



APRA

Annual Report

2024-25





Annual Report

Australian Prudential Regulation Authority

2024-25



08 September 2025

John Lonsdale, Chair

Sydney

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Australian Prudential Regulation Authority
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The Hon Dr Jim Chalmers, MP
Treasurer
Parliament House
CANBERRA ACT 2600

Dear Treasurer,

In accordance with sections 43 and 46 of the *Public Governance, Performance and Accountability Act 2013*, I am pleased to submit the Australian Prudential Regulation Authority Annual Report and Financial Statements for the year ended 30 June 2025.

Yours sincerely,

APRA

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Glossary

ACCC	Australian Competition and Consumer Commission
ADI	Authorised Deposit-taking Institution
ANAO	Australian National Audit Office
APRA	Australian Prudential Regulation Authority
APRA Act	<i>Australian Prudential Regulation Authority Act 1998</i>
ASIC	Australian Securities and Investments Commission
ATO	Australian Taxation Office
CFR	Council of Financial Regulators
CVA	Climate Vulnerability Assessment
FCS	Financial Claims Scheme
FAR	Financial Accountability Regime
FRAA	Financial Regulator Assessment Authority
G20	Group of 20
PBS	Portfolio Budget Statement
RBA	Reserve Bank of Australia
RSE	Registrable Superannuation Entity

From the Chair

I am pleased to present the Australian Prudential Regulation Authority's annual report for 2024-25. The report details how APRA has continued to deliver on its core purpose of maintaining the safety and stability of APRA-regulated financial institutions for the benefit of the Australian community.

This purpose took on additional significance in 2024-25 as heightened geopolitical instability, fears of a trade war and periods of increased market volatility tested the resilience of our financial system. The events brought into sharp focus how quickly waves of international economic disruption can reach our shores and how interconnected the Australian and global financial systems have become.

Threats to financial resilience also emerged closer to home, with several superannuation funds the target of credential stuffing cyber security incidents. The incidents were a powerful reminder of the need for all financial institutions to maintain robust information security and authentication controls, and of the inherent risks associated with the finance industry's increased reliance on digitised systems and third-party service providers.

Despite these challenges, Australia's financial system remained fundamentally strong and stable, supported by APRA's prudential framework and supervision-led approach to regulation. Australia's banks remained "unquestionably strong", the superannuation industry continued to be trusted custodians of members' retirement savings, and insurers were able to meet obligations to their policyholders.

Prioritising resilience, risks and industry-specific challenges

In a complex and evolving operating environment, regulation cannot be a "set and forget" exercise. Over the past year, APRA continued to sharpen its supervisory focus and strengthen the prudential settings to ensure banks, superannuation funds and insurers remained stable and resilient.

The major areas of activities were in relation to operational risk, geopolitical risk and strengthening governance practices.

An area of growing interest for APRA is the potential impact arising from the increased interconnections between superannuation and banking in the event of a system-wide shock. During the year, we designed and began to implement our first system stress test to gain more insights into how risks are transmitted across the system.

APRA also took steps to strengthen board governance, risk management, and accountability across APRA-regulated entities. In particular, we:

- consulted with industry on eight governance proposals to strengthen board governance. We expect to release draft changes to governance regulations based on industry feedback in 2026.
- set higher expectations of financial institutions for the management of operational risk, including unplanned service disruptions and risks associated with material service providers. The heightened requirements were set out in a new operational risk prudential standard finalised in 2024-25 and effective from 1 July 2025.



- implemented, jointly with ASIC, the Financial Accountability Regime for superannuation funds and insurers. Under the regime, which commenced for banks the previous year, senior managers are required to take individual accountability for specified responsibilities within their entity.

At an industry level, APRA acted to strengthen resilience and address weaknesses in banks, superannuation funds and insurers through supervision activity, changes to policy settings and, where necessary, enforcement action.

