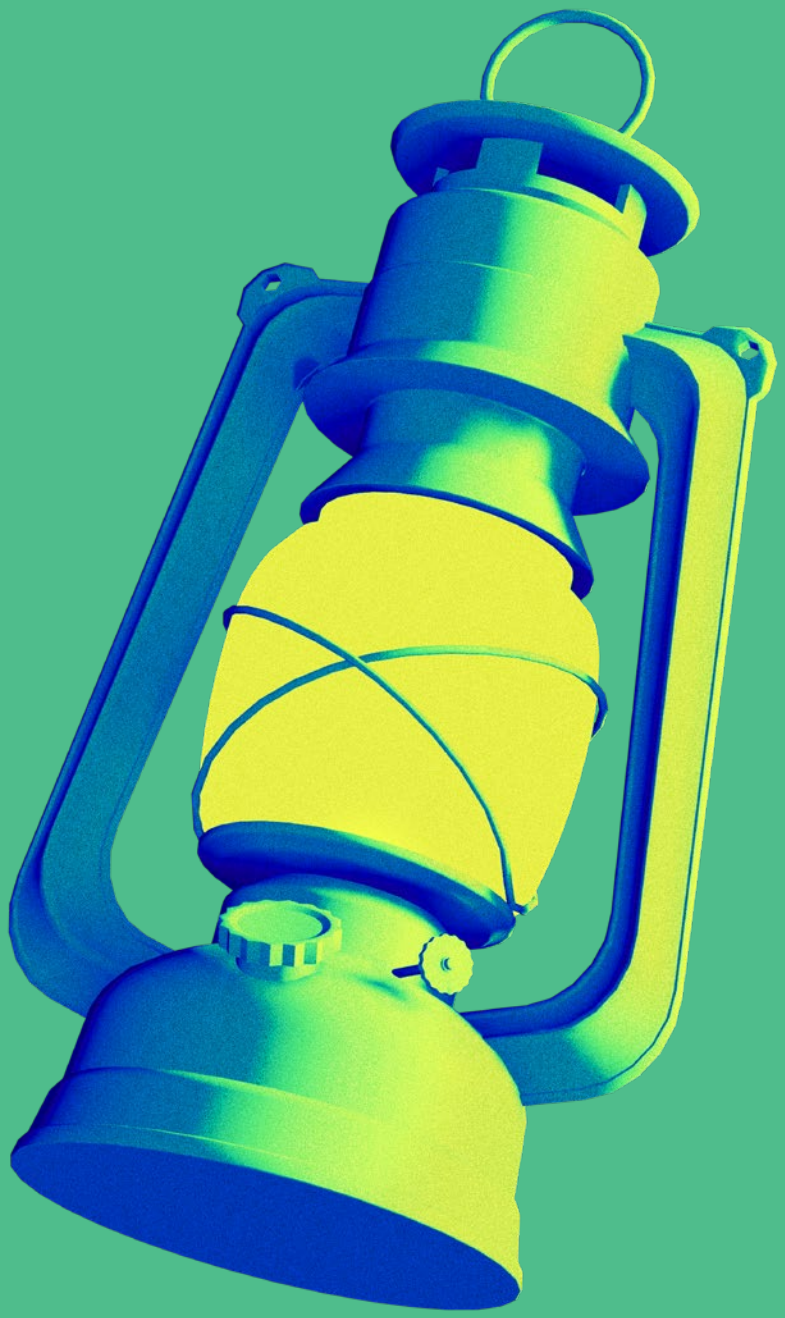
Annual Review FY26

The voice of a diverse Australian finance industry



Australian
Finance
Industry
Association

afia.asn.au

Welcome

Welcome to AFIA's 2026 Financial Year Annual Review. We believe in prosperity of all Australians and our purpose is to champion a thriving finance industry, always acting in the interests of customers and communities.

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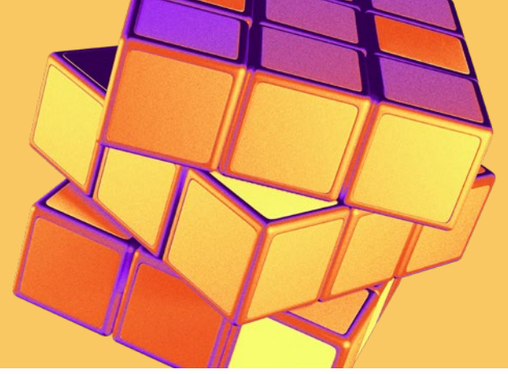
Acknowledgement of Country

This report was produced on the lands of the Gadigal People of the Eora Nation. We recognise their continuing connection to land, waters and culture and we pay our respects to their Elders, past, present and emerging.

Our Industry: AFIA by Numbers



AFIA is the only peak body representing the entire finance industry in Australia. We represent more than 150 members, including bank and non-bank lenders, finance companies, fintechs, providers of vehicle and equipment finance, car rental and fleet providers, and service providers in the finance industry.

$3.3T+

in Receivables

Consumer commercial member split

Consumer	Both	Commercial
24%	42%	34%

Sub-sector number of members*

29 Motor Finance

37 Equipment/Asset Finance

34 Consumer Finance

26 Fleet Leasing/Car Rental/Novated Leasing

32 Commercial Lending

10 Insurance Premium Funding (IPF)

24 Small Business Lending

20 Residential Mortgage (only)

Note:
*Members may be represented in more than one sub-sector category

Chair's Foreword

Mario Rehayem | AFIA Chair

FY26 was a year in which the consequences of policy, technology and economic change became increasingly visible. From housing and productivity to capital markets and artificial intelligence, the decisions being made today are shaping Australia's economic future in profound ways.

As these forces evolve, so too does the importance of a strong, competitive and innovative finance industry. Every day, AFIA members help households purchase homes and vehicles, businesses invest in growth, and communities access the financial solutions needed to participate in the economy. While these transactions may appear routine, their impact is significant. They enable investment, support productivity, and create opportunity throughout the economy.

In FY26, this contribution was tested by ongoing economic pressures, changing market conditions and an increasingly demanding operating environment. Yet non-bank and specialist finance providers continued to deliver choice, competition and access to finance across a diverse range of sectors and customer groups.

What gives me confidence is not simply the resilience of our industry, but its capacity to adapt and lead. AFIA members continued to invest in innovation, strengthen governance, support customers and help drive economic activity at a time when Australia needs it most.

Productivity, investment and competition have rightly emerged as defining priorities for Australia's future prosperity. Finance has a critical role to play in all three. By connecting capital with opportunity, our industry helps businesses grow, supports household aspirations and ensures resources can flow to the areas of the economy where they can create the greatest value.

That contribution is one of the reasons I remain optimistic about the future of our industry.

A significant economic contributor

Behind every loan, lease and finance product is support for Australia's economy.

The footprint of non-bank and specialist finance providers is reflected in both its scale and impact. AFIA's November 2025 research found that residential mortgage non-bank lenders supported more than 51,000 Australians to purchase or refinance a home in FY25.[1] In motor finance, AFIA members facilitated more than $33 billion in new business during FY26. Notably, one in every three loans supported the purchase of an electric or hybrid vehicle, highlighting the industry's contribution to Australia's transition to lower-emissions transport.[2] Equipment finance facilitated more than $41.7 billion in new business during FY26, supporting business investment and productivity across Australia.[3]

These figures represent far more than lending activity. They reflect capital flowing to productive uses, businesses expanding their operations and households pursuing their aspirations. They also highlight the important role a competitive finance industry plays in providing customers with choice and access to finance.

As discussions continue around housing affordability, productivity, investment and economic reform, it is important that policymakers recognise the value of a diverse, innovative and competitive finance industry. Competition drives innovation, expands access to finance and strengthens the resilience of Australia's financial system.

At the same time, the environment in which our industry operates is becoming increasingly complex. Technology, regulation, customer expectations and economic conditions are no longer evolving independently. The challenge for industry leaders is no longer understanding each issue in isolation, but understanding how they interact.

What has stood out to me over the past year is the way our industry continues to respond.

Across organisations of different sizes, sectors and business models, AFIA members have demonstrated adaptability, resilience and a commitment to continuous improvement. They have invested in technology, strengthened governance frameworks, enhanced risk management capabilities and continued to support customers through a challenging environment.

The organisations that succeed in the years ahead will not simply be those that react to change. They will be those that anticipate it.

Productivity will define the next decade

Productivity has emerged as one of Australia's most pressing economic challenges. Improving productivity is essential to maintaining living standards, supporting economic growth and ensuring Australia remains competitive in a rapidly changing world. Finance has an important role to play in that effort.

The productivity challenge is ultimately about ensuring Australia has the economic settings and financial system to turn opportunity into investment, innovation and stronger living standards. It will require more than ambition. It will require efficient capital markets, more

> *By connecting capital with opportunity, our industry helps businesses grow, supports household aspirations and ensures resources can flow to the areas of the economy where they can create the greatest value. That contribution is one of the reasons I remain optimistic about the future of our industry.*

[1] AFIA (2025) report, "Competitive, Innovative, Responsible: The vital role non-bank lenders play in Australia's housing finance ecosystem"

[2] AFIA FY26 Motor Finance Industry Data: Member Insights

[3] AFIA FY26 Equipment Finance Industry Data: Member Insights

accessible housing and finance providers that can respond to the changing needs of households and businesses.

These are not simply industry issues. They are fundamental to Australia's future prosperity, and they are areas where strong, practical advocacy from AFIA will continue to matter.

The growing adoption of artificial intelligence, automation and digital technologies across financial services will create new opportunities to improve efficiency, customer outcomes and operational performance.

Realising these benefits, however, will require thoughtful leadership, strong governance and a commitment to responsible innovation.

The future will favour organisations that can successfully combine productivity, trust and innovation, and an industry prepared to continually raise the bar on the standards, evidence and practices that underpin them.

Raising the bar industry-wide

In an environment of increasing scrutiny and rising customer expectations, trust cannot be taken for granted. It remains one of our industry's most important assets, earned through transparency, accountability, fairness and a commitment to delivering good customer outcomes.

Recent AFIA research found that 81 per cent of Australians expect lenders to be covered by an industry code, while 67 per cent would consider changing lenders if they discovered their provider was not a signatory. These findings highlight the growing importance customers place on accountability, standards and trust.

The commencement of the AFIA Finance Industry Code of Practice (AFIA Code) represents an important milestone for our industry. Developed through extensive consultation and collaboration with AFIA members, consumers and industry stakeholders, the AFIA Code reflects our collective commitment to strengthening standards, improving consistency and reinforcing public confidence in our industry.

More importantly, it demonstrates an industry prepared to lead, not simply respond, when it comes to raising standards, strengthening confidence and delivering better outcomes for customers.

Leading the next chapter

If FY26 reinforced one lesson, it is that our industry's success has never been defined by the absence of challenges, but by its ability to respond, innovate and evolve.

Throughout the past twelve months, our industry demonstrated resilience, leadership and a willingness to embrace change. Those qualities will continue to serve us well as we support investment, expand opportunity and contribute to Australia's long-term prosperity.

The future will favour members that invest in capability, lead with integrity, embrace innovation responsibly and continue putting customers at the centre of decision-making.

On behalf of the Board, I thank our members, stakeholders and the AFIA team for their commitment and contribution throughout FY26.

Together, we will continue to strengthen trust, support competition, expand opportunity and ensure Australia's finance industry remains a force for productivity, innovation and growth.

Kind regards,

Mario Rehayem
AFIA Chair

CEO's Letter:

Diane Tate | Chief Executive Officer

The economic conditions ahead demand more than resilience. Leadership is not simply about navigating the future as it arrives. It is about seeing the connections, anticipating change, imagining what is possible and having the discipline to help shape what comes next. That is the role AFIA seeks to play for our members, our industry and Australia.

The past twelve months have reinforced a simple reality: the forces shaping our industry are becoming more complex and more interconnected.

Global markets, geopolitical uncertainty, technology, regulation and changing consumer expectations increasingly intersect, creating both new risks and new opportunities. In this environment, leadership requires more than responding to individual issues. It requires strategic thinking to understand the connections, the creativity to see the possibilities, the courage to anticipate change and the discipline to turn insight into action.

As CEO, my focus throughout FY26 has been not simply to help members respond to change, but to ensure AFIA helps members anticipate it, understand it, shape it where we can and get ahead of it. At the centre of that work is trust: trust in our industry, in AFIA as its representative, and in the contribution finance makes to Australian households, businesses and the broader economy.

