

CHAPTER 01

YEAR IN REVIEW

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The year at a glance

SURVEILLANCE

829

surveillances completed

INVESTIGATIONS

252

formal investigations commenced

SCAM TAKEDOWNS

6,900+

investment scams and phishing websites taken down

ENFORCEMENT OUTCOMES

Criminal

24

individuals prosecuted on criminal charges by the Commonwealth Director of Public Prosecutions following ASIC referral

19

criminal convictions

6

people imprisoned

14

custodial sentences

5

non-custodial sentences

235

individuals prosecuted by ASIC for strict liability offences, resulting in \$1.6 million in fines

Civil

38

civil proceedings commenced, involving actions against 195 defendants

\$104.1m

in civil penalties imposed by the courts

Bannings

58

individuals or companies removed or restricted from providing financial services

33

individuals or companies removed from the credit industry

Infringement notices and court enforceable undertakings

16

infringement notices issued

\$5.6m

infringement penalties issued

3

court enforceable undertakings

14

people disqualified or removed from directing companies

51

actions taken against auditors

CONSUMER EDUCATION

11.7m

visitors to ASIC's Moneysmart website

8.1m

users of Moneysmart online tools

INDUSTRY REPORTS

27

industry reports published

REGULATORY RELIEF

859

relief applications approved

REGISTRY

333,188 new companies registered

386,519 business names registered



Chair's report

ASIC is becoming the modern, confident and ambitious regulator that Australians need. The agency is taking impactful enforcement action and a leading approach to solving regulatory problems, to protect consumers and support the integrity of our markets.

I am pleased to present ASIC's Annual Report for 2024–25.

At the start of my term at ASIC, I said I wanted the agency to be a modern, confident and ambitious regulator. ASIC's transformation over recent years, and its achievements this financial year, reflect just that.

In its first full year of working together, the new Commission has brought renewed energy to ASIC's work. Supported by a refreshed senior executive team and new CEO, ASIC is adopting an ambitious approach to regulatory problems of the day, taking more strategic and impactful enforcement action, and promoting market integrity amid global economic volatility and cost-of-living concerns.

Ambitious approach to regulatory problems of the day

Recognising a significant shift in Australia's investment landscape, we released a discussion paper on public and private capital markets in February ([Discussion paper 1](#) *Australia's evolving capital markets: A discussion paper on the dynamics between public and private markets*). The responses to the discussion paper will help

guide ASIC's work over the next 12 months, including helping us decide whether we need to consider changing regulatory settings or reducing regulatory burden.

Following this, we announced that entities listing on the Australian Securities Exchange (ASX) via the fast-track process will now have access to a shorter initial public offering (IPO) timetable as part of a two-year trial in response to declining numbers of Australian IPOs and public companies.

We also undertook court-based enforcement action against several superannuation trustees, including Cbus and AustralianSuper, for their handling of death benefit claims. We then released our report on industry-wide failures in this area ([Report 806](#) *Taking ownership of death benefits: How trustees can deliver outcomes Australians deserve*), with surveillance and enforcement action highlighting the serious effects of delays and failures of oversight on families at a particularly vulnerable time.

More broadly, as scams continue to evolve in their sophistication and reach, our scam takedown service continues to move the dial. This year, the service removed more than

6,900 scam and phishing websites, and the Moneysmart Investor Alert List warned people of 1,035 potentially fraudulent or unlicensed investment schemes.

Rounding out the year, in June we announced a first-of-its-kind inquiry into the ASX, following ongoing concerns over its ability to maintain stable, secure and resilient critical market infrastructure. The inquiry is being led by an expert panel, focusing on the governance, capability and risk management frameworks and practices within the ASX group. This follows us commencing proceedings in August against ASX Limited for alleged misleading statements on the progress of its Clearing House Electronic Subregister System (CHES) replacement project.

Our simplification agenda

Regulatory complexity in Australia is a significant challenge. Our experience is that simpler regulation enhances both compliance and our ability to take enforcement action. It's good for consumers, investors and businesses.

At last year's ASIC Annual Forum, I announced the establishment of the ASIC Simplification Consultative Group. Through that work, we have been seeking a range of views on how we can more efficiently and effectively administer the law in the areas we regulate, how we can make it easier to transact with us, and how we can simplify guidance, legislative instruments and forms.

'ASIC's work underpins the strength of Australia's financial system, bolsters investor and consumer confidence, and ensures fair and transparent business practices.'

Joseph Longo

By the time this report is released, we will have also released a series of proposed ideas to simplify the way regulation is managed by ASIC and how people can interact with us, as well as highlighting areas we see as being ripe for review and reform.

Strategic, impactful enforcement

ASIC is one of the most active enforcement agencies in the country. We are in court almost every day.

