



**MACQUARIE
BANK**

**Macquarie Bank response to Financial Services Regulatory
Framework in relation to Financial Abuse Inquiry**

Macquarie's Banking and Financial Services Group (**Macquarie Bank**) welcomes the opportunity to submit responses to the Committee's inquiry into the Financial Services Regulatory Framework in relation to Financial Abuse.

Macquarie Group is a global financial services group operating in 34 markets in asset management, retail and business banking, wealth management, leasing and asset financing, market access, commodity trading, renewables development, specialist advisory, capital raising and principal investment.

Macquarie Bank provides a diverse range of personal banking, wealth management and business banking products and services to retail clients, advisers, brokers and business clients.

1. What specific policies, systems, processes or other safeguards does your business have in place to identify, respond to and report suspected financial abuse occurring to your customers?

Macquarie Bank has a range of initiatives in place to support the identification and provision of extra care to customers identified as experiencing vulnerability, including financial abuse. We have embedded into our operations relevant practices to comply with our obligations under the Australian Banking Association (**ABA**) Banking Code of Practice to provide extra care to customers experiencing vulnerability, including financial abuse.

These practices have also been designed in consideration of legal and regulatory obligations, and ABA guidelines including the Preventing and Responding to Financial Abuse (including elder financial abuse) Guideline, and the Preventing and Responding to Family and Domestic Violence (FDV) Guideline.

We maintain internal guidelines, processes and procedures to support detection and response to financial abuse. We deliver staff training, and provide guidance to customer facing staff to support awareness of red flags and warning signs, to equip them to identify, acknowledge and respond to vulnerability, including financial abuse. We also have in place internal processes such as investigation protocols, escalation to internal specialist care teams and ad hoc escalation working groups to support case management, case monitoring and management reporting, and reporting of information to authorities, where appropriate or required.

We provide external support services information on our website, including details of organisations that can support with financial abuse and family domestic violence, and directly provide this information to customers as needed, and our specialist care teams also refer clients in need to external holistic care support services referrals and emergency care support.

2. What is the extent of suspected financial abuse identified by any such measures in place?

Macquarie's staff are trained to identify clients who may be experiencing vulnerability, including financial abuse. While we're cognisant there are many forms of financial abuse, instances flagged with us have historically been and continue to be very low as a proportion of our total customer base.

This is an issue we take very seriously, and we continue to invest in and evolve our approach to both detection and giving support to our clients, as we know that financial abuse can be perpetrated against anyone at any time regardless of their personal situation or circumstances.

3. What is the impact of the shift of financial products to online platforms on the prevalence of, and ability of your business to identify, respond to and report, suspected financial abuse?

Macquarie Bank offers online banking and mobile banking for many of its products with multi factor authentication required to execute certain transactions, typically through our Macquarie Authenticator app. We continue to invest in technology to protect and support our customers. Implementation of abuse in transaction description monitoring is also supporting our identification of potentially vulnerable customers who may require support, including potential financial abuse.

We are currently implementing online chat functionality across many of our products, with positive customer adoption. We are training our staff to increase awareness about how vulnerability red flags might present within the online chat context. This includes adapting information about our processes to support vulnerable customers, including in respect of vulnerability arising as a result of financial abuse, and ongoing escalation of relevant matters to our specialist teams to resolve as appropriate.

We have not yet identified any comparatively adverse impact of these online platforms on the prevalence or ability of our business to identify and respond to suspected financial abuse, but continue to monitor implementation.