



MUTUALS AND MAJORS BOTH WORK FOR THEIR SHAREHOLDERS – BUT THE OUTCOMES CAN BE VERY DIFFERENT

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Media commentary suggesting a decision last week by one of the major banks to increase its variable home loan rate was at least partly fuelled by a desire to maintain shareholder returns, highlights the fundamental difference between the listed financial institutions and mutual financial institutions.

“As a mutual bank, Beyond Bank is 100% owned by its customers. Our customers are our shareholders,” Beyond Bank CEO, Robert Keogh said.

“Therefore, profits are used to benefit customers and their communities.

“This means the long-term benefits for all customers, who are also the owners, are centre of mind when we are contemplating any significant change.

“All financial institutions face the constant battle of delivering products, services and rates for their customers while providing value to their shareholders. In non-mutual financial institutions these two goals can sometimes be mutually exclusive.

“Like listed institutions, we want to make sure our shareholders derive value,” Mr Keogh said. “Because our customers are our shareholders, there is no conflict between this goal and us also providing optimal benefits to our customers.”

Beyond Bank is one of Australia’s largest customer owned banks, with assets under management over \$4 billion, 195,000 customers, 49 branches, an Australian-based contact centre, access to over 3,000 rediATMs and approximately 600 staff.

It provides personal and business banking services along with financial planning to its customers ensuring it can support prosperity for the many.

Beyond Bank works closely with community groups to create good together, supporting charitable organisations and initiatives through fundraising, donations and actively helping volunteering within the community.

“Australian consumers need to realise that when it comes to banking in this country, there are viable alternatives to listed commercial entities,” Mr Keogh said. “Mutual financial institutions are definitely one such option and I would urge people to visit a customer-owned financial institution and investigate all that they offer.”

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