This year, we took on more investigations, up by around 50% compared with the last financial year.

We launched 38 new civil cases, and our actions resulted in \$104.1 million in court-ordered penalties. We secured 19 criminal convictions with court-imposed fines of \$16.8 million and referred 26 individuals and companies to the Commonwealth Director of Public Prosecutions (CDPP).

This financial year also saw an almost 26% increase in successful summary prosecutions for strict liability offences.

Our focus is on undertaking targeted, strategic and proactive enforcement that achieves maximum deterrence and improved industry practice.

We have taken strong action focused on consumer protection. Following last year's report highlighting shortcomings in the way banks and lenders provide financial hardship support,¹ this year we sued the National Australia Bank for failing its customers when they applied for hardship support. We took action against HSBC Australia, which we allege failed to have adequate controls in place to prevent and detect unauthorised payments, resulting in consumer losses of approximately \$23 million. Our action against online consumer goods supplier Snaffle took aim at conduct that we allege inflated the cost of household goods and electronics and deliberately avoided important consumer protections.

We also had our first civil penalty action for greenwashing, resulting in a landmark \$11.3 million penalty for Mercer Superannuation (Australia).

Over the past 12–18 months, ASIC has become increasingly concerned with what appears to be a significant increase in unscrupulous business models, on an industrial scale, that deprive people of their superannuation savings. This is commonly done through high-pressure selling and promises of better returns in exchange for the investment of superannuation savings into complex and risky schemes.

ASIC's priority is to investigate what has happened, which has revealed a complex structure and suspected misconduct by lead generators, financial advisers and others. To raise awareness and protect consumers, we launched a warning campaign educating investors about taking unwise risks with their retirement savings.

We maintained our strong focus on keeping Australia's markets clean by establishing a specialised criminal investigation team focused on insider trading, to expedite cases from investigation to prosecution.

We also took enforcement action on manipulation of commodities markets – behaviour that risks eroding confidence in markets, hurts farmers and manufacturers, and can increase the prices Australians pay for basic goods and amenities. For example, we took civil action against Delta Power & Energy and COFCO, which we allege placed manipulative trades on energy and wheat futures markets. This investigation resulted in Macquarie Bank being fined a record \$4.99 million by ASIC's disciplinary panel for breaches of market integrity rules in failing to prevent suspicious trades relating to energy-futures manipulation.

Enhancing our regulatory and operational capability

As we continue our transformation after the largest organisational redesign in more than 15 years, we are looking at ways we can respond to issues more rapidly, improve the quality of our decision making, and better allocate resources based on risk and harm. Through our cross-agency triage process, we continue to assess and consider matters quickly, with a focus on investing ASIC's compliance and enforcement resources into achieving outcomes that have maximum impact.

¹ [Report 783](#) *Hardship, hard to get help: Lenders fall short in financial hardship support.*

This year, we also strengthened our capabilities to collect, store, match and analyse data, using more visualisation, analysis and business intelligence tools to integrate multiple datasets. This enhanced our early-warning and real-time surveillance so we could detect and respond to consumer harms earlier. We responded promptly, for example, to a spike in reports of share sale fraud.

We also developed interactive economic dashboards and piloted the use of machine learning and artificial intelligence to analyse large numbers of documents. To complement this, we rolled out a robust internal data literacy program to support our priority to become a digitally and data enabled regulator.

Finally, we are progressing our work to integrate and stabilise ASIC's registers, following last year's return to ASIC of responsibility for companies, licences, business names and professional registers from the Australian Taxation Office (ATO).

Looking ahead

As Australia's financial sector evolves, it will be more important than ever for ASIC to be nimble, strategic and resourceful to address emerging regulatory issues, protect consumers from harm and maintain efficient and clean financial markets.

To be well placed to proactively identify and respond to these challenges, ASIC will require investment in technology and our people.

Acknowledgement

I would like to take the opportunity to thank ASIC's team members for their unwavering commitment to our important work. Their professionalism, resilience and dedication continue to drive our purpose.

I also acknowledge the ongoing collaboration and leadership of all Commissioners and our CEO, whose strategic guidance and integrity are vital to our success.

ASIC's work underpins the strength of Australia's financial system, bolsters investor and consumer confidence, and ensures fair and transparent business practices.

Since beginning as Chair, I have been proud to oversee a period of renewal and transformation. We have laid strong foundations and are well positioned to meet future challenges.



Joseph Longo

Chair

Our work in action



Taking action on death benefit claims failures by superannuation trustees

ASIC alleges two major superannuation fund trustees failed their members at their most vulnerable time.

SEE [SPOTLIGHT 1](#) ON PAGE 43.



