

# Earnd's Financial Inclusion Action Plan

Foundation FIAP | 2021-2022

**earnd**

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**FIAP**

Financial Inclusion  
Action Plan

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# Message from CEO Josh Vernon

Earnd is thrilled to be the first earned wage access provider to join the Financial Inclusion Action Plan (FIAP) program and announce our foundation FIAP.

We're also delighted to work alongside FIAP program members to improve the lives of Australians with access to safe, affordable and appropriate financial services.

Our mission at Earnd is to make money simple, not stressful and to improve employee financial wellbeing. We do this by working with employers to enable employees to track and access earned income, build rainy day and future savings before being paid and learn money management principles with interactive behaviourally-informed insights and 1:1 in-app money coaching.

In partnering with some of the biggest employers in the nation, we recognise the opportunity we have to support financial wellbeing at scale. Our goal is to reduce reliance on high-cost short-term credit and create behaviours that encourage long-term savings habits, financial resilience and reduction of financial stress.

Financial wellbeing is core to our mission. We use the Centre for Social Impact's definition of financial wellbeing, which states that financial wellbeing is when a person is able to meet expenses and has some money left over, is in control of their finances and feels financially secure – now and in the future.

Income is a key influencer of financial wellbeing and we know it's not only how much someone is paid that influences their financial wellbeing, but how often they receive that income and how stable it is. We also know that locked pay cycles have a negative impact on financial wellbeing. In fact, seven in 10 Australians told consultancy EY that falling short on expenses between pay periods has a major impact on their life and wellbeing, and they'd benefit from access to earned wages.

Our first FIAP focuses on measurement, analysis and product development to further understand financial vulnerability and support financial capability through products, services and policies. Our FIAP gives us a robust framework to measure our progress and provides quality assurance to evaluate our efforts.

Earned wage access is a new category in financial services and as such we have begun to measure our impact with biannual public reporting. Our FIAP will build on this as we develop and seek community feedback on a Code of Conduct for earned wage access.

As a growing employer, we're also building on the work we've done to create a flexible and safe workplace. We're introducing policies that can better provide financial security to our own employees. And we're adding new training to support customer-facing employees to be better equipped to help those who can be experiencing vulnerability.

We're proud of what we've accomplished so far and look forward to delivering and building on our plan in collaboration with Good Shepherd Australia New Zealand, the Centre for Social Impact and EY.



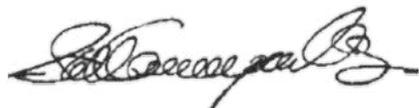
**Josh Vernon**  
Co-founder and CEO

# Statement by the FIAP Advisory Group

Financial hardship can impact us all, at any stage in our lives – through the FIAP, our hope is that every organisation will be able to respond in time and every time to ensure financial hardship can be identified early, managed and overcome.

By building capacity, awareness and greater access to appropriate products and services, organisations will see the social and economic benefits in their engagement, outcomes and prosperity of customers, employees and the wider community.

We congratulate Earnd on developing their first FIAP and for committing to strengthening financial wellbeing.



**Stella Avrampoulos**

Chief Executive Officer, Good Shepherd Australia New Zealand

On behalf of the FIAP Advisory Group



# About Earnd

Earnd was founded in 2018 when CEO Josh Vernon saw one of his friends get into trouble after using a payday loan to buy a fridge.

Over the past three years Earnd has grown to become the mission-led responsible expert in financial wellbeing, providing innovative solutions such as earned wage access, pre-pay savings and 1:1 live chat financial coaching to solve the number one concern of employees - financial stress.

Earnd and its parent company Wagestream are backed by social impact charities and foundations that are committed to tackling the poverty premium. These are Social Tech Trust, Barrow Cadbury Foundation, Joseph Rowntree Foundation, Fair by Design and Big Society Capital. It's our mission to make money simple not stressful, ensuring all employees have the tools they need to secure their financial futures.



Through our global network we support more than 750,000 employees across the globe at organisations such as Bupa, Co-op supermarkets, Carnival Cruises, JD Sports, Freedom Furniture and many more. At each of these organisations, we're proud to rank as their most used employee benefit with an average take-up across the organisations we work with of 32%.