Our ambition is straightforward: for AFIA to be the leading and trusted voice of Australia's finance industry, bringing evidence, insight and the practical experience of our members to the decisions that shape its future.

Our 2026 research with Pyxis Polling and Insights reinforces why this matters. Australians are confronting interconnected pressures across the cost of living, housing affordability, household finances and economic confidence. At the same time, capital markets are shifting, technology, including artificial intelligence, is accelerating change, and regulatory and customer expectations continue to evolve.

For AFIA, that means turning foresight into action: raising standards, strengthening trust, shaping better policy and helping build a more resilient, efficient, competitive, innovative and inclusive finance industry.

The AFIA Finance Industry Code – Strengthening trust in challenging times

Trust matters most when confidence is under pressure. It is built through accountability, transparency, consistent outcomes and a commitment to continuous improvement.

One of our defining achievements in FY26 was the launch of Australia's first non-bank and specialist lending industry code, the AFIA Finance Industry Code of Practice.

The AFIA Code reflects our industry's commitment to high standards of conduct, accountability and customer care. It demonstrates an industry prepared to lead from within, raise standards and strengthen confidence through its own actions.

As we move towards commencement, the AFIA Code provides a strong foundation for the future: strengthening confidence in our industry, setting the standard, demonstrating good industry practices, supporting better customer outcomes and preparing for the future of finance in Australia.

The biggest risks are increasingly interconnected

Issues once considered separately are now deeply interconnected. Cost-of-living pressures, housing affordability, household finances and economic confidence intersect with changing technology, regulation and customer expectations. The same is true of the risks finance providers manage.

Fraud, financial crime, cyber resilience, customer vulnerability, conduct, privacy, operational resilience and artificial intelligence cannot be managed effectively in isolation. A cyber incident can quickly become a customer outcome issue. Fraud controls can raise privacy considerations. AI creates questions of governance, resilience and trust.

Distribution presents another example. Brokers, dealers, introducers, retailers and digital platforms are critical to competition, accessibility and customer choice, but product design, distribution, communications, vulnerability and customer outcomes increasingly need to be considered together.

AFIA has helped members navigate these connections through our Risk Summit, CEO Boardroom lunches, executive forums, professional development programs and member training. In a more interconnected financial system, the ability to see around corners, connect issues and think strategically across traditional boundaries has become an essential leadership capability.

Advocacy – Translating insight into impact

Representing an industry carries a responsibility to ensure the realities facing members are understood where decisions are made.

Effective advocacy is not simply about participating in policy discussions. It is about understanding emerging issues early, bringing together diverse perspectives, challenging assumptions through evidence and helping policymakers, regulators and other decision-makers understand how decisions play out in the real economy.

For AFIA, that means turning member experience into practical insight, and practical insight into policy impact. Our success is therefore not measured by activity alone, but by our ability to influence outcomes: building understanding of our industry, anticipating change, shaping better decisions and ensuring policy and regulation is informed by evidence, data and member experience.

That mattered particularly as Australia confronted the economic impacts of the global fuel market shock. AFIA worked with government and members to reinforce the important role finance providers play in maintaining access to capital and helping businesses navigate liquidity pressures and uncertainty.

That focus was evident across our advocacy throughout FY26. AFIA supported members through significant AML/CTF reforms and contributed to policy discussions on taxation, housing, productivity, business dynamism, the role of the Australian Office of Financial Management (AOFM), the extension of the EV Discount, artificial intelligence, unfair trading practices, climate transition, payments reform, digital economy initiatives and broader access to finance.

AFIA also engaged on issues directly affecting capital allocation and competition, including housing policy, taxation reform, securitisation markets, self-managed superannuation fund lending and broader economic reform. Across these issues, our objective remained consistent: policy settings that support competition, innovation and access to finance, enable the efficient allocation of capital and deliver strong customer outcomes.

Evidence strengthens that advocacy. During the year, AFIA produced market reports on EV and hybrid vehicle uptake in Australia, residential

mortgage non-bank lending and the motor finance sector, giving policymakers and stakeholders greater insight into our markets and ensuring member perspectives informed discussions about productivity, customer outcomes and future regulation.

AFIA also brought regulators, consumer representatives and industry participants together to build shared understanding of emerging expectations and practical implementation challenges.

Importantly, advocacy also means being prepared to challenge unintended consequences.

Well-intentioned reform can affect funding availability, access to credit, competition, pricing and confidence. AFIA's role is to bridge the gap between policy intent and real-world outcomes, and to demonstrate the contribution our industry can make to national challenges, from housing and productivity to the energy transition and Australia's future economic resilience.

Technology – Moving from possibility to responsibility

Technology is accelerating many of these changes. For finance providers facing compressed margins, rising costs, growing compliance obligations and higher customer expectations, efficiency is increasingly a prerequisite for growth. Artificial intelligence, automation and digital technologies offer significant opportunities to improve productivity, strengthen risk management and deliver better customer experiences.

Technology is reshaping finance at an extraordinary pace. But the leadership question has moved beyond what technology can do to how we use it responsibly, creatively and strategically. AI now intersects with cybersecurity, privacy, operational resilience, third-party risk and customer trust. Realising its value will require both imagination and discipline: the confidence to innovate and the governance to do so responsibly.

Throughout FY26, AFIA helped members move from AI exploration towards governance and practical deployment, supporting stronger oversight, clearer responsibilities and appropriate controls as regulatory attention intensified.

AFIA also contributed to consultations informing the Government's National AI Plan, advocating for an approach that enables Australia to realise the productivity and economic opportunities of AI, while maintaining trust, accountability and appropriate safeguards.

AFIA's financial resilience – Converting financial performance into strategic capacity

To lead effectively for members, AFIA must also be strong and sustainable in its own right.

AFIA recorded its sixth consecutive year of financial performance above budget, achieving an audited net surplus of $105,679 against a budgeted deficit of ($810,000).

This reflects disciplined stewardship of member resources and gives AFIA the capacity to invest with purpose in advocacy, research, data capability and member services that deliver long-term member value.

The opportunities ahead

The next chapter will demand both foresight and execution: the ability to anticipate change, see possibilities others may not, make disciplined choices and act with purpose.

Capital and competition. Innovation and productivity. Distribution and access. Trust and growth. Regulation and customer outcomes. Opportunity and wellbeing.

These are not competing priorities. They are interconnected elements of a resilient, efficient, competitive, innovative and inclusive finance industry.

AFIA's role is to see those connections and turn them into action: raising standards, building evidence, shaping better policy, preparing members for change and strengthening the voice of finance in Australia.

The organisations that thrive will be those that anticipate change, think creatively about opportunities and risks, act strategically and execute with discipline. AFIA intends to do the same.

Thank you to our members, Board, stakeholders and the AFIA team for your continued support, leadership and collaboration throughout FY26. Our progress reflects what we can achieve when we combine strategic thinking and creativity with discipline, focus, collaboration and a shared sense of purpose.

Together, we are building a stronger AFIA, a stronger industry and greater confidence in the contribution finance makes to Australia.

Kind regards,

Diane Tate
AFIA CEO

Purpose & Strategic Priorities

We believe in prosperity for all Australians and our purpose is to champion a thriving finance industry, always acting in the interests of customers and communities.

Government | Regulators | Members | Customers | Communities | Media

OUR STAKEHOLDERS

OUR VALUES

Be courageous and creative leaders

Be respectful and collaborative partners

Be honest and trustworthy

OUR VISION

Prosperity for all Australians

OUR PURPOSE

To champion a thriving finance industry, always acting in the interests of customers and communities

OUR CORE COMPETENCIES

Leadership

Expert advocacy and communications

Building trusted relationships

Authoritative data and insights

Creative thinking

OUR 3 STRATEGIC PRIORITIES

1. Advocating for a balanced regulatory framework that instils trust and confidence in Australia's finance industry.

2. Promoting a leading and safe digital economy to support innovation in finance, economic participation and financial inclusion.

3. Improving access to affordable and sustainable finance to drive economic growth and financial wellbeing for Australians.

FY26 in Review

A Year of Momentum

In FY26, AFIA strengthened industry standards, expanded our evidence base, supported members through significant regulatory change and amplified the voice of non-bank and specialist finance providers.

With 44 member events delivered and 43 submissions made to government and regulatory inquiries, AFIA connected industry, policymakers and regulators while contributing to the policy and regulatory discussions shaping Australia's finance industry.

July – September 2025

- Consumer research with Pyxis commenced
- Provided industry perspectives to the Productivity Commission and Senate Productivity Inquiry
- Advocacy intensified on housing, taxation and access to finance

Economic environment

The Reserve Bank reduced the cash rate to 3.60 per cent, reflecting moderating inflation and evolving economic conditions

Stakeholder engagement

ASIC Regulatory Engagement Meeting

Government Economic Reform Roundtable

AFIA-ATO Roundtable

AFCA Quarterly Liaison Meeting

ASIC Strategic Policy Discussion

ACCC Strategic Policy Discussion

Webinars & Events

July

Financing the Future | Clean Energy Finance Corporation

Economic Insights | Warren Hogan

Regulator Webinar Series | Credit Bureau Update

Unpacking the AUSTRAC enforcement activities | Allens

Communicating with Vulnerable Customers – Sydney | Uniting

Addressing Family Violence & Financial Abuse | Uniting

AFIA CEO Update

August

Communicating with Vulnerable Customers - Melbourne | Uniting

Understanding the Conduct Regulator | Ashurst

Navigating Personal Insolvency, Credit Systems & Industry Shifts | ASFA

Regulator Webinar Series | AFCA Update

Regulator Webinar Series | ACCC Update

CRO Forum Sydney | Ashurst

September

Driving Confidence in the Used EV Market | Pickles

Executive Forum: Regulatory insights & remediation strategies in motor financing

Demystifying CDR Compliance for Non-Bank Lenders: Part 1 | Fiskil

AFIA Conference and Affie Awards Gala Dinner

October – December 2025

- Introduced the AFIA Finance Industry Code of Practice
- Expanded Consumer Data Right implementation support
- Grew industry data and research programs
- Published AFIA's inaugural Residential Mortgage Non-bank Lenders Report, highlighting the contribution of non-bank lenders to competition, consumer choice and access to housing finance
- Delivered member capability programs focused on regulatory preparedness and customer outcomes
- Established the Sustainability Community of Practice, bringing together members and key stakeholders

Economic environment

AFIA's AI research generated national media coverage and contributed to public policy discussions on productivity and innovation

Stakeholder engagement

AFCA Quarterly Liaison Meeting

CEFC Strategic Liaison Discussion

Webinars & Events

October

Financial Hardship Summit Webinar Series

Demystifying CDR Compliance for Non-Bank Lenders: Part 2 | Fiskil

AFIA AGM & Member Drinks

November

AFIA Finance Industry Code Compliance Insights | Allens

CRO Forum Melbourne | Ashurst

Understanding the Conduct Regulator | Ashurst

CFO Forum: AASB S2 Climate-Related Disclosures

SME Roundtable: Driving Innovation and Growth in SME Lending

Addressing Family Violence | Uniting

What's Driving EV Adoption? | Magenta Advisory

Financial Abuse in Focus | Uniting

AFIA Update

December

AFIA CEO Update

January – March 2026

Webinars & Events

January

Preparing for Change AML/CTF Reform and Regulatory Risk | Gilbert + Tobin

February

Working Alongside Industry & Code | AFCA

Artificial Intelligence in Financial Services | Mallesons

2026 Headwinds & Tailwinds | SEC Newgate

March

Preparing for the AFIA Finance Industry Code of Practice – Insights from the CCC Chair

The State of Asset Finance in Australia 2026: Growth Drivers, Technology Priorities & Market Outlook | Netsol

CEO Roundtable: The Next Chapter in Non-Bank SME Lending

Cybersecurity Outlook 2026 – Threat Trends, Resilience & Strategic Priorities | ASD

AFIA Member Safety by Design Workshop

AFIA Update

Stakeholder engagement

APRA Prudential Liaison Meetings (January and March)

AFCA Industry Engagement Discussion

ASIC Strategic Liaison Meeting

AFCA Quarterly Liaison Meeting

APRA Regulatory Engagement Meeting

OAIC Strategic Liaison Meeting

- Continued advocacy on Consumer Data Right reforms, digital economy policy and innovation
- Advocacy on initiatives and relief measures to support economy, incl fuel excise and heavy vehicle road user charge
- Generated national media attention through EV and hybrid vehicle finance research, supporting policy discussions on transport and sustainability
- Strengthened the evidence base for future policy development through industry research reports

Economic environment

The Reserve Bank increased the cash rate to 4.10 per cent as inflationary pressures re-emerged and economic uncertainty persisted, with geopolitical factors impacting domestic conditions, particularly the US-Iran conflict

Amplifying the Industry Voice

AFIA continued to strengthen its position as a trusted and authoritative voice for Australia's finance industry. During FY26, AFIA was cited or quoted in 168 direct media mentions and featured across leading national outlets including the Australian Financial Review, The Australian, ABC, The Age and Sydney Morning Herald.

