

F O C U S

Savings and Loans – in the returns business

The Adelaide-based Savings and Loans Credit Union won the 'Best New Entrant' Award at the 2006 Corporate Responsibility Index (CRI) awards. One of the small-to-medium enterprises represented in the 2005 CRI (winners were announced this year), Savings and Loans exemplifies the grass-roots approach to CSR.

With branches in South Australia, the Northern Territory, Victoria and NSW, Savings and Loans (S&L) has 170 000 members and assets of around \$2 billion.

Five years ago it issued a S&L-branded Visa credit card to its members that allocates a percentage of the credit union's commission on every transaction to a special fund for the Adelaide Women's and Children's Hospital.

The scheme has raised \$1.75 million of a targeted \$2.5 million to redevelop the emergency department of the hospital's paediatric wing. The new wing opened in May.

CEO Greg Connor, quoted in *The Age*, said the credit union was well placed to involve itself in good corporate citizenship because, as a mutual fund, it had no 'sword of Damocles' – a corporate obligation to maximise returns to shareholders – hanging over its head.

'We have to be profitable but it's not profits at all cost. There was a great foundation and a belief from the staff and board that we've just built upon.'

The credit union itself offsets the emissions from its corporate vehicles with Greenfleet and is gradually switching to smaller, more fuel-efficient vehicles as leases expire.

S&L members also get cheaper interest rates on loans for fuel-efficient vehicles – those that achieve seven litres per 100 km or less in fuel economy. S&L is considering extending the scheme to the new wave of turbo-diesel cars.

The credit union itself offsets the emissions from its corporate vehicles with Greenfleet and is gradually switching to smaller, more fuel-efficient vehicles as leases



CEO Savings and Loans Credit Union SA, Greg Connor, accepted the 2005/6 CRI Best New Entrant Award from Alan Oakley, Editor of *The Sydney Morning Herald*, CRI partner.

EPA Queensland



Greenfleet offsets vehicles' CO₂ emissions with plantations of native trees. Greenfleet Australia

'We have to be profitable but it's not profits at all cost. There was a great foundation and a belief from the staff and board that we've just built upon.'

expire. Where some companies involved in CSR schemes plant enough trees each year to absorb each fleet car's annual carbon dioxide emissions, S&L has gone the extra green mile by planting twice as many trees – its fleet cars are 'double carbon neutral'.

Beyond that, the carpets in its Adelaide headquarters are made from recycled plastic and, on an employee initiative, staff drink only Fairtrade coffee, which maximises returns to coffee growers in developing nations.

Deputy CEO Tony Innes further said that an energy-saving scheme, which includes high-efficiency lighting, has cut electricity consumption in head office by 30 per cent.

'Paper recycling is big too – we publish our annual report on disc.

'We get suggestions from our staff Green Team, as they call themselves. The younger staff in particular are really behind these initiatives.'

Innes said that, in a logical extension of the car loans scheme, the credit union is now offering cheaper mortgages for houses that are more environmentally friendly and energy efficient.

It is involved in a housing scheme at Mawson Lakes in which all houses are built to a passive solar design, including solar hot water systems, courtesy of a collaboration with the SA-based company Beasley Solar Systems. In water-scarce Adelaide, the Mawson Lakes householders are encouraged to plant native gardens, which use less water and provide habitat and food for native birds.

More information:

Savings and Loans Credit Union:
www.savingsandloans.com.au

Greenfleet: www.greenfleet.com.au