Banking

APRA further strengthened the banking system by implementing reforms to address system risks exposed by the 2023 global banking crisis and to ensure the continued strength and stability of banks in an increasingly uncertain operating environment. APRA:

- undertook regular assessments of systemic risks to assess implications for our macroprudential policy settings, including the mortgage serviceability buffer and the countercyclical capital buffer. We determined to leave the settings unchanged, as outlined in public updates provided in July and November.
- announced the decision to phase out Additional Tier 1 capital from the bank prudential framework from January 2027. The decision was in response to lessons learned from the overseas banking turmoil in 2023 where AT1 failed to fulfil its intended role as going concern capital when several US and European banks either failed or required rescue.
- co-ordinated a major simulation exercise, on behalf of the Trans-Tasman Council on Banking Supervision, to test Australian and New Zealand agencies' readiness for dealing with the failure of a hypothetical trans-Tasman bank.
- finalised targeted changes to how authorised deposit-taking institutions (ADIs) treat Higher Education Loan Program (HELP) debt repayments when assessing home loan applications.
- accepted a court enforceable undertaking (CEU) from Australia and New Zealand Banking Group (ANZ) to address weaknesses in the bank's non-financial risk management practices and risk culture. The capital add-on applied to ANZ was increased twice, from \$500 million to \$750 million in August 2024 and then to \$1 billion in April 2025 at the same time as the CEU.

Superannuation

APRA remained strongly focused on driving better outcomes for fund members by holding trustees accountable in areas including product performance, retirement outcomes and their duty to act in the best financial interests of their members. Activities included:

- increasing transparency of product underperformance through the administration of the annual performance test and the inaugural release of a comprehensive product performance package of performance metrics and insights. For the first time since the test was launched in 2021, all MySuper products passed the test.
- working with ASIC, we continued to drive improvements in retirement outcomes for fund members. APRA released data on retirement phase products and fees for the first time, to increase transparency and drive better outcomes for fund members.
- intensifying scrutiny of superannuation fund expenditure to ensure members' money was spent in the best financial interests of fund members. This ongoing work was supported by APRA's inaugural collection of fund-level expenditure data.
- amid increasing focus on trustees' investment governance, APRA conducted several industry reviews to identify gaps in trustee compliance with APRA requirements and improve investment governance practices in areas including unlisted asset valuations and liquidity risk management.

Following the cyber credential stuffing incidents affecting several super funds in April 2025, APRA took actions to strengthen cyber controls across the industry. APRA required trustees to evaluate the effectiveness of their information security controls and to submit breach notifications of material weaknesses identified. We also reinforced APRA's expectations on authentication and cyber controls at APRA-hosted industry roundtables and through direct supervision.

In August 2024, APRA imposed additional licence conditions on United Super Pty Ltd (United Super) and BUSS (Queensland) Pty Ltd (BUSSQ) to address concerns regarding fitness and propriety processes and fund expenditure management.

In February 2025, we took further action to address material prudential concerns identified with United Super, trustee for the Construction and Building Unions Superannuation Fund (Cbus), and to support improved outcomes for its members.

Insurance

APRA continued to collaborate closely with government and other agencies to address accessibility and affordability challenges in insurance. APRA:

- announced proposed changes to the capital settings for longevity products that would help life insurers offer more competitively priced annuities without unduly increasing risks to policyholders.
- reviewed reinsurance prudential requirements to improve access to alternative reinsurance arrangements for general insurers, supporting availability and affordability for policyholders while maintaining prudential soundness.
- progressed work on the Climate Vulnerability Assessment to better understand the potential impact of climate change on household insurance affordability to 2050.

Getting the balance right

In early 2025, APRA surveyed regulated entities to gauge how we were doing. We received positive feedback on our supervisory efforts. Some 97 per cent of financial institutions surveyed agreed that APRA supervision benefitted their industry, and 93 per cent believed it enhanced the strength of their organisations. However, the cost burden of regulation was an issue. Only 24 per cent of those surveyed said APRA's regulatory changes sufficiently considered the regulatory cost imposed on industry.

Getting the balance right in regulation was a prevailing theme for APRA last year and has become a strategic objective for us in 2025-26. APRA is aware of the need to strike the right balance between financial safety and not unnecessarily burdening industry in a way that would lessen competition and efficiency.