But what we're most proud of is the impact we have. Recent analysis of 1 million transactions and 2,200 anonymous surveys found that eight in 10 felt less stressed

and seven in 10 felt more in control of their money and almost nine in 10 were able to reduce their reliance on high-cost credit.

We're excited about how our FIAP will help us to continue to develop our products, services and controls to increase our impact and ultimately improve the financial wellbeing of employees in Australia. The opportunity to be accountable and demonstrate best practices in an emerging market is one we take seriously.

Developments in technology mean we can break down some of the behavioural barriers that hold people back and reduce reliance on predatory financial products.

We can make money simple, not stressful.

## We're a mission-based organisation



At the heart of Earnd is our social charter – everything we do and each product we create is designed to improve the financial wellbeing of people at work. It's this mission that will continue to guide us in the future.

### Our aims:

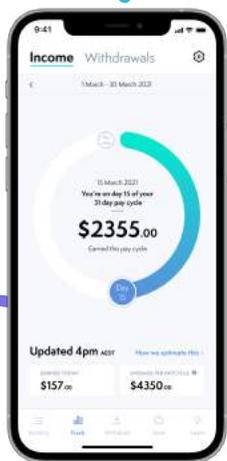
- No one should have to pay unnecessary interest on high cost credit
- Everyone should have savings for a rainy day
- All financial goals should be achievable

# The Earnd app

Improving employee financial wellbeing with innovative technology solutions that give employees power over their pay.

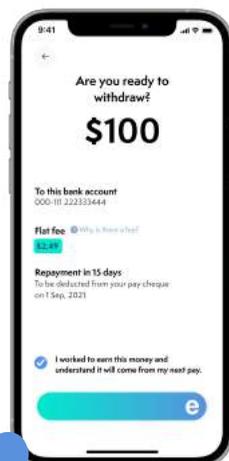
Our product suite ensures that employees can meet expenses, be and feel in control of their finances and build financial behaviours that mean they can be and feel financially secure, today, under adverse circumstances and in the future.

Employees can track and access earned income, build savings before being paid and learn money management principles with interactive behaviourally-informed insights, based on a financial wellbeing score and get 1:1 in-app money coaching.



**TRACK**  
work hours and pay

Making it easy for employees to see their earnings in real-time, so they can budget confidently and pick up extra shifts when needed.



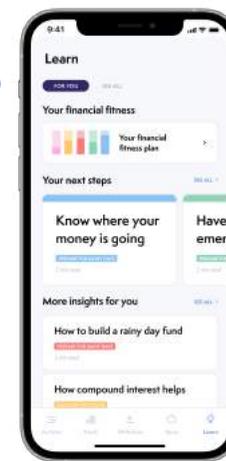
**ACCESS**  
earned wages

Removing the need for employees to borrow and pay interest by providing instant access to a percentage of their earned wages



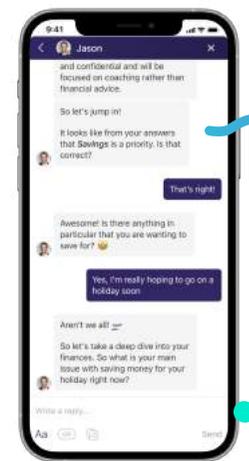
**SAVE**  
before being paid

No temptation to spend and no hassle for employees to set up automatic transfers when savings are transferred before they're paid



**LEARN**  
money tips and tricks

Bite-sized financial education to help employees with money management principles and behavioural barriers that hold people back.



Chat to a money **COACH**

1:1 confidential live chat with a human money coach to set appropriate financial goals, develop action plans and stay accountable.

# Our Financial Inclusion Action Plan

- Products and services
- Financial capability
- Understanding of financial vulnerability
- Economic security

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**FIAP**  
Financial Inclusion  
Action Plan

