

Vulnerable consumers supported by new Code of Practice for customer-owned banks

Sydney, 31 October 2022: The Customer Owned Banking Association (COBA) has introduced a new industry Code of Practice that comes into effect today, with changes increasing protections for customers experiencing vulnerability including elder abuse, domestic violence and disability.

The 2022 Customer Owned Banking Code of Practice replaces the 2018 version and was developed through an independent review by Phil Khoury, former Executive General Manager of the Australian Securities and Investments Commission, before being considered by the Code Review Advisory Committee comprising members and adopted by the COBA Board.

Alongside ongoing commitments to deliver banking products in the interest of customers and give back to the community, the new Code of Practice establishes obligations for more inclusive banking products, expanded lending obligations and guarantor protections, and greater support for customers experiencing vulnerability.

Michael Lawrence, CEO of COBA, said the focus on providing additional protections for those experiencing vulnerability, including those who are struggling financially, is important now more than ever as consumer habits change with developing technology, new purchasing options, and the rising cost of living.

“Customer-owned banks serve more than five million Australians and are committed to ensuring customers have access to services that are built on a deep appreciation of nuanced vulnerabilities or financial challenges,” Mr Lawrence said.

“Our new 2022 Code of Practice considers what changing consumer behaviour means for customers’ financial health, and provides significantly expanded protections for vulnerable customers, including commitments to accessible banking services for older customers and First Nations Peoples, and additional care in circumstances involving disability, elder abuse, or domestic violence.”

“We appreciate the contributions of the many stakeholders involved in the review process, including consumer groups, regulators, the Code Compliance Committee, consultants and member banks.”

Teachers Mutual Bank Limited CEO, Steve James, said: “Teachers Mutual Bank Limited has subscribed to the Customer Owned Banking Code of Practice 2022 because we believe it is important to demonstrate to our members the value we place on improving their financial wellbeing as we strive at all times to be a bank for good, for those who do good.”

Illawarra Credit Union CEO, Anthony Perkiss, said: “As an industry, we’ve listened to our customers and what they want is a fairer banking experience. These updates are incredibly timely and mean the needs of customers will continue to be at the forefront of all of our decisions, as they always have been. Adopting the new COBCOP only helps reinforce and validate our commitment to our customers and the broader communities in which we serve.”

Defence Bank CEO, David Marshall, said: “Defence Bank is proud to serve those who protect us. As a signatory to the Code of Practice, our members can be reassured they can bank with confidence and know the Defence Bank team will always deal with them fairly and honestly. We welcome the new code which will only strengthen our focus on our members and their banking needs.”

The 2022 Customer Owned Banking Code of Practice can be found at www.customerownedbanking.asn.au/how-it-works/code-of-practice

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COBA's Chief Executive Officer, Michael Lawrence, is available for interview.

For further information or to arrange interviews, please contact media@coba.asn.au

The [Customer Owned Banking Association](#) is the industry body for mutual banks, credit unions and building societies. For 150 years our sector has put customers first, returning profits to more than 4.5 million Australians who put their trust in customer-owned banks.