in areas of finance e.g. budgeting, understanding where credit is appropriate, how to compare credit offers, etc. The programme is made up of 5 sessions where the students are taught through role playing and scenario games. Approx 100 volunteers from Bank of Ireland will present the education programme to the students in the nominated schools.	The Learn to Earn programme will help students develop the ability to analyse their motivations about the uses of money and establish good financial habits which will carry over into their adult lives.
	National Student Awards	Secondary	National	The Bank of Ireland National Student Awards is a national awards scheme for 2nd level students that recognises exemplary performance in six unique categories. Each student is initially nominated by their school and can then progress through regional heats to the national finals.	This unique scheme allows secondary schools throughout the country honour their own local heroes in art, sport, entrepreneurial spirit, academic achievement, community spirit and team initiatives.

COVERED INSTITUTION	PROGRAMME NAME	SCHOOL LEVEL	LOCAL/ REGIONAL / NATIONAL	PROGRAMME DESCRIPTION	PROGRAMME OBJECTIVES
BANK OF IRELAND	School Banking	Secondary	National	Presentation Pack developed for School Visits.	These presentation materials have standardised and simplified the way in which we explain how banking works. It aims to educate students on general banking products and services.
	Youth Week	Primary	National	Youth week is aimed at children aged 7+ and is designed to encourage children to save. Branch Staff are trained to ensure that the first experience is memorable one for children. Youth week is promoted through schools, youth clubs and sports clubs.	Programme is designed to support families who believe in the principle of saving. Our experience shows that the earlier a child starts saving the more likely they are to continue that habit throughout their lives.
EBS BUILDING SOCIETY	Into Children's Handwriting Competition	Primary School	National	EBS has been sponsoring the Children's Handwriting Competition for 18 years now, and each year EBS receives around 100,000 entries from schools all around Ireland.	The aim of this initiative is to encourage children to continue to develop their handwriting skills and to recognise the importance of this skill.
	Simon Communities DVD	Secondary School – Transition Year Students	National	EBS has a DVD and learning pack for transition year students around the issue of homelessness, in conjunction with the Simon Communities of Ireland.	The DVD helps to raise awareness of homelessness and its issues amongst Transition Year Students.
	EBS Community Fund	Primary and secondary schools	Local	EBS recognises the importance of local groups, clubs and causes in communities around Ireland and the EBS Community Fund was developed to provide support to these groups to help them continue the great work that they do.	The EBS Community Fund provides support for many causes, including disadvantaged schoolchildren and community support programs.
IRISH LIFE & PERMANENT	Junior Achievement	Secondary Schools	Local	The Irish Life Customer Contact Centre based in Dundalk has provided volunteers to work on the JA programme in that area.	JA programmes help to develop an entrepreneurial mindset among second-level students, prepare them for the world of work and teach financial literacy.
IRISH NATIONWIDE BUILDING SOCIETY	No specific programme	All	National	Services are made available through the branch network.	INBS supports education, cultural and sporting events on a local level through our national branch network.

APPENDIX 4: OTHER EDUCATION PROGRAMMES AND RESOURCES SUPPORTED BY COVERED INSTITUTIONS

COVERED INSTITUTION	PROGRAMME NAME	LEVEL	LOCAL/ REGIONAL/ NATIONAL	PROGRAMME DESCRIPTION	PROGRAMME OBJECTIVES
ANGLO IRISH BANK	Access Scholarship Programmes	Third Level	Regional	Long term scholarship programmes targeting disadvantaged students wishing to complete primary or postgraduate degree programmes. These programmes are run in conjunction with the colleges' Access programmes.	To positively impact on educational inclusion and address key issues in areas of educational disadvantage in local areas where the Bank has a presence.
BANK OF IRELAND	Financial Advice Website www.bankofireland.ie/studentmoney	3 rd Level	National	Newly launched financial advice website for 3 rd level students contains a host of useful features such as budgeting advice, travel tips and student branch locator. The website also features video clips offering students advice on managing their banking needs throughout their time at college.	The internet plays a huge part in the daily lives of today's 3 rd level students, and our new 3 rd level microsite allows us to provide simple, straightforward advice to our customers using a medium which is extremely popular with this audience.
	Bank of Ireland Millennium Scholars Trust	3 rd Level	National	This unique scheme awards scholarships to students experiencing barriers to further education. A donation of €12.7m established the self-liquidating Trust, which will award over 600 scholarships over a ten year period. Scholarship recipients are supported both financially and by Bank of Ireland Mentors throughout the course of their study.	Now in its final year of awarding scholarships, The Trust has made a real difference to the lives of many Scholars from disadvantaged backgrounds; they in turn have become positive role models for others from their communities, an impact which will be sustained long beyond the life of the Trust.
EBS BUILDING SOCIETY	Financial Education	All	National	EBS provide impartial educational tools such as informative publications on aspects of financial services, e.g. buying your first home, and seminars.	Provide objective resources on aspects of finance.
	EBS Positive Impact	Adult education	National	The Adult Continuing Education (ACE) Awards in conjunction with NALA.	Support for adult education.
	Financial Education	Accessible material	National	In 2010 EBS in conjunction with the National Adult Literacy Agency launched www.makingcents.ie , a new online resource for anyone interested in learning more about money and financial matters. It is the first Irish site that will contain educational content that is mapped to the Financial Competency Framework as developed recently by the National Steering Group on Financial Education.	The primary aim of makingcents.ie is to bring together under one roof all the resources developed by NALA and EBS so that they are more easily accessible by the general public.
IRISH LIFE & PERMANENT	Access Scholarship Programme	Secondary Schools	Dublin	IL&P provides financial support to the TCD, UCD, and DCU access programmes to increase the participation of non-Irish National students at third level.	Recognising the additional challenges faced by non-Irish National students accessing third-level education, this programme aims to encourage and support access by these students through language support and other initiatives.
IRISH NATIONWIDE BUILDING SOCIETY	No specific programme	All	National	Services are made available through the branch network.	INBS supports education, cultural and sporting events on a local level through our national branch network.