Why does CBA avoid the hard questions?

Summary:
Craig Caulfield and the bank warriors keep up the pressure despite COVID restrictions. A proper Virtual AGM would allow shareholders to ask any appropriate question desired. There is no excuse for banks to filter and censor the discussion. The AGM is the best opportunity to point out bank problems. The bank boards and senior executives must be held accountable in a transparent fashion. Public scrutiny is essential to bring about reforms that will make the banks operate ethically and honestly.

A great report from Craig and the team. See the questions CBA did not want discussed. It's an eyeopener.

Article Information**Category:** Press Releases
Author: Craig Caulfield - Bank Warrior
Source: BRN Guest Editorial
Date First Published: 17 Oct 2020

Posted ByPeter Brandson
15 Oct 2020 - 1:39pm





CBA Virtually Silences Concerned Shareholders

CBA 2020 AGM on 13.10.20 demonstrated how negative unintended consequences affect Australian

© Bank Reform Now™ - Australian Non Profit Organsiation - campaigning to put a stop to predatory, unconscionable banking practices.

citizens due to the temporary relaxations to the Corporations Act, introduced by Treasurer, Josh Frydenberg.

CBA, and other public corporations in Australia, are stealthily and disingenuously taking cover from COVID .... far further than what is fair.

As a shareholder interested in cultural and governance reform, I have attended 14 AGMs of Australian banks and corporations.

Today was the first time I was censored. Not a single question ventilated. CBA breached s250S of the Corporations Act 2001.

It's a healthy sign in a democracy that free speech and debating all sides of an argument, from a range of stakeholders, provides challenge and scrutiny - CBA sought to prevent too much scrutiny today.

The view of many of my colleagues from Bank Warriors and Bank Reform Now, is that the Board of CBA and the Share Registrar, Link, failed shareholders and failed the Australian community. They imposed difficult registration conditions and the over-zealous "triaging" of questions. The questions that got up were cherry-picked and filtered to screen out sensitive, critical customer risk and integrity issues. **Ironically CBA champions SpeakUp but what we actually experienced today was CoverUP.**

I highlighted, in advance of today's AGM, to the CBA Company Secretary and Link Market Services registry, problems with the shareholder registration and login process.

Who knows how many shareholders attempted to login, but failed, due to this flawed process?

It had taken me four days of correspondence with CBA/Link to get to the point I could register a question.

The character limit turned out to be 512 spaces - there was no instruction regarding this limit. I reckon a majority of shareholders - wanting to post questions in advance - were now effectively excluded.

Shareholders were offered the option of making a telephone call or writing questions to the Board.

I was troubled to find that phone calls were not relayed direct from the shareholder to the Chairman, but screened by a CBA/Link officer before the officer read our question to the Board.

Is there really any risk of COVID spreading down a phone line? This was unlike the Macquarie AGM where shareholder calls were taken live and unscreened to the Chairman.

On the basis of sanitised phone calls, I lodged my questions in writing. The Chairman warned they would refuse any question disclosing personal cases.

Not one of my six questions was read out, yet none unpacked my own grievances.

When Ms Livingstone confirmed there were no further questions after the first resolutions (which was not true) I called Link directly where I was put on hold three times and eventually told a team needed to 'triage' my questions for personal references. The AGM closed as the Link committee continued their triage of my questions.

The 2020 Annual Report of the Commonwealth Bank of Australia is littered with glowing references to their Cultural Risk, Accountability, Integrity and Governance values:

Page 2 Our values - We do what is right and We are accountable
Page 4 Chairman's message - We are engaging constructively and transparently
Page 5 Chairman's message - The Should We? test guides our people on how they should act and

make decisions to address customer and community expectations
Page 7 CEO's message - We remain focused on our customers...and delivering balanced outcomes
Page 29 Providing transparency (under a variety of global frameworks)
Section 250S(1) of the Corporations Act states - shareholders must have a reasonable opportunity to make comments and ask questions. In my opinion the Board of CBA today breached this Act.

ASIC and the Treasurer need to take a long hard look at these breaches as well as bank lobbying to extend these temporary measures.

What we experienced today was putting big businesses first and putting consumers last.

Below is a list of questions, all of which were triaged/censored as well as some colleagues questions that were raised.

CBA AGM 13 October 2020 - Questions for the board

ALL CRAIG CAULFIELD **CBA Questions IGNORED AND NOT READ OUT:**

QUESTION 1 - MR WHITFIELD

Tony Boyd reported in the AFR you headed WIB at Westpac for several years during the time AUSTRAC found Westpac made millions of breaches of AML.