## Products and services

| Action   | Output   | Outcome  | Responsible                   | Stakeholder | Timeframe     |
|--|--|--|-------------------------------|-------------|---------------|
| Monitor the cap on withdrawal fees, withdrawal behaviour and income levels each month to inform business decisions about fees and caps for Access.   | Analysis of impact of fees and withdrawal, especially on customers with low incomes. (Existing product design includes caps on the number of fees that can be charged in a month at employers who do not cover the cost of accessing pay). | Increase in targeted and scalable resources to build financial capabilities.<br><br>Improve support for financially vulnerable customers, staff, suppliers and wider community.  | Product and Engineering teams | Customers   | Ongoing       |
| Design new account controls and user settings to better address the needs of customers who may experience vulnerability in regards to the Access product.  | Develop and implement new account controls and user settings, after having undertaken research that considers how the proposed design can positively impact customers who may experience vulnerability in regards to the Access product.   | Increase in targeted and scalable resources to build financial capabilities.<br><br>Improved support for financially vulnerable customers, staff, suppliers and wider community. | Product team                  | Customers   | December 2021 |
| Design and develop automated systemic responses to potential adverse use of the Access product – such as system flags, educational content and alerts. Conduct monthly reporting on how controls are used. | Develop and implement automated systemic responses to potential adverse use of the Access product – such as system controls, educational content and alerts.   | Increase in targeted and scalable resources to build financial capabilities.   | Product and Engineering teams | Customers   | June 2022     |

| Action   | Output   | Outcome   | Responsible                 | Stakeholder | Timeframe     |
|--|--|---|-----------------------------|-------------|---------------|
| <p>Develop partnerships necessary with a third-party provider to launch a savings product, including options for emergency savings.</p> <p>Explore partnerships with employers for default savings experiments and programs.</p> | <p>Implement a Savings product.</p> <p>Encourage the use of savings goals, including for emergency savings, informed by experience of vulnerability.</p> <p>Explore potential employers for default savings experiments and programs.</p>  | <p>Increase in targeted and scalable resources to build financial capabilities.</p> <p>Increase in awareness and availability of appropriate financial services.</p>            | Product team                | Customers   | December 2021 |
| <p>Use a financial wellbeing framework and product principles during the design and development of new or altered products and services to ensure they support a user's financial wellbeing.</p>                                 | <p>Develop product principles and validate new product design in line with the financial wellbeing framework.</p> <p>Ensure Objectives and Key Results (OKRs) are developed, including reference to the financial wellbeing framework.</p> | <p>Increased understanding of barriers to FI, FR &amp; FW (including economic inequality).</p> <p>Increase in awareness and availability of appropriate financial services.</p> | Product and Marketing teams | Customers   | December 2021 |

*“Earnd has really helped me through this time because I have to cater for others as well as myself due to job loss within my family. So the extra bit of money is helpful, especially with the groceries and the occasional bill I may have forgotten about.”*

| Action   | Output  | Outcome  | Responsible                          | Stakeholder                                   | Timeframe        |
|--|---|--|--------------------------------------|---|------------------|
| <p>Develop plain English terms and conditions.</p> <p>Investigate customer (employer) needs for translation into languages other than English.</p> <p>Explore options for translation and materials in languages other than English.</p> | <p>Terms and conditions written in plain English.</p> <p>Learn content written to grade eight reading level with "design for one, design for all" approach.</p> <p>Assess customer needs and options available for materials in languages other than English.</p>   | <p>Increase in awareness and availability of appropriate financial services.</p>   | <p>Marketing and Commercial team</p> | <p>Customers</p>                              | <p>June 2022</p> |
| <p>Develop a Code of Conduct for Earned wage access and approach community services and advocates for feedback.</p>  | <p>Develop a Code of Conduct for earned wage access, approaching external advisors and other industry service providers such as financial counsellors and other NFPs for feedback.</p> <p>Advocate for broader uptake of codes and financial wellbeing approaches for other earned wage access providers.</p> | <p>Increase in awareness and availability of appropriate financial services.</p> <p>Increased awareness of FIAP program and its goals.</p> | <p>Product and Marketing team</p>    | <p>Customers; staff; suppliers; community</p> | <p>June 2022</p> |

*“So quick and easy to use and really helps in giving myself a weekly cap on spending. I have actually become better at budgeting when there’s a smaller amount to withdraw or spend each time. Love the app.”*

| Action   | Output                                | Outcome   | Responsible           | Stakeholder | Timeframe     |
|--|---------------------------------------|---|-----------------------|-------------|---------------|
| Provide support to customers through channels and hours that reflect their communications preferences. | Increase contact centre hours to 24/7 | <p>Improved support for financially vulnerable customers, staff, suppliers and wider community;</p> <p>Increase in awareness and availability of appropriate financial services</p> | Customer Success team | Customers   | December 2021 |