Targeting exploitation of superannuation savings

ASIC is taking action against schemes that target superannuation savings. We launched a warning campaign educating consumers through our Moneysmart website about taking unwise risks with their retirement savings.

SEE [SPOTLIGHT 2](#) ON PAGE 47.



Promoting cyber security and resilience

ASIC has taken enforcement action against FIIG Securities for failing to put in place adequate cyber security measures.

SEE [SPOTLIGHT 3](#) ON PAGE 56.



Ensuring Australia's markets are open, accessible and transparent

With the balance of Australian public and private markets shifting, ASIC is working to understand associated implications and improve practices.

SEE [SPOTLIGHT 4](#) ON PAGE 58.



Acting on financial market system failures

ASIC has ramped up scrutiny of the ASX, taking enforcement action and launching an inquiry.

SEE [SPOTLIGHT 5 ON PAGE 62.](#)



Enforcement action on failures of governance, systems and controls

ASIC has taken several actions against Macquarie Group to address repeated and underlying compliance, governance and supervisory failures.

SEE [SPOTLIGHT 6 ON PAGE 64.](#)



Acting on regulatory complexity

ASIC has embarked on a comprehensive, multi-year program of work to simplify regulation.

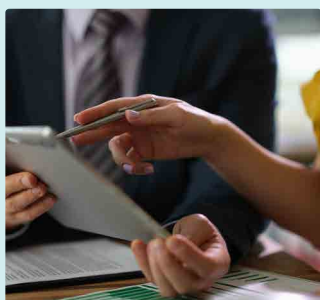
SEE [SPOTLIGHT 7 ON PAGE 67.](#)



Responding to commodity market manipulation

ASIC has taken action to address alleged manipulation in the electricity and wheat futures markets, resulting in a record fine against Macquarie Bank, and the commencement of court action against Delta Power & Energy and COFCO.

SEE [SPOTLIGHT 8 ON PAGE 72.](#)



Calling out misleading price discounts

ASIC took enforcement action against QBE Insurance for allegedly misleading over half a million customers over price discounts.

SEE [SPOTLIGHT 9 ON PAGE 74.](#)

Financial summary

Outcomes

ASIC operates under one outcome statement:

Improved confidence in Australia's financial markets through promoting informed investors and financial consumers, facilitating fair and efficient markets and delivering efficient registry systems.

ASIC's funding structure

Since the financial year 2017–18, ASIC's operating costs have been recovered through a combination of ASIC's industry funding model, and fees and charges collected by ASIC. Details of how ASIC's costs are recovered can be found in the [Cost Recovery Implementation Statement \(CRIS\)](#), published by ASIC around June each year. The CRIS provides information on how we implement the industry funding model and recover costs from industry subsectors, and also the fees we charge for transactions and services.

ASIC also collects revenue on behalf of the Australian Government under the *Corporations Act 2001* (Corporations Act) and the *National Consumer Credit Protection Act 2009* (National Credit Act), in addition to the funding from industries ASIC regulates and fees paid for services provided, details of which are outlined in the financial statements.

Revenue for the Commonwealth

In 2024–25, ASIC collected \$1.9 billion on behalf of the Commonwealth in fees, charges and supervisory cost recovery levies, a decrease of 6% on 2023–24. This revenue collected is passed on to the Commonwealth and is not kept by ASIC.

Operational result

In 2024–25, ASIC reported a surplus of \$18 million. This was the result of several factors, including:

- ◆ the timing of expenditure across financial years relating to new measures (\$33 million), including the RegistryConnect Program and several other measures that have been impacted by the timing of legislation
- ◆ the receipt of unbudgeted revenue relating to court cost recoveries and other services of \$19 million
- ◆ appropriation revenue of \$11 million for capital projects, with expenditure reflected on the balance sheet.

These items are offset in part by depreciation of \$45 million, which is not funded by government.

Table 1—Revenue, appropriations and expenditure

	2024–25 (\$'000)	2023–24 (\$'000)	CHANGE (\$'000)	PERCENTAGE CHANGE
Revenue from government (including Enforcement Special Account)	608,944	513,558	95,386	19
Own-source revenue	28,337	31,406	(3,069)	(10)
Total revenue	637,281	544,964	92,317	17
Total expenses (including depreciation and amortisation, net of gains)	619,282	513,988	105,294	20
Surplus/(deficit)	17,999	30,976	(12,977)	(42)

Table 2—ASIC's use of taxpayers' money for outcomes approved by Parliament

	2024–25	2023–24
Operating expenses (incl. depreciation and amortisation, net of gains)		
Total expenses (net of gains) (\$'000)	619,282	513,988
Annual change on previous year (%)	20	(5)
Fees, charges and levies raised for the Commonwealth		
Total (\$'000)	1,946,335	2,061,834
Annual change on previous year (%)	(6)	12