



2025-26 Supplementary Budget Estimates | Economics Legislation Committee

October 2025

Ms. Anna Hughes | Chief Executive Officer

Thank you for the opportunity to make an opening statement.

ASIC investigation into ANZ

On 15 September 2025, in a Statement of Agreed Facts with the Australian Securities and Investments Commission (ASIC), ANZ admitted to acting unconscionably in its dealings with the Australian Office of Financial Management (AOFM), while managing a \$14 billion syndicated bond deal in April 2023. ANZ also admitted to misreporting its bond trading data to the AOFM, overstating the volumes by tens of billions of dollars over almost two years.

ASIC and ANZ have jointly referred the matter to the Federal Court, recommending a combined penalty of \$125 million for the institutional and markets matters, including an \$80 million penalty for unconscionable conduct.

ANZ earned revenue of \$9.98 million as duration manager and a \$2.8 million fee as Joint Lead Manager on the transaction. ASIC indicate that ANZ's trading actions could have reduced the proceeds received by the Commonwealth from the bond issuance by up to \$26 million. ANZ does not agree that a loss was caused to the Commonwealth.

ANZ has offered to pay the Commonwealth a sum equal to the revenue ANZ earned as duration manager. The Commonwealth will not accept a payment from ANZ while the Federal Court is considering ASIC's recommendation to apply penalties.

Since the April 2023 bond issuance, the AOFM has not invited ANZ to participate in any further syndicated bond issuance and has kept all other engagements to a minimum. ANZ remain a registered bidder, meaning they continue to participate in AOFM weekly bond tenders.

Given the nature of the findings, the AOFM will need to see a demonstrable change in the risk culture of ANZ before it can be considered for future syndications. AOFM will engage with ANZ to define next steps.

Thank you for the opportunity to provide you with this opening statement and I welcome your questions.