FY26 Media Snapshot

- 168 direct media mentions
- 3 Opinion Pieces by CEO Diane Tate published in The Australian Financial Review on productivity benefits with artificial intelligence, compensation scheme and SMSF lending
- 53 Tier One media mentions, including the Australian Financial Review, The Australian and ABC
- 23 media statements published
- 97% of coverage across online and print
- More than 33 million potential audience reach

AFIA's expertise was regularly sought on the issues shaping the finance industry, reinforcing our leadership in key policy and industry priorities. Throughout FY26, AFIA featured prominently in media coverage relating to:

Industry Priority	Media Mentions
SMSF lending and limited recourse borrowing arrangements	15
Electric and hybrid vehicle finance	20
Economic crime, mortgage fraud and scams	14
Artificial intelligence, technology and productivity	13
Motor vehicle finance and car lending	11
The launch of the AFIA Code	10

AFIA outlines new rules for non-bank lenders

DAVID ROSS

The industry body governing non-bank lenders will launch its first code of practice, rolling up a string of industry codes, in a bid to raise standards and head off regulatory intervention.

The Australian Finance In- ...on, which an- ...e last week, will ...nto effect from ...nts small busi- ...financiers and ...r operators that ...e of the banking ...f these sub- ...have their own ...ve Diane Tate ...practice would ...ry "galvanise" around a series of core standards and promises to customers. "Of ...getting ahead of ...aid. "One of the ...ernments have, ...eform pipeline is ...es to the finance ...st, it's hard for ...udes formalising ...rs should treat ...and resolve com- ...including financial hardship and vulnerability.

The corporate regulator has observed that several non-bank lenders were failing to properly deal with customers in distress.

It also outlines how its members should use technology and artificial intelligence. Ms Tate noted there was a need to use AI in an "appropriate way".

The Australian Securities & Investments Commission has warned companies they will be held accountable for how they use AI.

Codes like this were important as they offered the non-bank sector the chance to "set standards itself", the CEO said. "The industry can create the next phase and evolution."

AFIA will also set up a Finance Industry Code Compliance Committee, overseen by five key figures from the sector.

Members "will have risk management processes to identify and mitigate risks in its use and we will monitor its operation to ensure it is compliant with relevant laws".

Ms Tate noted the industry code approach allowed the sector to respond quicker: "I have no doubt that within the next three years there will be developments that we need to think about, whether that's industry development, a consequence of something comes from offshore, or changing customer preferences."

AI's contribution to economic growth modelled

The Australian Finance Industry Association — the peak body for the financial sector — has modelled AI's contribution to economic growth in the years ahead.

— Opinion

SMSF lending ban contradicts the budget it was bolted onto

This ill-considered ban works against efforts to increase housing supply and affordability, and it has created uncertainty for those planning for retirement.

Diane Tate *Chief executive of the Australian Finance Industry Association*

Webinars & Events

April

Uniting Training: Understanding Vulnerability and Respectful Communication | Sydney

Scam Trends & Industry Outlook | ACCC

May

Sustainability Disclosures | KPMG

AI Governance and Strategy Forum: Melbourne | Mallesons

Countdown to CDR Compliance for Non-Bank Lenders | Biza

Code Champions | Pepper, Zip & IQumulate

June

AI Governance and Strategy Forum: Sydney | Mallesons

AI Governance and Strategy Forum: Brisbane | Mallesons

AFIA Risk Summit

Understanding Financial Counselling and Hardship Support | Financial Counselling Australia

AFIA Update

April – June 2026

- Convened the Risk Summit, providing a forum for senior leaders to exchange perspectives on priority and emerging regulatory developments
- Published AFIA's inaugural Motor Finance Report, highlighting the important role motor finance plays in supporting Australians economic and social participation
- Facilitated the Hardship Roundtable with industry, regulators and consumer representatives
- Supported members through AML/CTF reform implementation
- Led advocacy on proposed tax reforms and their implications for lending markets, capital allocation and investment
- Contributed industry perspectives to the independent review of the Australian Office of Financial Management (AOFM)

Economic environment

The 2026-27 Federal Budget focused on productivity, investment and tax reform, while the Reserve Bank increased the cash rate to 4.35 per cent amid ongoing inflationary pressures and economic uncertainty

Stakeholder engagement

Consumer Groups Consumer Forum Meeting

AFCA Quarterly Liaison Meeting

ASIC Strategic Policy Discussion

AUSTRAC Industry Forum Engagement

Leadership & Priorities

Throughout FY26, AFIA strengthened its position as the leading voice of Australia's finance industry, shaping policy and regulatory settings that support consumer confidence, competition, innovation and economic growth.

AFIA's advocacy centred on key regulatory and policy reforms, including engagement on the Federal Budget and the following changes to the tax system, ASIC and APRA priorities, hardship arrangements, motor finance, and emerging issues such as artificial intelligence and cyber resilience. These initiatives reflected AFIA's commitment to a balanced regulatory framework that supports a trusted, competitive and future-focused finance industry.

A defining achievement of the year was the introduction of the AFIA Finance Industry Code of Practice, which comes into effect in October 2026. The AFIA Code represents the industry's commitment to maintaining high standards of conduct, customer care and accountability across the finance industry. Developed through extensive consultation with members, consumer representatives and other stakeholders, the AFIA Code provides a contemporary framework that supports fair customer outcomes while reflecting the evolving expectations of the community, regulators and government.

AFIA also intensified its focus on the digital economy and the growing challenges associated with fraud and financial crime. Through advocacy on Consumer Data Right expansion, payments innovation, privacy reform and anti-money laundering and counter-terrorism financing (AML/CTF) obligations, AFIA worked to ensure that regulatory frameworks support innovation while maintaining strong consumer protections in an increasingly interconnected economy.

Consistent with our objective of improving access to affordable and sustainable finance, AFIA also dedicated effort to policy issues affecting credit availability and investment. This included advocacy relating to electric vehicle financing, self-managed superannuation fund (SMSF) lending arrangements and broader taxation settings with implications for credit markets and economic growth.

Together, these initiatives reinforced AFIA's position at the forefront of industry advocacy, delivering thought leadership and practical member support to help shape a regulatory environment that promotes financial wellbeing, economic participation and sustainable growth.

PRIORITY 1:

Advocating for a balanced regulatory framework that instils trust and confidence in Australia's finance industry

Shaping policy settings for growth and investment

AFIA played a leading role in policy and regulatory discussions aimed at promoting a competitive, productive and consumer-focused finance industry. Through participation in the Government's Economic Reform Roundtable, submissions to the Productivity Commission's Five Pillars inquiries and engagement with the Senate Select Committee on Productivity in Australia, AFIA highlighted the critical role of the finance industry in supporting investment, innovation, technology adoption and economic growth.

AFIA continued to advocate for proportionate regulation, stronger competition settings and reduced barriers to investment and productivity. This included our submission of AFIA's Pre-Budget recommendations to Treasury and contributions to consultations on the future of regulation for Australia's payments system, improvement of the FinTech sandbox, and design and implementation of the Consumer Data Right, including access to ATO data, ensuring members' perspectives were reflected in key policy discussions.

Following the Federal Budget, AFIA provided industry leadership on a range of measures affecting the finance industry, engaging extensively with policymakers on regulatory and taxation reforms. AFIA contributed to the Senate Economics Legislation Committee's consideration of tax reform proposals and engaged with both Government and Opposition representatives on measures relating to capital gains tax, negative gearing and the potential impacts of these measures on credit markets and investment.

Promoting innovation, competition and market access

AFIA released a report on the vital role of non-bank motor finance lenders in supporting consumer and business access to vehicles, competition and economic participation. AFIA continued constructive engagement with ASIC following the release of ASIC's review of car loans (REP 832), advocating for regulatory approaches that support consumer confidence while recognising the important role of motor finance in facilitating economic and social participation.

On emerging technologies, AFIA engaged with ASIC and APRA on regulatory approaches to artificial intelligence and cyber resilience, helping ensure member perspectives informed discussions on governance, operational risk and responsible innovation.

Following the release of AFIA's inaugural report on artificial intelligence, a second report will be released in the coming year, exploring the evolving use of AI in finance, including consumer benefits, emerging risks and opportunities for industry.

During FY26, AFIA welcomed the release of new Statements of Expectations for ASIC and APRA, which reinforced the importance of proportionate, growth-focused regulation.

AFIA continued to shape policy discussions relating to financial markets, funding and innovation through evidence-based advocacy and stakeholder engagement. This included engagement with the independent review of the Australian Office of Financial Management (AOFM), providing industry perspectives on market efficiency, funding settings and the role of securitisation in supporting access to finance.

Supporting our economy through disruption

AFIA worked closely with the Treasury and the Government to inform design of relief and policies following the US-Iran conflict and subsequent risk of fuel disruption. AFIA provided unique data, insights, feedback, and a sense of the practicalities of potential policy responses. This dialogue helped to inform a Government response to cushion the effects of the conflict, as well as have preparatory measures in place should the situation worsen. Our trusted relationship with the Treasury and the Government allowed us to support informed decision making and help design good policy outcomes for the community, which in turn supported our members.

Bringing industry and regulators together

AFIA continued to facilitate direct dialogue between members, regulators and policymakers, creating opportunities to strengthen regulatory understanding, address emerging risks and inform public policy development.

A highlight of the year was the AFIA Risk Summit, which brought together senior representatives from ASIC, APRA, AUSTRAC, the ACCC, OAIC, AFCA, AFSA and the Australian Small Business and Family Enterprise Ombudsman. The summit provided members with valuable insights into regulatory priorities and the evolving challenges facing the finance industry.

AFIA also participated in the Government's CSLR reform roundtable chaired by Hon Dr Daniel Mulino MP, contributing industry perspectives alongside regulators, consumer representatives and other stakeholders.

PRIORITY 2:

Promoting a leading and safe digital economy to support innovation in finance, economic participation, and financial inclusion

Driving digital innovation

AFIA continued to advocate for policy settings that enable innovation while maintaining strong consumer protections and trust in Australia's digital economy. During FY26, AFIA engaged extensively on payments reform and innovation, providing industry perspectives to support a modern, efficient and competitive payments ecosystem.

Recognising the opportunities presented by data sharing and digital infrastructure, AFIA called for the expansion of the Consumer Data Right to include access to ATO income data. This reform has the potential to improve the efficiency of credit assessment processes, reduce friction for consumers and businesses, and support more informed lending decisions.

Throughout the year, AFIA contributed to discussions on the future of Australia's digital economy through ongoing engagement on consumer data, digital identity, payments reform and related policy developments. AFIA worked with government agencies, regulators and industry stakeholders to promote practical regulatory approaches that support innovation, economic participation and consumer confidence, while strengthening safeguards against fraud and financial crime.

Strengthening trust through collaboration

AFIA demonstrated the value of industry engagement during emerging market events, working closely with the Treasury during the fuel market disruption to provide timely intelligence on impacts across the finance industry. This real-time engagement helped ensure policymakers were informed by practical industry perspectives as events unfolded.

AFIA secured an important outcome with the Office of the Australian Information Commissioner (OAIC), obtaining guidance on the handling of identity documents under the AML/CTF regime. This provided greater clarity for members in balancing their regulatory obligations relating to financial crime prevention, privacy and information security.

AFIA continued to create opportunities for collaboration and information sharing on emerging risks and opportunities in the digital economy. Through member forums, working groups and stakeholder engagement activities, AFIA facilitated discussions on payments innovation, consumer data, digital identity, cyber resilience and financial crime prevention.