Did you disclose these breaches at Westpac, in interviews with CBA before being appointed as Director and as Chair of CBA's risk committee?

How many one-on-one meetings did the Westpac investigator - Promontory conduct with you?

QUESTION 2 - MR WHITFIELD

Mr Whitfield has taken a strong interest in SpeakUP

P 35 of Annual Report promotes SpeakUP

Does CBA instruct its team to ShutUP or CoverUP where fraud is found?

Some claims to SpeakUP remain unresolved three years on. Do you agree CBA should HurryUP?

Deloitte the external manager, was unaware 550 Bourke St was printed on SpeakUP letterheads and unaware who was the accountable person. Isn't this an accountability StuffUP?

Mr Whitfield will you ensure Mr Comyn just CleanThisUP?

QUESTION 3 - MODEL LITIGANT

Mr Comyn spoke of adopting Model Litigant Principles

I congratulate CBA. CBA however was the last of the big four banks to publish Model Litigant Principles, and less robust

Why did CBA take nearly a year longer than ANZ Westpac and NAB?

Will CBA provide customers documents, within 7 days? (except those in long term storage in 21 days) as Mr Chronican committed NAB to at Parliament

© Bank Reform Now™ - Australian Non Profit Organsiation - campaigning to put a stop to predatory, unconscionable banking practices.

QUESTION 4 - AUDITOR

P54 of the annual report auditor Mr Lunn provides LIMITED assurance

Mr Lunn also states We DISCLAIM ANY assumption of RESPONSIBILITY for reliance on this report

Given widespread malfeasance and fraud exposed at the FSRC why do directors accept such a low level of assurance?

Will Directors consider substantially uplifting auditing non-financial issues?

QUESTION 5 - ACCOUNTABILITY

Page 2 of your Annual Report states - Our values:

We do what is right

We are accountable

Without referencing any cases, reports are sometimes contracted out to independent consultants in serious or long-standing customer cases.

Does CBA act transparently by including the customer in the instructions to the consultant?

Does CBA share this report with the customer to demonstrate accountability?

QUESTION 6 - AFCA

CBAs complaint handling principle no 10 states we will co-operate with external dispute resolution bodies

Why does CBA not respond to AFCA in current cases when requested to reach out to the customer by AFCA?

Doesn't this fail your reputation and trust statement on page 33 of the annual report?

OLIVIA CAULFIELD CBA Question IGNORED AND NOT READ OUT

My Uncle & Auntie recently purchased a home in the Whitsundays arranged by a CBA broker. Letters from CBA about renewing their MAV package (they did not request) did not provide an email address. 2 calls (the number was closed on weekends) ended in a 90 minute & 30 minute on hold, without connecting.

Media talks of COVID deferring customers, not answering calls

Isn’t CBA just as guilty of ghosting by making it so difficult to contact CBA?

Will CBA at least add an email address to all correspondence?

RITA MAZALEVSKIS [from WA] - **CBA Questions IGNORED AND NOT READ OUT:**

Updated:7:23AM *[WA time]*
OPEN COMMENTS

CBA Risk Priorities. Financial Crime - Specific risks within our material risk types where the Board and Executive Leadership team are focusing efforts. Not detecting or preventing financial crimes can have a significant impact on our customers and the community. CBA has a 'multi year program of action' - how many years is this? Is there an action plan? What processes does CBA have in place for customers impacted by Financial Crime in the meantime?
Asked regarding General Business
Asked at: 7:35AM *[WA time]*

Updated:7:35AM *[WA time]*
OPEN COMMENTS
Chair. There were more questions re Robert Whitfield. CBA IGNORED THESE AND DID NOT ADDRESS THEM. MR CRAIG CAULFIELD LODGED TWO QUESTIONS - WHY WERE THESE NOT RAISED? CBA's virtual manipulation of questions is not being Fair, Honest or Efficient. CBA is NOT treating Shareholders fairly in these circumstances.
Asked regarding Resolution 2A
Asked at: 7:52AM *[WA time]*

Updated:8:15AM *[WA time]*
OPEN COMMENTS
In the CEO's address he said that improving the financial wellbeing of our customers is central to the bank. Could the CEO Matt Comyn advise why he and CBA refuse to meet with particular long-standing CBA aggrieved customers and undertake any mediation, particularly Farm Debt Mediation due to the seriousness of their financial crime complaints?
Asked regarding General Business
Asked at: 8:24AM *[WA time]*

