

# **ADEBOLA A. DARAMOLA**

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Sustainability Accounting Standards Board

1045 Sansome Street, Suite 450

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Attention: Anton Gorodniuk, CFA

## Comment on SASB's Exposure Draft Standards – Financial Inclusion Metrics

I appreciate this opportunity to submit contribution to the Public Comment Period for SASB Standards (Financials Sector).

I am a financial services professional with work experience and interest in financial Inclusion. Recently, I was research intern with Financial Inclusion Unit of the Institute of International Finance (IIF), Washington, D.C.

The concept and impact of Financial inclusion has assumed global prominence. Several published researches opined that financial inclusion is essential to the sustainable development of any economy. Important participants in driving financial services to underserved population in any economy are commercial banks, Mortgage firms, Investment Brokerage, Security exchanges, Asset Management firms, Insurance and Consumer Finance.

The entire SASB 7 Financial industries have a role in driving financial inclusion. However, as it is, SASB had considered only two industries, which are Commercial Bank and Consumer Finance to include financial inclusion metrics in their exposure draft.

The magnitude of this omission can be recognized in this illustration. Investment brokerage upstart like Wealthfront is going after underserved segment such as millennials providing financial planning, investment management and other banking services, like margin lending. Whereas, incumbent like Blackrock is seeking to reach more retail investors by acquiring Scalable, a robo-advisor. It will be helpful to have all 7 Financial industries report their financial inclusion activities.

Clearly, the cited example is not limited to investment brokerage but extend to 7 Financial industries. Therefore, I suggest SASB's Exposure Draft Standards (Financials) should take up including financial inclusion metrics in all 7 Financial industries.

As concerning financial inclusion metrics, there is a global effort at standardization. I wish to call attention of the SASB to a recent release of a World Economic Forum (WEF) white paper "Advancing Financial Inclusion Metrics: Shifting from access to economic empowerment".

To help achieve a universally- acceptable sustainability and business strategy reporting of financial inclusion, it will be expedient for SASB to consider and encourage U.S. and foreign public financial companies to select from any of WEF measurement frameworks: Payments, Savings, Credit and Policy related financial inclusion metrics.

The current SASB financial inclusion metrics place emphasis on new accounts, first- time holders. Despite the value that this provide, it ignores dormancy- lack of use of opened accounts, Hence, there is a drive to emphasis usage above access. The WEF Payments, Savings, Credit and Policy related financial inclusion metrics adequately consider usage in its metrics.

Finally, SASB in its well- intentioned effort at increasing Financial Services company's disclosure of material sustainability should recognize that all 7 Financial Industries have a role in reaching unserved and underserved population. Therefore, SASB should include financial inclusion metrics in all standards.

Sincerely,

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