*“One time I was short on paying my rent. It was very stressful. My real estate agency didn’t allow an extension. It was so stressful. I fell back on Earnd as my pay was still a week away. The most amazing thing was the payment came to my account in less than a minute. So it saved the day for me.”*

## Financial capability

| Action  | Output  | Outcome  | Responsible                | Stakeholder | Timeframe      |
|---|---|--|----------------------------|-------------|----------------|
| Help customers understand the cost of their existing debt (such as credit card or buy now, pay later debt) and enact better debt strategies where possible. | Implement debt calculators and materials to help customers understand the cost of debt, the debt journey, and encourage good behaviour, including the potential to apply for financial hardship programs, alternative payment options or use the Access payment to avoid (and sometimes pay down) high-cost debt. | <p>Increase in targeted and scalable resources to build financial capabilities;</p> <p>Increase in awareness and availability of appropriate financial services;</p> | Marketing and Product team | Customers   | September 2022 |
| Deliver personalised financial capability journey information through the Learn product and/or Coach product.   | Provide personalised content using nudges and information from reported financial wellbeing scores and user goals.  | Increase in targeted and scalable resources to build financial capabilities;   | Product team               | Customers   | Ongoing        |

*“Earnd has helped me with my budgeting and saving. I get to save everyday and it helps me build up my savings quicker. I feel more accomplished saving daily too.”*

## Understanding of financial vulnerability

| Action  | Output  | Outcome   | Responsible                   | Stakeholder      | Timeframe |
|---|---|---|-------------------------------|------------------|-----------|
| Develop data collection strategies to better understand customers, such as through Open Banking, surveys, quizzes and personas.     | <p>Use data collection to better understand customers and develop a more personalised experience for people who are vulnerable or may be vulnerable.</p> <p>Tailor content in response to user data. Personalise features and content in response to user profiles and information.</p> | <p>Increased understanding of barriers to FI, FR &amp; FW (including economic inequality).</p> <p>Increase in awareness and availability of appropriate financial services.</p> | Product team                  | Customers; Staff | Ongoing   |
| Collect financial wellbeing scores in order to better understand customers needs and behaviour, and develop personalised responses. | <p>Development of reported financial wellbeing score feature.</p> <p>Personalise financial wellbeing content in response to financial wellbeing scores.</p>   | <p>Increased understanding of barriers to FI, FR &amp; FW (including economic inequality).</p> <p>Increase in awareness and availability of appropriate financial services.</p> | Product and Engineering teams | Customers; Staff | Dec 2021  |

*“I had a bill to pay earlier than my pay day and it was really helpful to have access to funds on the go and not have to deal with late payment fees.”*

| Action  | Output   | Outcome  | Responsible                     | Stakeholder                     | Timeframe      |
|---|--|--|---------------------------------|---------------------------------|----------------|
| Advocate for greater understanding of financial wellbeing through corporate outreach, interviews and webinars with experts on behavioural science and financial health. | Develop communications materials for the Earnd website and deliver through other channels for customers and employer partners. | <p>Increased understanding of barriers to FI, FR &amp; FW (including economic inequality).</p> <p>Organisational culture enables staff to better identify and support financially vulnerable groups.</p> | Marketing and Commercial teams. | Customers; Suppliers; Community | Ongoing        |
| Develop a framework to assist customers who may be experiencing financial difficulty  | <p>Financial difficulty framework in place.</p> <p>Implement financial difficulty identifier-option in the app.</p>            | <p>Increased understanding of barriers to FI, FR &amp; FW (including economic inequality).</p> <p>Improved support for financially vulnerable customers, staff, suppliers and wider community/</p>       | Product team                    | Customers                       | June 2022      |
| Train staff to better understand, identify and support financially vulnerable customers.  | All customer-facing and management staff are trained on financial vulnerability.   | <p>Increased understanding of barriers to FI, FR &amp; FW (including economic inequality).</p> <p>Organisational culture enables staff to better identify and support financially vulnerable groups.</p> | Marketing and Product teams.    | Customers; Staff                | September 2022 |