An effective way in which APRA has been able to ease the burden for smaller and less complex entities over recent years has been to apply a proportionate approach to supervision and policy settings, where appropriate. A good example of this is APRA's proposals to enhance board governance, announced in March 2025. The proposals aim to strike a balance between larger and smaller entities, prescription and flexibility.

Internally, to improve efficiencies, we progressed our multi-year data and technology program aimed at driving greater productivity for industry and APRA's approach to supervision, as well as uplifting the resilience of APRA's technology and data infrastructure.

Underpinning APRA's commitment to improve regulatory efficiency and further minimise burden, a significant priority was reducing the time required for entities to successfully lodge data submissions with APRA.

During the year, APRA started migrating remaining data collections from the legacy Direct to APRA (D2A) system to APRA Connect. This is a significant investment in streamlining and improving reporting and is scheduled for completion by December 2027. APRA also embarked on a multi-year strategic initiative that will transition its legacy data warehouse to a secure cloud-based platform. The overall objective is to enhance security, scalability and flexibility.

Collaboration between financial regulators continued to be an important focus of the year, particularly with the Council of Financial Regulators (CFR). APRA is either leading or participating in a number of CFR workstreams such as those managing geopolitical risk, climate risk, and building operational resilience across the financial system.

APRA and other members of the CFR and the Australian Competition and Consumer Commission also explored the impact of regulatory burden on the competitiveness of small and medium-sized banks in a review conducted in 2024-25. The review findings were published in August 2025 and APRA committed to actions aimed at improving proportionality and transparency, which it communicated to the Treasurer also in August.

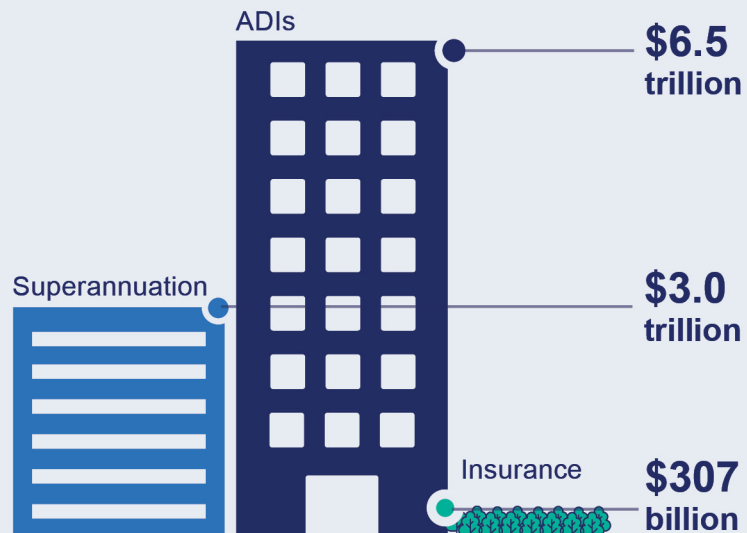
But to be clear, APRA has no appetite to ease regulatory requirements where it would pose unacceptable risk to the financial system. For example, we expect APRA-regulated entities of all sizes to meet the full obligations of our prudential requirements relating to information security and cyber risk management (CPS 234), and the new operational risk management standard (CPS 230).

With thanks

On behalf of the APRA Members, I would like to thank my colleagues at APRA for their hard work, dedication and professionalism over the past year. It is through the work that they do, and a shared sense of purpose, that APRA is able to keep the financial system safe and protect the financial interests of the Australian community.

Australia's prudential landscape

APRA regulates **1,147** entities with combined assets over **\$9.8 trillion**



Banks are well-capitalised, providing strong protection for depositors' interests.

Industry-wide capital ratios and liquidity ratios remained strong

132
licensed ADIs



Common Equity Tier 1 capital ratio

12.4%



Total capital ratio

20.4%



Minimum Liquid Holdings¹

16.3%



Liquidity Coverage Ratio²

130.1%



Superannuation funds play a critical role in the long-term financial wellbeing of Australians.