Updated:8:24AM *[WA time]*
OPEN COMMENTS
Chair & CEO, CBA/Link cherry picked the questions to avoid criticism under the cover of COVID. If genuine, and for transparency, CBA should post ALL AGM questions lodged on their website for all Shareholders to view.
Asked regarding General Business
Asked at: 9:35AM *[WA time]*

CBA QUESTIONS - READ OUT:

Rita Mazalevskis

Chair & CEO, SpeakUP what was the outcome of investigations re Deloitte's involvement on behalf of CBA as I raised at last years AGM? The annual report shows SpeakUp Program Cases 284, Whistleblower cases 103. As sought last year, is this a total of 387? Or the 284 minus the 103? You said you would make this clearer for this year? The significant increase in Whistleblower cases, what is the main area of complaints given this huge increase irrespective of who lodged cases?
Asked regarding General Business
Asked at: 7:23AM *[WA time]*

1:01:03 Question 2 - Rita Mazalevskis #BankWarriors - SpeakUP & Whistleblower huge increase! Video link >> https://youtu.be/aoSDkoJ92cA

OPEN COMMENTS
Why should the CEO Matt Comyn be awarded anything when as the CEO of the Bank, and under CBA's Risk Priorities under Financial Crime, CBA states in not detecting or preventing financial crimes can have a significant impact on our customers and the community and can result in the material fines and penalties for the bank? CBA has not provided Mr Craig Caulfield Farm Debt Mediation, to address the financial crimes throughout his CBA Loan documents.
Asked regarding Resolution 4
Asked at: 8:10AM *[WA time]*

1:48:10 Question 4 - Rita Mazalevskis #BankWarriors - CBA Financial Crime Compliance?
Video link >> https://youtu.be/Xw7iypyHmHA

OPEN COMMENTS
CBA Regulatory & Compliance Update - The 2018 APRA Prudential Inquiry - CBA states 'We have made significant progress'. How many is significant progress? - Remedial Action Plan - CBA states "Submitted more than three quarters of the milestones". How many is three quarters? - Financial Services Royal Commission - CBA states "we are also well advanced on implementing the recommendations. How many is well advanced?
Asked regarding General Business
Asked at: 8:15AM *[WA time]*

1:52:01 Question 5
Rita Mazalevskis #BankWarriors - CBA Regulatory & Compliance numbers?
Video link >> https://youtu.be/ddHJcxZXOQ4

Ella Caulfied
It's a fact of corporate life that thousands of times a year CBA... unfortunately... has to take customers, small businesses & farmers to court to repossess their home. The community understands this is legal, even when it is unfair

Why does CBA seek repossession under summary judgement where the owner is not notified of these court hearings?

Why has CBA issued home repossession court proceedings, after strenuously refusing mediation and Farm Debt Mediation, in fact any mediation? Shouldn’t big banks act fairly?

43.06 Question 1 - Ella Caulfield #BankWarriors - CBA Summary Judgement but NO mediation!
Video link >> https://youtu.be/_CmAkQw7LQI

Another questioner referred to the Ms Caulfield question

Peter Starr
Rob Whitifield should stand down immediately from the CBA board given the mess that happened at Westpac while he was there.

1:10:15 Question 3 - Peter Starr #BankWarriors - Rob Whitfield & Westpac DEBACLE! Resign?
Video link >> https://youtu.be/uVVCnpfOZxw

BRN Comments

This is an important report from Craig. He and Rita put forward relevant questions. How can CBA justify ignoring them? It is critical to note that a couple of days later Perpetual held its AGM. It was also facilitated by Link Market Services. Perpetual responded to just about every general shareholder question. This implies that CBA was involved in a deliberate CoverUp. Who made the decision to run the AGM in that manner? Who told Link to shut down legitimate shareholder concerns and questions? We think CBA needs to identify that staffer and take appropriate action.

By the way -

CORPORATIONS ACT 2001 - SECT 250S
Questions and comments by members on company management at AGM

(1) The chair of an AGM must allow a reasonable opportunity for the members as a whole at the

meeting to ask questions about or make comments on the management of the company.

(2) An offence based on subsection (1) is an offence of strict liability.

Note: For strict liability , see section 6.1 of the Criminal Code.

Websites For More Information: CBA 2019 AGM Questions - Still relevant and important
https://www.youtube.com/playlist

Source URL (modified on 21 Oct 2020 - 9:04pm):
https://www.bankreformnow.com.au/node/607