The Bendigo Bank Board Feels The Heat

Summary:
Bank warriors did all of us proud at the Bendigo Bank AGM. Critical issues are being put on the table in public by activists that are not tolerating the way banks have done business in the past. This is how we get reform. Board members must realise that cover-ups and deception are no longer an effective way to run a business. Great work from Craig Caulfield and the team that attended - see this great summary and some video highlights right here.

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Truth To Power at Bank AGMs Works

15 Bank Warriors attended the Bendigo AGM on Tuesday the 29th of October. We had another record attendance in a room of perhaps 150 shareholders.

It quickly became clear to those around Australia viewing the webcast that retiring Chairman Robert Johansson wanted to ensure a quick AGM.

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From the first questions the Chairman limited shareholders to just one question and attempted to cut off any challenge to his somewhat generic answers. Market forces have already published their disapproval.

Hardened Bank Warriors hadn't traveled from Perth, Queensland, NSW and throughout regional Victoria to back off from engaging in an open transparent debate on a range of issues. Especially where criticism was well founded and directly related to the Annual Report and Bendigo's failures in properly assessing legacy cases

As a result of a couple of dozen questions and strong push back from Bank Warriors the Bendigo AGM was a record long duration.

The annual report was thin on transparency and accountability (inc no reference to Customer Advocate) and Warriors felt well entitled to press the Board beyond simple predictable motherhood statements and lip service.

Bank Warriors and Bank Reform Now members and followers had genuine and significant examples of cases being poorly handled over many years by Bendigo's Internal Dispute Resolution team.

The Chairman and Annual Report had an over-weighted strong focus on Total Shareholder Returns (TSR) and Financial issues at the cost of addressing non-financial issues raised by the Hayne Royal Commission and the regulators -ASIC and APRA.

It is a credit to Bendigo and their leaders for navigating from a tiny group into Australia's 5th largest bank and they deserve credit for maintaining their regional roots but it is immature and unacceptable to try and avoid questions, debate and criticisms around Customer Outcomes.

Bank Warriors questions and issues included:

Will Bendigo commit to (and publish) 'Model Litigant' principles like the big 4 banks have?

Will Bendigo publish their APRA report of governance failures (as NAB and Westpac did - surely they should if the board truly believes transparency is important)?

Will Bendigo publish their BEAR map so customers can identify accountable executives when their case is being shuffled and buck passed from person to person?

Will Bendigo actively encourage membership of the Banking and Finance Oath (BFO), especially among executives listed in Bendigo's BEAR map?

Will Bendigo ban all political donations by recording this in the banks constitution?

Lack of transparency in the Rem report was obvious where financial outcomes were twice as important as Customer Outcomes.

Net Promoter Score (NPS) alone is grossly inadequate to assess Non financial outcomes. Will Bendigo place equal 50/50 weight on financial and non-financial outcomes as APRA is recommending?

Ventilating ASIC's Legal proceedings on Bendigo's unfair contract conditions for small businesses was not treated with respect. Will these failures to small business be reflected in Rem outcomes even though NPS is the only metric?

We flagged a possible breach of ASX governance rules (at least in spirit) to allow all shareholders ample opportunity to ask a range of relevant questions.

Will CEO Marnie Baker, as council member of the ABA request the requirement for bankers to be 'honest', be reinstated in the Code since it was removed from a prior version?

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At the end of the day any Chairman stifling legitimate debate and targeted relevant questions from shareholders, customers and victims risks Australia's well founded principles of democracy and free speech.

Well done to the following Bank Warriors that attended the Bendigo AGM

Mariana-Angela Badea
Tony Lewis
Craig and Moeroa Caulfield
Julie Hoskin
John 'Einstein' Kovar
Selwyn Krepp
Rita Mazalevskis
Andy McLaughlin & client
Craig Perry
Michael Sanderson
Phillip Sweeney
Damien Warren
Milton Wilde

VIDEO HIGHLIGHTS Bendigo Bank AGM held in the city of Bendigo in Victoria, Australia, Tuesday 29 October 2019

Craig Caulfield - is on the warpath - Legacy Cases and Legal Disputes - Transparency
https://www.youtube.com/watch?v=bCcgfLaxOTo

Craig Caulfield - Some shareholders only care about short term rewards - not a good way to develop a long term successful business.
https://youtu.be/8iRkGhJ4srs

Phillip Sweeney asks question about clawback provisions
https://youtu.be/5lP5PrClfEE

Milton Wilde
https://youtu.be/5uFlSMPLBaU

Michael Sanderson
https://youtu.be/Hgp1wbRtRxQ

Rita Mazalevskis holds Bendigo Bank Chairman accountable at AGM - Community standards demand the industry is accountable
https://youtu.be/eBlkDwrhNj4

Milton Wilde and Phil Sweeney
https://youtu.be/PxQdWHVM8aY

Craig Caulfield asks about the separation of auditing
https://youtu.be/A9qHOlHvk5I

Rita and Phil - 21 years with same auditor - what about rotating auditors?
https://youtu.be/x8UaglulI_OE

Rita Mazalevskis asks about balance sheet - Bendigo Bank did NOT want to disclose this on public record - something to hide Bendigo Bank?
https://youtu.be/cux8ueVAg1k

Rita Mazalevskis thanks meeting for hearing victims' plight
https://youtu.be/YxIcGvbDbVw

Craig Caulfield asks about ASIC and farmer suicides
https://youtu.be/eVYyCGsBreE

Selwyn Krepp
https://youtu.be/1i6Cr1YL1nA

Phillip Sweeney asks about Bank Branch closures
https://youtu.be/8pHL02KfC14

Craig Caulfield acknowledges farmer on board / Milton Wilde - makes a point
https://youtu.be/Xq4SDvbpB8E

Craig Caulfield comment and question
https://youtu.be/4hVb05noYCo

Phillip Sweeney balanced news
https://youtu.be/n_uWVbi8-pU

Phillip Sweeney asks why are we being shut down?
https://youtu.be/UrwIDWmrFCI

Rita comments on financial report
https://www.youtube.com/watch?v=b47wDQbuVmE

Phil Sweeney on auditing conflicts
https://www.youtube.com/watch?v=x-LmB8SYtnI

Michael Sanderson asks a quick question re: Model Litigant
https://youtu.be/bRm1u6CfwvM



Websites For More Information: Bendigo rejects proxy investor pay concerns - AFR: Aleks Vickovich 29.10.19
https://www.afr.com/companies/financial-services/bendigo-rejects-proxy-investor-pay-concerns-20191029-p535f2
'Perverse effect': Bendigo boss says rate cuts sapping confidence - SMH: Clancy Yeates 29.10.19
https://www.smh.com.au/business/banking-and-finance/perverse-effect-bendigo-boss-says-rate-cuts-sapping-confidence-20191029-p535dy.html

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