

Appendix 1

Good Practice Guidance

The Banking Code Compliance Committee (BCCC) issues this guidance based on the Findings it made in relation to investigation CX4371. It sets out the BCCC's expectations for how Code-subscribing banks (banks) should ensure ongoing compliance with the relevant Code provisions.

Fair, reasonable and ethical behaviour

1. The BCCC notes that clause 10 and the Guiding Principles of the 2019 Code requires banks to act fairly and reasonably towards customers.
2. The BCCC has published [Guidance Note: Clause 10 – fair, reasonable and ethical behaviour \(Guidance Note\)](#), which outlines how it will assess banks' compliance with this 2019 Code obligation, in particular having regard to:
 - a. whether the bank can demonstrate that its engagement or decision making was guided or informed by clause 10 and the Guiding Principles
 - b. community standards and expectations, and
 - c. standards set by the Australian Financial Complaints Authority (AFCA).
3. The Guiding Principles of the 2019 Code, which are to be read and applied alongside clause 10, should be the lens by which bank staff help their customers, including communicating with them in a clear and timely manner.
4. As this case emphasises, it is vital that banks ensure ongoing compliance with this provision in all their interactions with customers. Repeated failures to engage with customers in a fair and reasonable manner can lead to poor overall outcomes for customers.