APRA-regulated funds

87



Licensed trustees

58

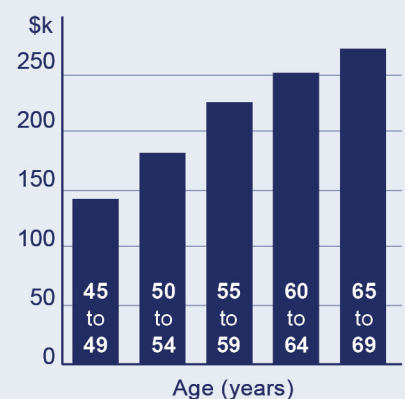


4.9 million accounts*
over the preservation age of 60 years totalling
\$1.3 trillion in assets*



APRA-regulated funds with more than six members.
*Data also includes exempt public sector schemes.

Average member balance by age*



Insurers are financially strong with capacity to pay all valid policyholder claims.

General insurers

87



Life insurers and Friendly societies

32



Total value of assets by sector

\$141 billion



\$145 billion



Private health insurers

30



\$21 billion



1. MLH ratio is the percentage ratio of specified liquid assets to liabilities.

2. LCR is the percentage ratio of high-quality liquid assets to total net cash outflows.

APRA's year at a glance

Setting, supervising and enforcing standards to maintain a safe and resilient financial system.



553 supervision-focused employees, including teams such as policy, advice, risk and enforcement

The Financial Accountability Regime in force for all regulated entities



Accountable persons now registered

4,039



Engaging with regulators, government agencies and stakeholders to promote financial system stability.

Media releases

58



Speeches at domestic industry events

58



Parliamentary hearings

7



Letters to industry

34



Participation in key international forums

29



Governance consultation

- **57** meetings and roundtables
- Involving **150** organisations

Cultivating an inclusive culture and supporting highly engaged and capable people.

897 employees



25 employees undertook post-graduate study through the assistance program



3.2 training days per employee



18 employees on domestic or international secondments



13 graduates enrolled in APRA's graduate program

Chapter 1

About Us

APRA is the prudential regulator of the Australian financial services industry.

APRA oversees financial entities across banking, insurance and superannuation to ensure Australians' financial interests are protected and that the financial system remains safe, stable and competitive.

APRA currently supervises **1,147 entities** holding some **\$9.8 trillion** in assets for Australian depositors, policyholders and superannuation fund members.

About Us

APRA was established under the *Australian Prudential Regulation Authority Act 1998* (APRA Act) as an independent statutory authority, accountable to the Australian Parliament.

Our purpose

APRA is responsible for ensuring that Australians' financial interests are protected. We promote the safety and stability of the financial system, while balancing competition and efficiency considerations.¹

Our people enliven our purpose through their dedication and commitment to our work and our values.

Our regulatory tools include powers to set, supervise and enforce standards, and if necessary, resolve institutions in an orderly manner.

We strive to deliver three key outcomes:

- resilient and prudently managed financial institutions, in which Australians have trust and confidence
- a safe and stable financial system, which underpins economic activity and prosperity
- improved ability for Australians to achieve good financial outcomes, now and into the future.

Legislative foundations

Under the APRA Act, APRA's main purposes are to prudentially regulate banking, insurance and superannuation entities under five 'industry Acts' and to administer the Financial Claims Scheme (FCS) for depositors and insurance policyholders.²

The industry Acts provide for licensing and regulatory oversight of:

- authorised deposit-taking institutions (ADIs), including banks, credit unions and building societies
- general insurers
- life insurers and friendly societies
- private health insurers
- registrable superannuation entity (RSE) licensees.

APRA also has important responsibilities under other Acts, including:

- data collection from regulated and non-regulated entities under the *Financial Sector (Collection of Data) Act 2001* (FSCOD Act)
- transfers of ownership under the *Financial Sector (Shareholdings) Act 1998*.

¹ Section 8 of the APRA Act requires that, in performing and exercising its functions and powers, APRA is to "balance the objectives of financial safety and efficiency, competition, contestability and competitive neutrality and, in balancing these objectives, is to promote financial system stability in Australia". Both the *Banking Act 1959* and *Insurance Act 1973* contain objects related to the continued development of viable, competitive and innovative banking and insurance industries.