These engagements enabled members to share practical experiences, identify emerging risks and opportunities, and contribute directly to AFIA's advocacy agenda. By bringing together industry participants, regulators and policymakers, AFIA helped promote a coordinated approach to supporting innovation, strengthening consumer protections and enhancing trust in the digital economy.

PRIORITY 3:

Improving access to affordable and sustainable finance to drive economic growth and financial wellbeing for Australians

Supporting investment and access to finance

Throughout FY26, AFIA advocated for policy settings that support access to affordable and sustainable finance for consumers and businesses, recognising the critical role finance plays in economic growth, investment and financial wellbeing. A key area of focus was the tax treatment of electric vehicles, where AFIA highlighted the role of finance in accelerating the transition to lower-emissions transport while maintaining access to competitive and affordable funding options for households and businesses.

AFIA also engaged extensively on housing, asset finance and broader taxation measures announced through the Federal Budget, seeking to ensure that policy reforms support investment, economic activity and continued access to credit. Through engagement with policymakers, AFIA highlighted the important role financial firms play in supporting household and business investment, and the potential consequences of proposed tax changes for credit markets, lending activity and investment.

Recognising the important role that financial firms play in supporting household and business investment decisions, AFIA contributed industry perspectives on the potential impacts of proposed tax changes on lending markets and credit availability.

Protecting lending choice and housing supply

A significant focus during the year was advocacy relating to proposed restrictions on Limited Recourse Borrowing Arrangements (LRBAs) within self-managed superannuation funds. Working alongside the Mortgage and Finance Association of Australia (MFAA) and the Commercial and Asset Finance Brokers Association of Australia (CAFBA), AFIA engaged with Government to ensure the implications of the proposed ban for access to finance, investment in housing supply and broader economic activity were fully considered.

AFIA further facilitated direct engagement between industry participants and policymakers, including a member delegation meeting with the Assistant Treasurer, the Hon Dr Daniel Mulino MP, to discuss the practical implications of the proposed LRBA changes.

Leading policy discussions on growth and finance

AFIA continued to provide industry leadership on economic, taxation and finance policy issues that influence access to credit, investment capital and economic participation. Through submissions, stakeholder engagement and policy analysis, AFIA advocated for reform settings that support sustainable lending markets, promote investment and ensure consumers and businesses can continue to access finance products that meet their needs.

This work reinforced AFIA's role as a trusted industry voice on the relationship between taxation policy, investment settings and the availability of credit, while highlighting the importance of maintaining a competitive and well-functioning finance industry to support economic growth and financial wellbeing.

AFIA facilitated constructive engagement between members, government agencies and policymakers on issues affecting access to finance. This included engagement with the Australian Taxation Office (ATO) on small business lending issues, providing an opportunity for members to discuss operational challenges, emerging trends and opportunities to improve outcomes for small businesses seeking access to credit.

In addition, AFIA convened a Hardship Roundtable involving ASIC, AFCA, Financial Counselling Australia, legal assistance services and member organisations to explore evolving hardship practices and identify opportunities to strengthen support frameworks for Australians experiencing financial difficulty.

Through its member forums, working groups and stakeholder engagement activities, AFIA also supported the sharing of industry insights and practical experiences on housing finance, asset finance, taxation reform and investment policy. These engagements helped inform AFIA's advocacy and ensured that member perspectives were reflected in discussions on policies affecting credit availability and economic participation.

> *"They do a good job in finding the balance between appropriate regulation and not overdoing the red tape for members."*
>
> – Commercial financier

Driving Policy and Regulatory Reform

As the pace of regulatory change accelerated, AFIA remained at the forefront of industry advocacy.

Throughout FY26, we worked with policymakers, regulators and stakeholders to promote proportionate, effective and future-focused regulation that supports strong consumer outcomes, innovation and a competitive finance industry. Our engagement across the consultations, submissions and inquiries outlined below demonstrates the extent and impact of AFIA's advocacy across the regulatory landscape during the year.

ATO

ATO Vulnerability Framework

Small Business Roundtable

OAIC

OAIC Guidance on Handling Identity Documents Collected for AML/CTF Purposes

OAIC Guidance on Automated Decision-Making

RBA

Review of Payment Systems Regulation

AFCA

Continued Advocacy on Improving the Efficiency and Effectiveness of How Disputes are Resolved in Australia

AFCA Family Violence and Financial Abuse Approaches

Data Standards Body

CDR White-Label Arrangements

Product Disclosure Standards

Risk-Based Pricing

Treasury

Pre-Budget Submission 2026-27

Managed Investment Scheme (MIS) Reform Consultation

Business Case on Consumer Data Right Expansion to ATO Income Data

FinTech Sandbox

Fuel Market Disruption Engagement and Data Sharing

CGT and Negative Gearing Policy Proposals and Credit Market Impacts

EV Taxation and Fleet Transition Policies

Home Guarantee Scheme Expansion (5% Deposit Scheme) – Targeted Consultation Paper

Economic Reform Roundtable Submission

CSLR Special Levy Consultation

CSLR Reform Options Consultation

Climate-Related Transition Planning Guidance

Consultation on the Regulation of Payment Service Providers (Tranche 1a)

Consultation on Deferred Sales Model Class Exemptions

Independent Review of the Enhanced Regulatory (FinTech) Sandbox

Review of the EV FBT Discount

Enhancing Oversight and Governance of Managed Investment Schemes

Unfair Trading Practices Consultation

Coerced Directorships Consultation

Regulatory Data Standards Development Reforms

DSB White Labelling Draft Standards

CDR Banking De Minimis Threshold

CDR Third-Party Disclosure Consent

Registry Stabilisation and Uplift – Draft Legislation Consultation

Parliamentary Committees

Senate Economics Committee Inquiry into FY26 Instant Asset Write-Off Legislation

Economics Committee Inquiry into Schemes, Digital Wallets and Innovation in the Payments Sector

Senate Select Committee on Productivity in Australia

Senate Select Committee on Intergenerational Housing Inequity

Senate Economics Committee Inquiry into Treasury Laws Amendment (Tax Reform No. 1) Bill 2026

Senate Economics Committee Inquiry into Treasury Laws Amendment (Business Registries Stabilisation and Uplift) Bill 2026

AUSTRAC

Review of the AML/CTF Financing Amendment Bill

Industry Contribution Levy 2025/6

AML/CTF Transitional Rule Consultation

AML/CTF Rules Consultation

AML/CTF Privacy and Identity Verification Requirements

Identity Document Handling Guidance Arising from AML/CTF Obligations

Updated sector risk assessment for NBLs consultation

Other Stakeholders

Financial Counselling Sector Funding Model Consultation

ARCA Guidance on Credit Report Corrections

ARCA PRDE Tranche 2 Reforms

Services Australia/DVA Code of Operation Review

APRA

ADI Licensing Review

Proportionality and Prudential framework reform

Macro-prudential settings

ACCC

Unsolicited Selling and Lead Generation Review

Consultation on the New Energy Tech Consumer Code

ASIC

Proposed Update to Guidance on Advertising Financial Products and Services (RG234)

ASIC Motor Finance Report

ASIC Regulatory Simplification Initiatives

Internal Dispute Resolution (IDR) and Reportable Situations Engagement

ASIC RG183 – Sector Codes

AOFM and Productivity Commission

Australian Office of Financial Management (AOFM) Independent Review

Productivity Commission Five Pillars Consultation and Interim Report

AFIA Finance Industry Code of Practice

AFIA Code of Practice launched (September 2025), with Commencement (October 2026)

Stakeholder Engagement with Consumer Groups and Regulators

Member Preparation for Accreditation and Code Commencement

Code Governance, Education and Industry Uplift Activities

Campaigns

Objective

AFIA's four core campaigns provide the foundation for our advocacy, engagement and communications activities. Together, they define our industry agenda, amplify our leadership and align our efforts with AFIA's strategic priorities and values. Through these campaigns, we champion the issues that matter most to members, strengthen trust in the finance industry and help shape a more prosperous, innovative and sustainable future for Australia.

Headline messages

Enabling innovation and competitiveness	We drive innovation, digital adoption, and smarter solutions that serve consumers, households, and businesses. By providing competitive, flexible products and services, we enhance productivity and strengthen wellbeing.
Mobilising private capital for national goals	We power economic growth and support national goals-supporting the clean energy ambition, delivering on housing, and fostering business investment. Unlocking private capital also relieves pressure on public budgets taking the burden off future generations and expediting the delivery of critical national priorities.
Strong governance and responsible practice	We are regulated, with strong governance, robust risk management and transparency. These safeguards protect customers and strengthen trust and resilience in the financial system.
The right regulation for the right reasons	We back regulation that strikes the right balance – that gives clear, confident signals and that encourages innovation and capital flows, while simultaneously protecting against customer harm. Excessive regulation risks slowing Australia's progress in a globally competitive, technology-driven world.
Strengthening financial markets with a culture of trust and integrity	Our values and commitment to high standards, underscored by rigorous governance and self-regulation through the AFIA Finance Industry Code of Practice, will ensure customers are treated fairly and with respect.

	Non-bank Lending	Green Vehicle & Finance	Technology & Innovation	Financial Wellbeing
Objective	**Promote non-bank lenders (NBLs) contribution to the economy.**	**Promote the role of finance in economic transition.**	**Promote the role of financial digitisation in productivity, growth and wellbeing.**	**Promote the role of financial firms in supporting customers through difficult times.**
Thought Leadership	• AFIA Industry data and market reports • Competition • Responsible lending • Financial stability	• Future of Transport Report & Mobility Summit • Incentivising clean technology • ESG Portal • Climate reporting	• AI Report • Consumer Data Right • Privacy, credit and reporting bodies • Cyber resilience, fraud and scams	• Codes and self-regulation • Safe products • Consumer and SME advocate engagement • Member education
Industry Advocacy Positions	• Mobilise private capital for national goals. • We power economic growth and support national goals - the clean energy ambition, housing, and business investment. • Unlocking private capital relieves pressure on public budgets and takes the burden off future generations. It expedites the delivery of critical national priorities.	• The finance industry is responding to the shift in consumer mobility preferences, offering flexible options like leasing, subscriptions, and alternative ownership models to meet evolving customer demands. • While the finance industry is driving investment and developing financial products that make EVs and new energy technology more accessible, overcoming adoption barriers requires coordinated support from government.	• Support balanced regulation of AI that doesn't dampen potential productivity benefits. • Support targeted implementation of CDR, access seeker rules, and initiatives for digital ID. • Improve data quality, access, and costs via maintaining the access seeker provision (or equivalent). • Support continued uplift and engagement in cyber, fraud and scam tools and knowledge to protect the industry, institutions and customers.	• Lifting industry standards. • Improving consumer outcomes. • Commitment to support customers experiencing hardship and financial difficulty. • Taking cross-industry action to tackle financial abuse and domestic violence in the context of finance.
Channels & Tactics	**Members** 1. Leverage key events. 2. Develop future-focused advocacy positions across campaigns. 3. Briefings with members (incl through policy committees). 4. Detailed member communications, providing a concise summary of reports and other initiatives. 5. CEO Roundtables and Executive Exchanges. 6. Member roadshows and updates on policy initiatives.	**Stakeholders: Political / regulators / customer representatives** 1. Leverage key events. 2. Develop future-focused advocacy positions across campaigns. 3. Develop collateral to share with targeted stakeholders (e.g. reports, infographics). 4. Distribute reports and infographics with select stakeholders. 5. Coordinate Parliamentary briefings (twice yearly) and 1:1 meetings with ministerial / opposition stakeholders. 6. Coordinate roundtables and workshops with regulators and customer representatives.	**Media** 1. Leverage key events. 2. Quarterly media dinners to seed stories across campaigns. 3. Proactive and reactive media engagement, providing background briefings, quotes, Op Eds, etc. 4. 1:1 interviews or meetings with leading journalists on campaigns.	**Industry** 1. Leverage key events. 2. Build AFIA profile through targeted speaking engagements. 3. Promote reports and their findings through speaking opportunities. 4. Create strategic partnerships with other industry and business groups.

Depth of Member Engagement

Throughout FY26, AFIA delivered the insights, connections and leadership that helped members navigate uncertainty, anticipate change and respond with confidence.

Members are operating in an increasingly complex regulatory, technological and commercial environment, requiring timely insights, practical guidance and opportunities to engage with peers and decision-makers. In response, AFIA's engagement program focused on four core pillars: regulatory and compliance preparedness, technology and innovation, leadership and executive engagement, and our flagship events.