| Action  | Output   | Outcome   | Responsible                                      | Stakeholder             | Timeframe        |
|---|--|---|--|-------------------------|------------------|
| <p>Develop referral processes for vulnerable customers to access additional financial guidance and support including through the Coach product.</p> <p>Track referral processes and report monthly.</p> | <p>Referral processes are in place and data is captured, aggregated and reported to management.</p>  | <p>Organisational culture enables staff to better identify and support financially vulnerable groups.</p> <p>Increase in awareness and availability of appropriate financial services.</p>    | <p>Marketing and Product teams</p>               | <p>Customers; Staff</p> | <p>June 2022</p> |
| <p>Provide Earnd users with customised information on employer-provided EAP services, where available, to increase awareness of support available, including mental health support.</p>                 | <p>Earnd contains in-app links and content regarding available EAP services where applicable.</p>  | <p>Organisational culture enables staff to better identify and support financially vulnerable groups.</p> <p>Increase in awareness and availability of appropriate financial services.</p>    | <p>Commercial and Customer success teams</p>     | <p>Customers</p>        | <p>June 2022</p> |
| <p>Develop a Family Violence policy.</p>  | <p>Family Violence policy and training to support customers and staff experiencing FV.</p> <p>Domestic and family violence awareness training for customer facing staff.</p> | <p>Organisational culture enables staff to better identify and support financially vulnerable groups.</p> <p>Increase in targeted and scalable resources to build financial capabilities.</p> | <p>Marketing team and Customer success teams</p> | <p>Customers; staff</p> | <p>June 2022</p> |

| Action  | Output   | Outcome   | Responsible                 | Stakeholder                 | Timeframe |
|---|--|---|-----------------------------|-----------------------------|-----------|
| Continue biannual public reporting on the impact of earned wage access.   | Publish Impact Assessment to show impact of earned wage access, and continue to be transparent on the impact of Earnd on financial wellbeing.                      | Increased understanding of barriers to FI, FR & FW (including economic inequality).<br><br>Increase in awareness and availability of appropriate financial services                           | Marketing team              | Customers; community        | June 2022 |
| Explore partnerships with community service organisations to include lived experience in product development and testing. | Inclusive Design policy in place and supported by training.<br><br>Representatives of diverse groups and lived experience included in research, design and testing | Organisational culture enables staff to better identify and support financially vulnerable groups.  | Product and Marketing teams | Customers; Staff; Community | June 2022 |
| Engage with community groups to better understand problem gambling and domestic violence.                                 | Engage with community groups to understand and explore potential added controls for problem gambling and domestic violence.  | Increased understanding of barriers to FI, FR & FW (including economic inequality).<br><br>Organisational culture enables staff to better identify and support financially vulnerable groups. | Product and Marketing teams | Customers                   | June 2022 |

*“My partner got admitted to hospital and I was able to get my pay our early to help pay for the bills, thank you Earnd!”*

## Economic security

| Action   | Output   | Outcome  | Responsible                        | Stakeholder          | Timeframe     |
|--|--|--|------------------------------------|----------------------|---------------|
| Design and develop products and services to encourage investments and long-term savings. | Develop a low-barrier fixed income investment product and service.   | <p>Increase in targeted and scalable resources to build financial capabilities.</p> <p>Improved access to appropriate financial products and services.</p> <p>Planning for future: Increased protective economic supports (e.g. savings, retirement, planning, superannuation, housing).</p> | Product and Marketing team         | Customers; suppliers | December 2021 |
| Develop workplace policies that address issues of inclusion and inequality.              | <p>Policies in place to address issues of inclusion and inequality.</p> <p>Implement the following policies: parental leave, flexible workplaces, superannuation, hiring and advancement of underrepresented groups and women in leadership.</p> | Increase in strategies to address economic inequality (e.g. equitable pay, mentoring, superannuation, education, housing).   | Marketing team and Commercial team | Staff                | June 2022     |

*Yesterday, we were finalising our home loan application. When confirming our deposit amount, our broker informed us that if we had access to a couple more grand in the next few days, we'd be able to greatly reduce our Lenders Mortgage Insurance. I jumped onto my Earnd app and made a transfer to savings to boost our savings, reducing what we need to pay back over the term of the loan. Thanks to Earnd, I will be saving thousands of dollars!"*

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Action Plan

Offered by leading companies as their **#1 employee benefit**

**FREEDOM**

**Glue.**  
STORE

**Best&Less**



**TED BAKER**  
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