² The industry Acts are the *Banking Act 1959*, *Insurance Act 1973*, *Life Insurance Act 1995*, *Private Health Insurance (Prudential Supervision) Act 2015* and *Superannuation Industry (Supervision) Act 1993*.

Government expectations

From time to time, the government issues APRA with a Statement of Expectations and APRA responds with a Statement of Intent.

APRA's Statement of Expectations sets out the government's expectations with reference to APRA's role, the government's policy priorities, APRA's relationships with external stakeholders, and organisational matters. The Statement of Intent sets out APRA's response and confirms APRA's intention to continue striving to be a high-performing and responsive prudential regulator for the benefit of the Australian community. These documents are published, with the most recent released in June 2023.³

Our organisation structure

Under the APRA Act, the APRA Members are collectively responsible and accountable for APRA's operation and performance. The APRA Chair has additional specific accountabilities as the accountable authority under the *Public Governance, Performance and Accountability Act 2013*.

APRA Members are appointed by the Governor-General, on the advice of the Australian Government, for terms of up to five years. The APRA Act provides that between three and five APRA Members can be appointed at any point in time.



(L to R: Ms McCarthy Hockey, Ms Cole, Mr Lonsdale, Ms Smith)

As at 30 June 2025, the APRA Members were:

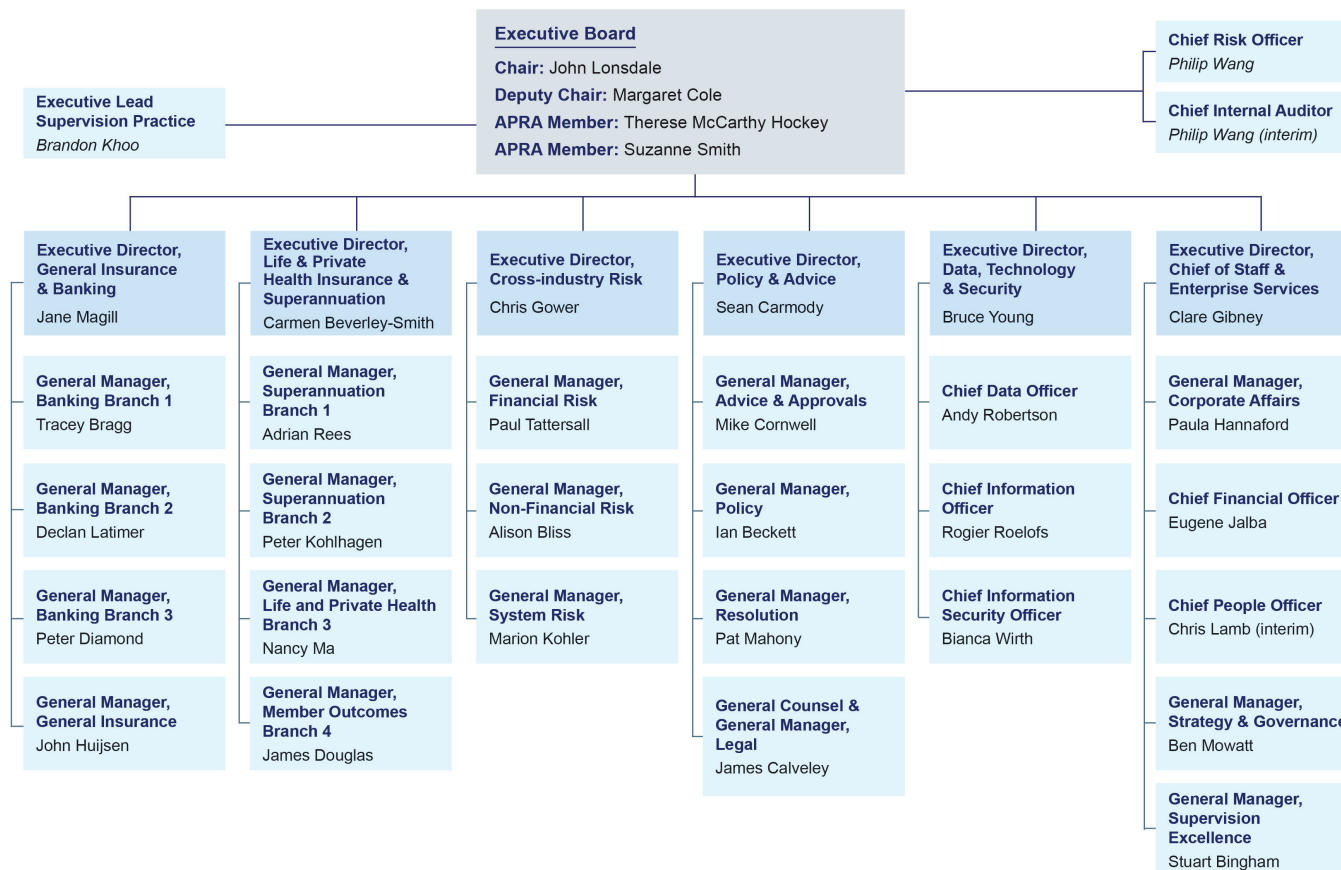
- John Lonsdale - Chair
- Margaret Cole - Deputy Chair
- Therese McCarthy Hockey - Member
- Suzanne Smith - Member