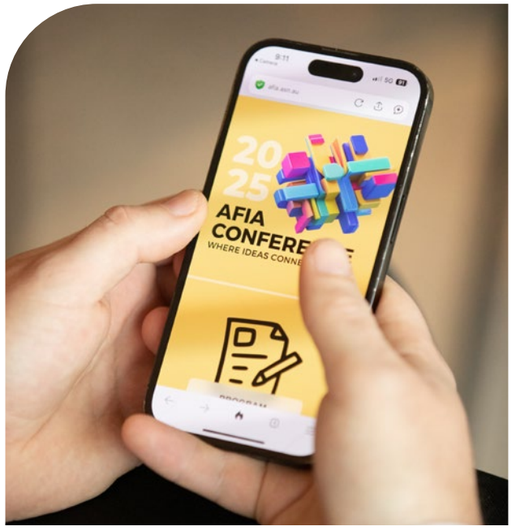
Our focus extended beyond bringing members together to creating opportunities to build capability, share expertise and influence outcomes. Members drew on these engagements to strengthen decision-making, improve customer outcomes and contribute directly to industry advocacy and policy development.

In doing so, AFIA helped translate the experiences of member organisations into collective industry capability, enabling members to take new insights and ideas back to their teams, strengthen practices and help lift standards across the finance industry.

44
Number of events

25
Virtual events

19
In-person events



Total registrations

4,089

3,416
Virtual

673
In-person

Members trained

245
Representatives across two national training programs

Most attended in-person event

2025 AFIA Conference and Affie Awards Gala Dinner

Most attended virtual event

Preparing for Change: AML/CTF Reform and Regulatory Risk

Helping members turn regulation into action

Key member assets delivered during FY26 included:

- Updates to the Privacy Compliance Toolkit to support evolving regulatory obligations.
- Enhanced ESG Portal resources, including guidance on net zero transition planning, climate risk management and AASB S2 climate-related financial disclosures.
- Development of AFIA Code implementation and accreditation resources to support member readiness ahead of the Code's commencement.
- Expanded library of regulatory compliance resources, practical guidance and implementation templates to assist members in responding to regulatory change.

"I think days like this are so important to let us dive deeper into the niche and nuance of the fraud risks in our industry."

– 2026 Fraud Uncovered attendee

1 Regulatory & Compliance Preparedness

Helping members prepare for regulatory change while it was still evolving, rather than after expectations had already been set

Our program focused on equipping members to navigate regulatory change through insights that enabled earlier planning, stronger compliance readiness and more informed decision-making. The year's most attended virtual session focused on AML/CTF reform, demonstrating the level of interest in the changes underway across the industry and members' need for practical guidance.

Navigating regulatory reform and obligations

We unpacked AUSTRAC enforcement activity and AML/CTF reform as the changes were being settled. Three sessions on the Consumer Data Right guided members from core requirements and implementation through to use cases and competitive advantage, culminating in a countdown session as compliance dates drew near. A series on the AFIA Finance Industry Code of Practice covered preparation, compliance insights and case studies from member organisations leading the way in Code implementation, while our sustainability disclosure sessions spoke directly to the audit, assurance and board sign-off process.

The objective throughout was practical: giving members the information they needed to turn obligations into action while there was still time to prepare.

Building capability in hardship and vulnerability

Financial hardship and vulnerability remained priority areas for ASIC and AFCA, and expectations have risen accordingly. Delivered with UnitingCare over four days in Sydney and Melbourne at no cost to members, our hardship training examined the drivers of vulnerability, including mental health challenges, family and domestic violence, financial abuse and addiction, and the practical question of how customer-facing teams can respond effectively. Sessions covered respectful communication, frontline resilience, and how organisations identify and respond to vulnerable customers at a systems level rather than case by case. Uptake was strong, with members requesting further training in this area.

Our inaugural Financial Wellbeing Virtual Summit ran over three days and treated customer wellbeing as a technical discipline rather than a values statement. The online format made it easier for members to bring together credit, compliance and frontline teams around a shared understanding of customer wellbeing obligations. The program covered the obligations members were being assessed, including responsible lending and hardship notices under the National Credit Code; Design and Distribution Obligations and product governance; and remediation in motor vehicle financing, including ASIC's expectations and lessons from recent cases. Alongside these sessions, a webinar with AFCA, and sessions on financial counselling, hardship support and Safety by Design, focused on the practical end of protecting customers.

Strengthening scam prevention and cyber resilience

The ACCC and Scamwatch took members through emerging scam trends and shifting loss patterns, while the Australian Signals Directorate outlined the 2026 cybersecurity outlook. Both sessions were designed to deliver practical insights that risk and operations leaders could implement immediately to strengthen scam prevention and cyber resilience.

Staying ahead of market trends and emerging opportunities

Members also needed a clear view of the commercial environment ahead. Economic insights with Warren Hogan, an AFSA update on personal insolvency and credit systems, a session on the state of asset finance in Australia, and SEC Newgate's analysis of the headwinds and tailwinds shaping 2026 provided members with both immediate market intelligence and a longer-term perspective.

For those financing the energy transition, we delivered sessions on EVs and charging infrastructure, solar and battery technologies, government incentives, AFIA's research into the impact of the FBT discount on EV adoption, and battery health in the used EV market.

> *"AFIA balances and can help us see a better view forward ... can explain the middle ground and how things can benefit."*
>
> – Non-bank lender

2 Technology & Innovation

Building practical AI governance capability while standards and expectations were still emerging

Members moved beyond exploring AI's potential and into implementation. As adoption accelerated, questions shifted from what the technology could do to how organisations could govern its use effectively, manage risk and embed accountability.

The AI Governance and Strategy Forum, delivered with Associate Member, Mallesons and Amplify AI Group across Sydney, Melbourne and Brisbane, was designed to support that transition. Sessions covered risk frameworks and AI risk assessments, regulatory expectations for automated decision-making, and approaches to embedding governance and controls across an entire organisation rather than around a single tool. The use cases focused on non-bank lending, including productivity, origination and funding. Members gained practical insights into designing and implementing AI governance frameworks, supported by a virtual program that also explored the implications of the National AI Plan.

Our research provided the evidence base for those discussions. The Impact of AI on the Australian Finance Industry, commissioned by AFIA and conducted by King & Wood Mallesons and Sapere, found that generative AI adoption across the industry was expected to double within three years, contributing between $37.2 billion and $59.5 billion to GDP by 2035. For members, the research strengthened business cases for AI investment and adoption. For the industry, it provided evidence for a risk-based regulatory approach that targets genuine gaps rather than imposing blanket requirements on an already highly regulated sector.

3 Leadership & Executive Engagement

Turning member experience into policy and advocacy outcomes

We ran four executive forums, each built around a single issue members were actively working through rather than a broad theme, and each small enough to keep the discussion frank. Held under Chatham House-style discretion, the forums gave senior leaders the space to test ideas, share emerging challenges and discuss issues that were still being worked through rather than positions that had already been settled. Insights from these discussions directly informed AFIA's engagement with government and regulators throughout the year.

The year opened with a forum on regulatory insights and remediation strategies in motor vehicle financing, examining ASIC's expectations and the mechanics of remediation while these issues were still evolving.

Driving Innovation and Growth, an invitation-only discussion for non-bank leaders held in an open discussion format rather than through formal presentations, paired AFIA CEO Diane Tate with Cameron Poolman, CEO of OnDeck, and Paul Freeman, CEO of Avant, on the state of the industry and the challenges shaping non-bank commercial lending. The CFO Forum on AASB S2 climate-related disclosures was the most technical of the four, focused on translating new obligations into practical implementation steps.

The Next Chapter in Non-Bank SME Lending closed the series, with Rachel Walker, Partner at Gilbert + Tobin, examining the tightening of trust and company lending and its implications for SME credit risk, AML compliance and evolving regulatory expectations, followed by a discussion on emerging risks and customer pain points.

Alongside these, CEO roundtables in Melbourne, Sydney and Brisbane created opportunities for local peer engagement, while sub-sector

connectivity lunches connected members facing many of the same commercial, regulatory and operational issues. The value of both was the opportunity for leaders to benchmark their thinking, share experiences and explore practical responses to common challenges.

4 AFIA's Flagship Events

Our two flagship events brought members together with industry leaders, regulators and peers to discuss the issues shaping the sector

One event sold out a week early; the other brought nine regulators and ombudsmen together with AFIA's senior legal, risk and compliance community. Both created opportunities for the conversations, connections and insights that are difficult to replicate online.

2025 AFIA Conference

On 16 September 2025, 170 member representatives gathered at Saltbox in Sydney under the theme Where Ideas Connect. Registrations closed a week early, a first for an AFIA conference and a clear indication of members' appetite to connect amid compressed margins, rapid technological change and an evolving regulatory landscape.

The program moved from the economic outlook to the operational realities shaping businesses today, while extended networking breaks gave members time to continue discussions and build new connections. Paul Bloxham of HSBC Australia opened on the global economy and Australia's productivity challenge, followed by Dr Sarah Hunter of the Reserve Bank of Australia on inflation, employment and the outlook. Ross Greenwood of Sky News Australia explored competitiveness, regulation and shifting customer expectations, Will Liang examined meaningful AI adoption, and former Sydney Swans premiership coach John Longmire closed on leadership and resilience through uncertainty.

The conference concluded with the Affie Awards Gala Dinner hosted by comedian and broadcaster Peter Berner, providing an opportunity to celebrate excellence across the industry and recognise individuals whose leadership and contributions have made a lasting impact. Our award winners:

Impactful Leadership: Darren Cantor, Finance One. For steering an organisation through meaningful change with tangible, lasting results.

Hall of Fame: David Hannah, Allied Credit. For extraordinary contributions that have left a lasting mark on Australia's financial services industry.

Service to the Industry: Tracey Lyons, AFIA, and Ofir Kranz, Angle Auto. For long-standing leadership, integrity and sustained commitment to advancing the industry.

> *"Every session was interesting and included at least one eye opener aspect. The summit has been very practical in focus."*
>
> – 2026 Risk Summit attendee

2026 AFIA Risk Summit

The 2026 AFIA Risk Summit brought together nine regulators, ombudsmen and industry experts with AFIA's member CEOs as well as senior legal, risk and compliance executives for three days of discussion under the theme *Resilience and Responsibility: Navigating Risk in a New Era of Regulation.*

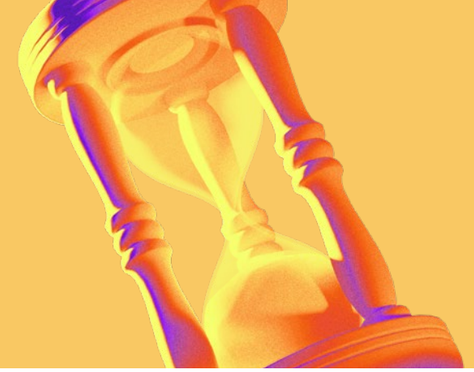
The program brought together speakers including Kate O'Rourke, Commissioner, ASIC; Therese McCarthy Hockey, Executive Board Member, APRA; Brendan Thomas, CEO, AUSTRAC; Luke Woodward, Commissioner, ACCC; Carly Kind, Australian Privacy Commissioner, OAIC; Natalie Cameron, Lead Ombudsman, Banking and Finance, AFCA; Lynda McAlary-Smith, Australian Small Business and Family Enterprise Ombudsman; Tim Beresford, CEO, Australian Financial Security Authority; and Dr Scott Farrell, Data Standards Chair, Consumer Data Right and Digital ID.

Across the program, regulators outlined enforcement priorities, supervisory expectations and emerging regulatory developments, while engaging directly with members on issues affecting business operations, compliance and risk management.

Held under the Chatham House Rule, the program created a trusted environment for candid discussion and direct engagement with regulators, ombudsmen and policymakers.

Our Risk Summit allowed members the opportunity to seek clarification, test assumptions and better understand how regulatory expectations were evolving across key areas including AML/CTF reform, Consumer Data Right obligations, dispute resolution and small business lending. For senior executives, the value lay in gaining insights that are rarely available outside direct engagement with regulators, particularly while expectations were still taking shape.

Industry Data



AFIA's industry data reports continue to provide members with a comprehensive view of market performance, emerging trends and sector-wide developments across Australia's finance and fleet industries.

These insights not only help members benchmark performance and identify opportunities for growth, they also strengthen AFIA's advocacy efforts by providing a robust evidence base for policy discussions and regulatory engagement.

FY26 demonstrated the resilience and adaptability of AFIA's industry sectors despite ongoing economic uncertainty and global geopolitical tensions. Strong growth in motor finance, equipment finance, online small business lending, Buy Now Pay Later and insurance premium funding highlighted continued consumer and business demand for flexible financing solutions. At the same time, changing customer behaviours, including increased digital engagement and growing demand for sustainable transport solutions, continued to shape industry outcomes.

Motor Finance

At a Glance

- $33 billion in new credit
- $75 billion in balances
- 160,000 loans for electric and hybrid vehicles

Motor finance remains stable, driven by a growing preference for electric and hybrid vehicles.

Motor Finance new business overall was relatively flat in FY26, with new credit of $33.2 billion. Receivables grew by over 8% over FY26, to reach $75.4 billion with the total number of transactions reaching 652,000.

Reflecting the contribution AFIA members are making to sustainability, both the number and value of loans to electric and hybrid vehicles continue to grow. The value of loans for EVs increased by 60% to reach $5.2 billion. 160,000 purchases of EVs and hybrid vehicles were supported by AFIA members in FY26, comprising a third of all loans issued.

Chattel mortgages and novated leases remain the preferred loan types, comprising around 80% of all loans issued by value. Dealer finance remained the preferred distribution channel, highlighting the importance of vehicle finance at the point of sale, with $14.6 billion in loans written through dealership networks.

> *Electrified vehicles continue to gain share of new motor finance business.*

Car Rental

At a Glance

- $2.1 billion in revenue
- 4.5 million transactions

The car rental sector remained steady in FY26, with total revenue holding at just over $2.1 billion despite changing customer booking preferences and varying state-based performance.

Changing customer preferences continue to shape booking behaviour, with website bookings increasing by 8.6% while destination bookings declined by more than 15% and call centre bookings fell by 3%.

Reflecting the growing importance of technology and third party providers in supporting car rentals, bookings through web platforms and third parties increased by 9%. Together, these forms of booking arrangements now comprise 60% of all bookings, compared to 47% three years prior. Queensland remained the largest car rental market in FY26, recording more than 1.26 million transactions despite activity remaining flat on the previous financial year. 30% of all car rental transactions took place in Queensland. However, in terms of overall growth in FY26 South Australia was the standout performer, with car rental activity increasing by 6.5%, while all other states either remained stable or declined. New South Wales and Victoria both recorded falls of 3%.

Equipment Finance

At a Glance

- $41.7 billion in new credit
- $94.5 billion in balances
- 40% of lending to Queensland and Western Australia

Equipment finance reached a significant milestone in FY26, with new business surpassing $40 billion for the first time.

Despite ongoing economic challenges, the financing of new equipment business reached $41.7 billion, while net receivables increased by 5.8% to more than $94.5 billion.

By equipment type, cars and light commercials remained the largest contributors to new business, accounting for nearly $14 billion of all finance provided. The strongest growth was recorded in mining, earthmoving and construction finance which increased by 22% over the year or nearly two thirds of all growth in equipment finance over the year. Reflecting the importance of the resources sector to this segment, equipment finance volumes in Queensland and Western Australia increased by 10% over the year.

In terms of product mix, chattel mortgages continued to dominate, accounting for 85% of total new business value. Finance leases also increased their share of new business by 0.3 percentage points, supported by a 16% increase in new business during FY26.

Industry Data

Online Small Business Lending

At a Glance

- 57,000 active accounts
- $3.2 billion in balances

Online small business lending continued its upward trajectory in FY26, reflecting the increasing reliance of Australian businesses on fast, flexible and digitally enabled funding solutions.

Total accounts increased by over 68% to just over 57,000, marking the first time customer numbers have exceeded 50,000 since reporting commenced.

Receivables increased by nearly 20% to just under $3.2 billion and have grown by a remarkable 42% since reporting to AFIA commenced three fiscal years ago, reflecting continued demand for online small business finance.

Insurance Premium Funding

At a Glance

- 372,000 customers
- $10 billion in new credit
- $2.7 billion in balances

Insurance premium funding recorded strong year-on-year growth in FY26, continuing to play an important role in helping customers manage cash flow by spreading the cost of insurance over time.

In FY26, AFIA members provided $10 billion in insurance premium funding loans, supporting more than 450,000 loans. This represented a 19% increase in new loan value and a 4% increase in customer numbers. Reflecting the short-term nature of the facility, net receivables decreased by more than 25% to just over $2.69 billion.

Buy Now Pay Later (BNPL)

At a Glance

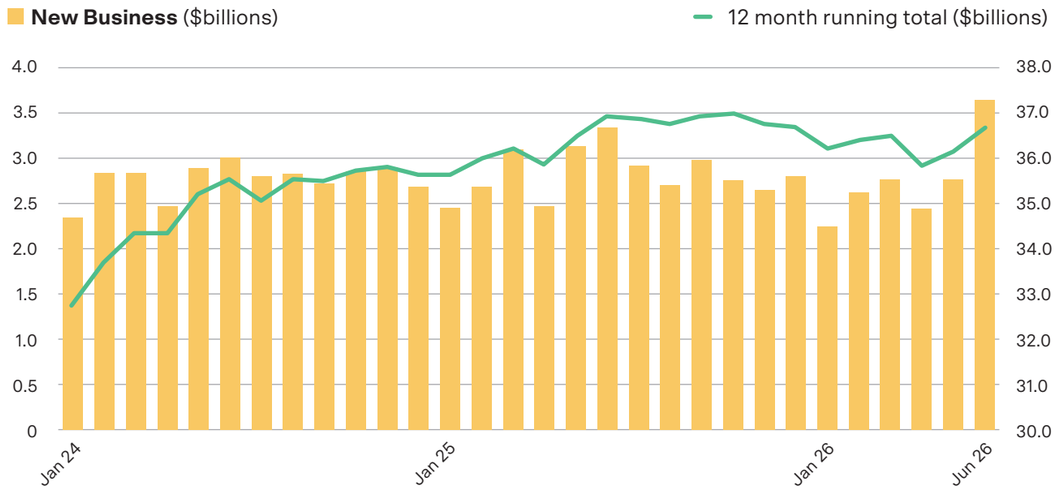
- 5.1 million active customers
- 190,000 merchants
- $23 billion in transaction values in FY 25/26

Buy Now Pay Later continued to record strong growth in FY26, reinforcing its position as an increasingly important payment option for Australian consumers and merchants.

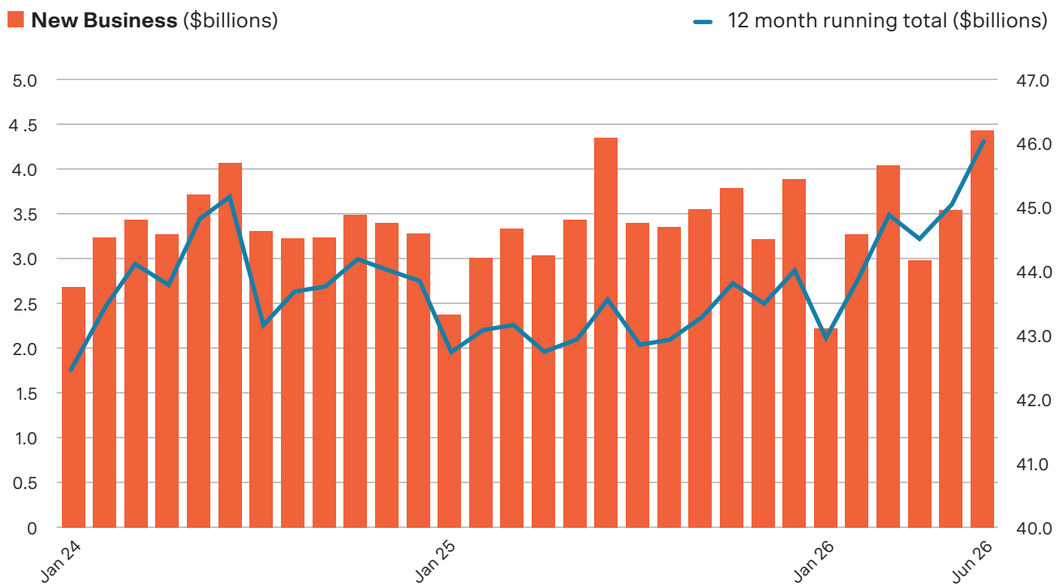
The number of merchants grew to a little under 190,000, an increase of over 3.5% compared to FY25. Transaction values increased by 9% to $23 billion. With over 5 million active customers and over 213 million transactions over the year, the significance of BNPL in supporting consumers in managing their household spending continues to grow.

Industry Data

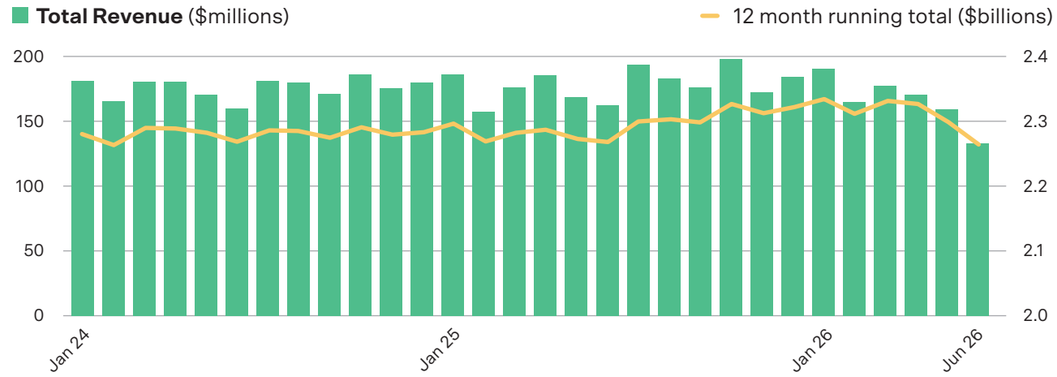
Motor Finance



Equipment Finance

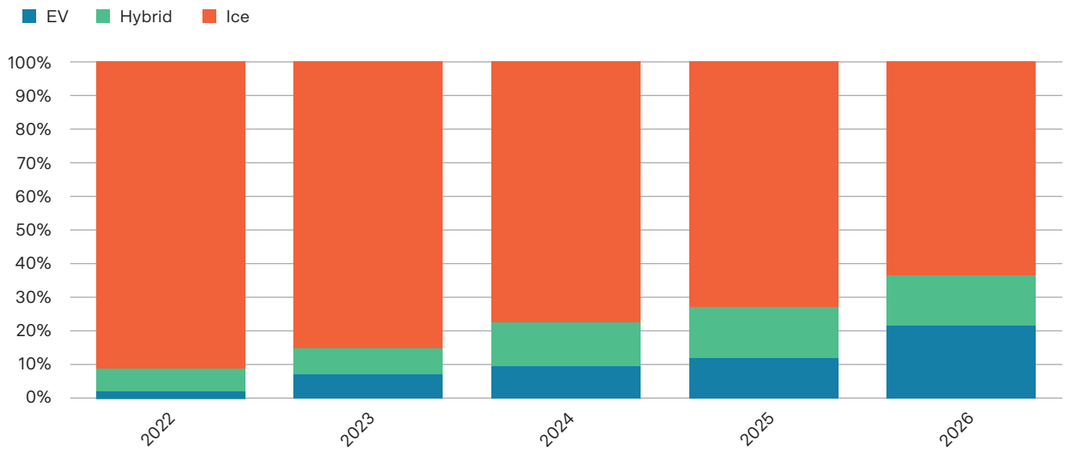


Car Rental

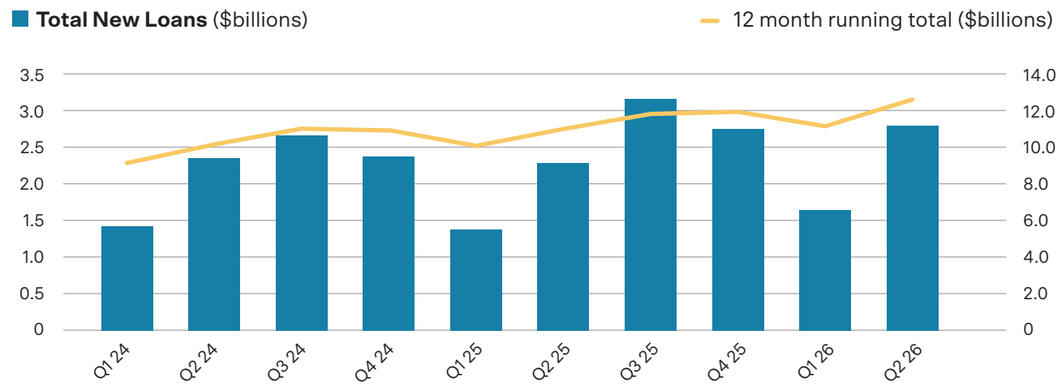


EV Finance

EVs Financed by Vehicle Type



Insurance Premium Funding



Board of Directors

Mario Rehayem – AFIA Chair

Pepper Money

Mario joined Pepper Money in 2011 and has held various roles including Managing Director, Australian Mortgages and Personal Loans, Director of Sales and Distribution, Australian Mortgages and Personal Loans. He was appointed Chief Executive Officer of Pepper Money Limited in 2017 and is responsible for the strategy and oversight of Pepper Money businesses across Australia and New Zealand. With more than 20 years of extensive experience across banking and finance, Mario has held senior positions in an ADI environment as well as in the non-bank lending sector. Mario is a well known champion of mortgage broker education, financial literacy, and growing the non-bank sector.

Katherine McConnell – AFIA Deputy Chair

Brighte Capital

Katherine McConnell is the founder and CEO of Brighte, a leading Australian fintech company specialising in sustainable home improvements and clean energy finance. Prior to launching Brighte in 2015, she spent over 14 years in investment banking and energy sectors, including roles at Macquarie Bank. McConnell identified a gap in affordable finance for solar and home upgrades, inspiring her to create a platform empowering homeowners to access renewable energy solutions. Under her leadership, Brighte has financed thousands of solar installations, significantly contributing to Australia's green transition. She is widely recognised for her innovation and leadership, winning numerous entrepreneurship awards.

Diane Tate – Chief Executive Officer

Australian Finance Industry Association

Diane joined AFIA as CEO in November 2019. She has over 30 years' experience in financial services and public policy, including representing the Australian financial services industry in international forums.

Prior to joining AFIA, Diane held various senior executive roles at the Australian Banking Association where she led the industry through the Financial Services Royal Commission and was the architect of the Banking Reform Program announced in 2016. She has worked in the Federal Government, AUSTRAC, ASIC, and FINSIA.

Cameron Poolman

OnDeck Capital Australia

Cameron is the CEO of OnDeck Australia. OnDeck Australia, established in 2015, is a leading unsecured small business lender bringing together world-class technology, data and people to provide the fastest lending experience in Australia known as "Lightning Loans". Prior to launching OnDeck in Australia, he was the founding CEO of GraysOnline, one of Australia's largest eCommerce groups, growing the company to over $500 million in online sales. Before this, Cameron worked as an engineer and production manager at Eveready Australia.

Jon Moodie

Allied Credit

Jon is a finance company executive with over 35 years' experience in Australia and New Zealand in asset and vehicle finance markets. In 1998 he established and grew Mercedes Benz Finance NZ for six years, before transferring to Daimler Finance Australia where he led the Sales and Marketing team. Jon joined Macquarie Leasing in 2006, where he led various sales channels, before becoming the Managing Director in 2014. In 2019, Jon joined Allied Credit as the Chief Executive Officer, leading the company into a growth phase. Jon has sat as a Director on the AFIA board for several years, including two years as Chairman.

Reggie Cabal

ORIX Australia

Reggie Cabal is the CEO and Managing Director of ORIX Australia Corporation Limited, a leading provider of fleet management and integrated finance solutions across vehicles, equipment and property in Australia and New Zealand. Under his leadership, ORIX has been recognised as an Employer of Choice for Gender Equality (2020–present) by the Australian Government's Workplace Gender Equality Agency (WGEA).

With a background in financial services and technology in Silicon Valley and extensive leadership experience in Australia, Reggie has transformed ORIX through technology-driven solutions and modernised approaches that help customers navigate today's complex environment. Future-focused and passionate about innovation, he continues to lead ORIX in shaping the automotive and finance landscape.

James Boyle

Liberty Financial

James is the Group Chief Executive Officer of Liberty Financial Group, a listed Australian non-bank lender. Liberty offers a wide range of home, car, personal and business loans, as well as SMSF lending and insurance products across Australia and New Zealand. James has been part of the Liberty Group for over 20 years and is responsible for Liberty's vision, direction and strategic execution. James has a wealth of experience spanning global institutional and retail finance and brings invaluable insights into the changing landscape of financial services industry. James is passionate about agility, free thinking, diverse cultures and contributing to better communities.

Cindy Hansen

Bank Australia

Cindy is the Chief Legal Officer and Company Secretary for Bank Australia and has over 30 years' experience in the finance industry specialising in legal, compliance, and governance. Cindy worked with Qudos Bank* for 25 years and previously held senior legal and compliance positions with Australian Guarantee Corporation and Permanent Trustee. Prior to commencing in the finance industry, she was a solicitor in private practice.

* Qudos Bank and Bank Australia completed a merger, with commencement on 1 July 2025

Ian Delaney

Vestone Capital

Ian has nearly 35 years of experience in the financial services sector, with a wide-ranging expertise that includes Asset Finance, Premium Funding, Securitisation, Superannuation, Asset Management, and Financial Planning. His passion lies in building successful businesses and leading teams to success through clarity, empowerment, and support. Ian became the CEO of Vestone Capital in October 2023, after previously serving as the CFO of Vestone for 3 years.

Liesl Knox

Branded Financial Services

Liesl is a qualified lawyer with 25+ years' experience in banking and financial services and has held numerous senior in-house roles in large international banks and NZ financial institutions. Liesl has specialised in setting up and leading commercial and strategically focused legal teams, with her roles expanding into enterprise and credit risk, and people and operations. Liesl joined Avanti in 2019 and commenced as CEO Australia in March 2023.

Claire Woodley

BOQ Finance

Claire is the General Manager of BOQ Finance. With over 45 years of history, BOQ Finance is a wholly owned subsidiary of the Bank of Queensland Limited specialising in the provision of asset and structured finance solutions to over 80,000 customers across Australia. Claire has over 20 years' experience in finance, previously holding senior leader positions at the Commonwealth Bank of Australia and National Australia Bank. Claire is passionate about innovation, governance, customer service, and the positive impact access to finance can have on community wellbeing.

Retired Board Members

The Board thanks Clare Morgan, Cindy Hansen and Ofir Kranz for their valued contributions as Board Members.

Board Committees

Nomination & Remuneration Committee

Katherine McConnell (Chair)	Brighte Capital
Jon Moodie	Allied Credit
Mario Rehayem	Pepper Money

Financial Management, Risk & Audit Committee

Cameron Poolman (Chair)	OnDeck Australia
Cindy Hansen	Bank Australia
Ian Delaney	Vestone Capital

Code Development Sub-committee

Cameron Poolman (Chair)	OnDeck Australia
Cindy Hansen	Bank Australia
Mario Rehayem	Pepper Money

Strategy Committee

Mark Brudenell (Chair)	Latitude Financial
Craig Edwards	Angle Finance
Michael Saadat	Afterpay
Suzanne Koeppenkastrop	DLL Group
Melissa Joyce	Fleet Partners
Wayne Tower	IQumulate
Kaajal Fox	Now Finance
Michael Patino	RAC Finance
Darren Gore	Summit Fleet

Executive Leadership Team

Diane Tate

Chief Executive Officer

Diane joined AFIA as CEO in November 2019. She has over 30 years' experience in financial services and public policy, including representing the Australian financial services industry in international forums.

Prior to joining AFIA, Diane held various senior executive roles at the Australian Banking Association where she led the industry through the Financial Services Royal Commission and was the architect of the Banking Reform Program announced in 2016. She has also worked in the Federal Government, AUSTRAC, ASIC, and FINSIA.

Diane is a graduate of the Australian Institute of Company Directors, INSEAD Executive Education, Harvard Kennedy School, and Macquarie University. Diane is a member of the Finance Industry Council of Australia (FICA).

Melynda Carpenter

Executive Director, Member Engagement & Company Secretary

Melynda has over 20 years' experience in financial services across member engagement, communications, digital strategy, risk and compliance, and business transformation. She has a proven track record of developing industry programs, strengthening stakeholder and member relationships and leading initiatives that deliver value for members and customers. Melynda is passionate about building strong industry communities and creating opportunities for collaboration, innovation and professional growth across the finance sector. Melynda is a graduate of the Australian Institute of Company Directors and Monash University.

Roza Lozusic

Executive Director, Policy & Public Affairs

Roza is a respected public and regulatory affairs leader with extensive experience working with stakeholders at the highest levels of government, public and private sectors as well as in peak industry bodies in banking and insurance.

As a lawyer by training, Roza has provided advice and counsel on financial services policy and regulation and has led regulatory and self-regulatory reform. Prior to joining AFIA, Roza held a range of senior leader roles including most recently at Westpac, where she worked within large scale transformation programs. She is a graduate of Macquarie University and the University of Technology, Sydney.

Members

As of 30 June 2026

Consumer

afterpay
east coast car rentals
RAC For the better
Plenti
affirm
Brighten
MONEYME
AMERICAN EXPRESS
AlliedCredit high performance finance
Europcar
GOLDCAR
Redspot
Hertz
Angle AUTO FINANCE
humm group
RACV
AVIS
Hyundai Capital
TAURUS MOTOR FINANCE
BC Invest
no birds
Thrifty Car Rental
Bluestone Home Loans
LATITUDE
SIXT
inside edge novated leasing
Mercedes-Benz Financial Services
Avenue Bank
TOYOTA FINANCE
Brighte
NISSAN FINANCIAL SERVICES
YAMAHA FINANCIAL SERVICES
Credit Corp Group
novated lease australia
BMW
EDRIVA
NOW FINANCE
zip
payright

Commercial

resimac
Liberty
BOQ FINANCE
nab
me
中国银行 BANK OF CHINA
ANZ
Commonwealth Bank
Bendigo and Adelaide Bank
st.george
firstmac
azora
SOLVR
peppermoney
Westlawn

judobank
ASF
Metro
CAPITAL FINANCE
dll financial solutions partner
ondeck
Flex FLEET
Angle FINANCE
shift
FLEXI COMMERCIAL
CNH INDUSTRIAL
Stratton Finance
PACCAR FINANCIAL
interleasing
WESTONE CAPITAL
moneytech
METRICS
lumi
RedZed
DAIMLER TRUCK
ORIX
KNOTE
Clearmatch
NovaCashFlowFinance
MORRIS
Prospa
elantis
Kubota For Earth, For Life
PFA Premium Funding Australia Pty Ltd
fleetcare
Custom Fleet
CATERPILLAR
HUNTER Premium Funding
dynamoney
AANT Salary Packaging
Rabobank
QPR PREMIUM FUNDING
IQumulate Premium Funding
Group & General Finance
SUMMIT Fleet Leasing and Management
AUS FUNDING SOLUTIONS
Moula
smart group corporation
Earlypay
MedproFinance
LeaseWise Australia Pty Ltd
ATTVEST
Arteva FUNDING
OZ PREMIUM FINANCE
Thinktank
SELFCO
JOHN DEERE
BRANDED FINANCIAL SERVICES
Avant Finance
sgfleet
paywise
VOLVO Volvo Financial Services
financeone
FleetPartners service driven
addcash finance for growth
leasexpress

Our Associates

365 Mechanix
Affinda
Alfa
Allens
Alta Group
Ashurst
Biza
BRYK Group
Clayton Utz
Credit Collection Services Group
Creditor Watch
Dentons
Equifax
FIS Global
Fiskil
Fortiro
Gadens
Gilbert + Tobin
GRC Solutions
Humbli
KordaMentha
Mallesons
Macpherson+ Kelley Lawyers
Moody's
Netsol Technologies
Nimo Industries
Novigi
Odessa
Pennant Technologies
Pickles
Piper Alderman
Risk & Security Management
SAY Consulting
Solifi
Traction Group
Wise Group
Wych

Industry Codes

Annual Report on activities in relation to the:

AFIA Finance Industry Code of Practice (AFIA Code)
AFIA Buy Now Pay Later Code of Practice (BNPL Code)
AFIA Insurance Premium Funding Code of Practice (IPF Code)
AFIA Online Small Business Lenders Code of Practice (OSBL Code)

In accordance with clause 11.1 of its Terms of Reference, the AFIA Finance Industry Code Compliance Committee (CCC) is pleased to present our annual report for the period ending 30 June 2026 to the AFIA Board.

This report is to be published in AFIA's annual review.

The CCC became responsible for administering, monitoring, investigating and enforcing compliance with the BNPL, IPF and OSBL Codes on 1 January 2026. Accordingly, the content of this report in relation to those codes is for the 6 month period from 1 January to 30 June 2026.

The CCC's Terms of Reference specify the following matters that are to be included in this report.

Terms of Reference – clause 11.1	Commentary
(a) Information collected under clauses 8.2, 8.3 and 8.4, of any reported or investigated Alleged Breaches and any corrective measures agreed with the relevant Code Member(s)	**AFIA Code** The first member of the AFIA Code was approved by the CCC on 13 January 2026 and additional members have joined the AFIA Code since that time. There were no reported or investigated alleged breaches of the AFIA Code or any corrective measures agreed with relevant Code members during the reporting period. As the transition period to full compliance with the AFIA Code on 1 October 2026 is still in place as at the date of this report, the CCC has not yet established any data collection measures in relation to the AFIA Code. As required under the Terms of Reference, the CCC will consult with AFIA Code members about proposed data collection arrangements that the CCC considers reasonable to support its oversight and monitoring activities after 1 October 2026. **BNPL Code** The CCC has continued to receive quarterly data reports from BNPL Code members in accordance with the arrangements established by the (former) BNPL Code Compliance Committee at the time the BNPL Code commenced in March 2021. This has ensured there is continuity in the information the CCC receives from Code members and the CCC has access to the data time series. The CCC also continues to receive reports about compliance with the BNPL Code from third parties including customers of BNPL providers. However, following a review of the nature of these matters, including analysis of the register of reports maintained by the Code Administrator, the CCC decided to make a change to its procedures so that any reports received which are clearly an individual dispute between a customer and a BNPL provider, rather than a report about an alleged breach of the BNPL Code, will no longer be recorded as an alleged breach report. These kinds of matters tend to relate to administrative issues with an account or app, refunds, frozen accounts and repayments and are best handled through the BNPL provider's customer service or internal dispute resolution processes. The Code Administrator acknowledges and logs each contact to the CCC and will refer the person to the appropriate place for help wherever possible. Of the eight reports received by the CCC since 1 January 2026: • Five were referred by the Code Administrator to the BNPL provider for resolution • One contained no information about the issue and the person did not respond to requests for further information • One matter was out of scope as the BNPL provider was not a Code member • One matter was ongoing as the customer had made a complaint to AFCA that was not resolved as at 30 June 2026. Under its Terms of Reference the CCC cannot consider the matter while the AFCA complaint is still being determined. **IPF Code** The CCC has continued to receive quarterly data reports from IPF Code members in accordance with the arrangements established by the (former) IPF Code Compliance Committee at the time the IPF Code commenced in August 2022. This has ensured there is continuity in the information the CCC receives from Code members and the CCC has access to the data time series. The CCC did not receive any reports of alleged breaches of the IPF Code during the period 1 January to 30 June 2026. During the reporting period, the CCC commenced an information gathering exercise in relation to the provisions in the IPF Code about payment of remuneration to intermediaries, and the equivalent provisions in Schedule 5 of the AFIA Code (which replicates the IPF Code). This review was ongoing as at 30 June 2026 and the outcomes will be reported in the CCC's report to the Board for the period ending 31 December 2026. **OSBL Code** The CCC has continued to receive quarterly data reports from OSBL Code members in accordance with the arrangements established by the (former) OSBL Code Compliance Committee at the time the OSBL Code commenced in June 2018. This has ensured there is continuity in the information the CCC receives from Code members and the CCC has access to the data time series. The CCC received one report about an alleged breach of the OSBL Code which is also subject to proceedings in the Queensland Supreme Court and was not resolved as at 30 June 2026. Under its Terms of Reference the CCC cannot consider the matter while the legal proceedings are underway.
(b) A consolidated analysis of Code compliance by Code members for the period of the report	The CCC has not received any information or reports that indicate systemic or other non-compliance by Code members.
(c) Information about any sanctions imposed by the CCC	No sanctions were imposed by the CCC during the reporting period.
(d) Information about any serious and systemic breaches of the Codes which have come to the CCC's attention	The CCC has not received any information about serious and systemic issues or breaches of the Codes during the reporting period.
(e) Information about the number of CCC meetings held and the attendance of CCC Members at these meetings	The CCC met four times during the reporting period on 22 October 2025, 17 December 2025, 25 February 2026 and 27 May 2026. All CCC members attended these meetings.

Terms of Reference – clause 11.1	Commentary
(f) Any recommendations on Code improvements and industry issues relevant to the operation of the Code arising out of its experiences of Code compliance in the relevant period, including where non-compliance with the Code indicates an industry-wide issue or weakness of the Code	The CCC has not made any recommendations about Code improvements and industry issues relevant to the operation of the Codes in the relevant period.
(g) A statement that the CCC has complied with its Terms of Reference and any binding obligations on it under the Code or other relevant Protocol. If there has been any non-compliance, the report must identify that non-compliance and the reasons for it, including any action that may have been instituted by the CCC to ensure that non-compliance does not occur in the future	The CCC has complied with its Terms of Reference and binding obligations on it under the Codes. There are currently no other relevant protocols in place. The CCC is not aware of any non-compliance with its obligations.
(h) Any other matters that the CCC considers should be included that are consistent with the functions of the CCC	As the Board is aware the AFIA Code was launched in September 2025 and becomes fully effective on 1 October 2026. At its October 2025 meeting the CCC formalised the requirements in relation to Code accreditation including the form of the compliance declaration template that members are required to submit when seeking approval to join the AFIA Code. At the CCC's instruction these requirements were published on the AFIA website member portal for use by AFIA members. The Code Administrator hosted a webinar for AFIA members on 5 November 2025 to provide guidance on commencing the Code accreditation process. The Chair of CCC and the Code Administrator also hosted a webinar for prospective Code members on 4 March 2026 to support understanding of how the CCC will approach its role in terms of accreditation and ongoing monitoring and compliance. The CCC notes that the AFIA Board approved the inclusion of two new Schedules in the Code in November 2025 – namely the Low Cost Credit Contracts Schedule and the Insurance Premium Funding Schedule. The CCC also notes the decision by the AFIA Board in November 2025 to amend the CCC's Terms of Reference to include oversight of the existing AFIA codes of practice as part of the role of the CCC effective from 1st January 2026.

Tim Grimwade

Chair, Finance Industry Code Compliance Committee

Annual Report on activities in relation to the AFIA Car Rental Code of Practice

In accordance with clause 11.1 of its Terms of Reference, the AFIA Car Rental Code Compliance Committee (CCC) is pleased to present our annual report for the period ending 30 June 2026 to the AFIA Board.

This report is to be published in AFIA's annual review and the AFIA Car Rental Code of Practice webpage.

The CCC's Terms of Reference specify the following matters that are to be included in the report.

Terms of Reference – clause 11.1	Commentary
(a) Information collected under clauses 8.2, 8.3 and 8.4 of any reported or investigated Alleged Breaches and any corrective measures agreed with the relevant Code Member(s)	**Data collection for Code monitoring and supervision** During the reporting period the CCC consulted with Code members as required under clause 8.3.a of its Terms of Reference about data collection for Code monitoring and supervision. A confidential discussion paper and draft data survey were circulated to Code members in March 2026 and the Code Administrator met with Code members to discuss the proposed data collection measures. Given that the CCC has an obligation under clause 11.3 of the Terms of Reference to take into account any industry data already published by any regulator or AFIA when determining what data it collects and publishes, Code members were asked to give consent for the CCC to have access to the industry data reported to AFIA by Code members. Code members were also asked to give their consent for the CCC to have access to the data reported by the Car Rental Conciliation Service. Following completion of the consultation process, the CCC confirmed its data collection arrangements and Code members have been requested to provide data for Q1FY2027 in accordance with clause 8.1.a of the Terms of Reference. **Reports about alleged breaches** The CCC received two reports about Code members during the reporting period. The first related to a dispute about alleged unauthorised charges to a credit card and behaviour of the Code member's employees. The matter was referred to the Code member for consideration through its IDR process. The second report related to a third party whose vehicle was allegedly damaged by a customer of a car rental company driving a rental vehicle. As the Code only applies to customers of Code members, the CCC could not consider the matter further. However, the Code member subsequently advised that the third party had accepted an offer of compensation for the damage to their vehicle. Neither of these reports were considered alleged breaches of the Code.
(b) A consolidated analysis of Code compliance by Code members for the period of the report as collected under clauses 8.2, 8.3 and 8.4	The CCC has not received any information or reports that indicate systemic or other non-compliance with the Code by Code members. As noted above, the CCC has formulated data collection principles as part of its compliance monitoring framework, and is in the process of implementing the framework as at the date of this report.
(c) Information as to any sanctions imposed by the CCC	The CCC has not imposed any sanctions during the reporting period.
(d) Information about any serious and systemic issues or breaches of the Code which have come to the CCC's attention	The CCC has not received any information about serious and systemic issues or breaches of the Code during the reporting period.

Terms of Reference – clause 11.1	Commentary
(e) Information as to the number of CCC meetings held and the attendance of CCC members at these meetings	Following its establishment by the AFIA Board, the CCC met for the first time in June 2025 and has met on three further occasions during the reporting period. All CCC members have attended these meetings.
(f) Any recommendations on Code improvements and industry issues relevant to the operation of the Code arising out of its experiences of Code compliance in the relevant period, including where non-compliance with the Code indicates an industry-wide issue or weakness of the Code	The CCC has not made any recommendations about Code improvements during the reporting period.
(g) A statement that the CCC has complied with its Terms of Reference and any binding obligations on it under the Code or other relevant protocol and, if there has been any non-compliance, the report must identify that non-compliance and the reasons for it, including any action that may have been instituted by the CCC to ensure that such non-compliance does not occur in the future	The CCC has complied with its Terms of Reference and binding obligations on it under the Code. There are currently no other relevant protocols in place. The CCC is not aware of any non-compliance with its obligations.
(h) Any other matters that the CCC considers should be included that are consistent with the functions of the CCC	The CCC has no other matters to report.

Mark Schramm

Chair, Car Rental Code Compliance Committee

Supporting Australia's Long-Term Prosperity

Throughout the year, AFIA members continued to connect households, businesses and communities with the finance they need to invest, grow and pursue opportunity.

In a changing economic, regulatory and technological environment, AFIA worked alongside members to ensure their experience informed policy, while strengthening industry capability and supporting competition, innovation and trust.

The year also reinforced the power of collaboration. The strongest outcomes are achieved when industry, government, regulators, consumer representatives and other stakeholders are prepared to work together, challenge established thinking and find practical solutions to shared challenges. Whether advancing the AFIA Finance Industry Code of Practice, contributing evidence to policy debates or helping members prepare for change, progress depends on combining different perspectives with a shared commitment to better outcomes.

As we look ahead, the opportunities for our industry are substantial. Australia's future prosperity will depend on investment, productivity, innovation and competition, and finance has a vital role to play in each. But realising that opportunity will also require leadership: the courage to challenge assumptions, the creativity to imagine new possibilities and the discipline to turn good ideas into meaningful outcomes.

AFIA must continue to evolve as well. Our role is not simply to respond to the issues our members face today, but to help prepare for what comes next. That means thinking strategically, investing in evidence and capability, fostering collaboration, embracing new ideas and maintaining the discipline and focus to turn ambition into impact.

We want AFIA to be an organisation that is confident enough to lead, curious enough to keep learning, courageous enough to challenge conventional thinking and disciplined enough to deliver. Working with our members, we will continue to raise standards, strengthen trust, embrace responsible innovation and advocate for policy settings that enable finance to remain a catalyst for opportunity, participation and growth.

The future will not be shaped by any one organisation, idea or decision. It will be shaped by those prepared to think differently, work together and act with purpose. AFIA enters that future with ambition and confidence, committed to advancing our industry association, supporting our members and ensuring Australia's finance industry continues to be a force for opportunity, innovation and long-term prosperity.

Australian
Finance
Industry
Association

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