John Lonsdale, as Chair of APRA, was the accountable authority from 1 July 2024 to 30 June 2025.

Biographies of Members are available in Chapter 3 of this report.

³ The 2023 Statement of Expectations is available at: <https://www.apra.gov.au/statement-of-expectations>. APRA's Statement of Intent is available at: <https://www.apra.gov.au/statement-of-intent>.

APRA's organisation chart^{4, 5}



⁴ As at 30 June 2025

⁵ In September 2024, we made changes to our organisation structure to ensure APRA remains equipped to deal with emerging and future challenges. These changes consolidated related areas of expertise to streamline and simplify APRA's decision-making processes.

Regulatory toolkit

APRA uses a range of regulatory powers and tools to supervise financial entities and promote financial stability.

Our core focus areas include:



Policy Development

APRA develops and maintains a comprehensive framework of legally enforceable prudential standards and accompanying practice guides.

The standards cover five key areas: governance, risk management, financial resilience/business operations, resolution and reporting.

Regular policy reviews ensure the standards remain up to date and fit for purpose. When APRA develops new standards or proposes changes to existing requirements, it conducts a formal consultation with regulated entities and other stakeholders on the proposals.



Risk-based Supervision

APRA's supervision function involves a range of activities directed at protecting the Australian community by identifying and responding to prudential risks.

APRA's comprehensive risk-based supervision framework is designed to identify and assess those areas of greatest risk to a regulated entity, industry or to the financial system. Supervisory resources are then allocated to target these prioritised risks.

This framework ensures supervision is proportionate, robust, and adaptable to the constantly evolving external environment.



Enforcement

While primarily supervision led, APRA is prepared to take firm action to safeguard the financial system.

APRA uses enforcement to prevent and address serious prudential risk and to hold entities and individuals to account for material breaches of their prudential or legislative obligations.

APRA takes a graduated approach to enforcement that includes imposing additional licence conditions, through to court-based action.



Resolution

APRA's resolution function protects Australians from financial loss by planning for and implementing effective responses to the failure of an entity.

In the unlikely event that an entity does fail, the aim is to oversee an orderly entity-led exit, or manage the orderly resolution of the failed entity, with minimal disruption to the financial system.

This requires APRA to be operationally ready and have close connections with peer agencies.

APRA-regulated entities

	Number of entities ¹			Assets (\$ billion)		
	30 Jun 24	30 Jun 25	% change	30 Jun 24	30 Jun 25	% change ²
ADIs ³	135	132	-2.2%	6,130.6	6,472.7	5.6%
Banks (excluding mutuals)	74	74	0	5,920.7	6,252.8	5.6%
Mutuals ⁴	54	52	-3.7%	200.0	210.2	5.1%
Other ADIs (not defined as banks or mutuals)	6	6	0	9.9	9.7	-1.8%
Restricted ADIs	1	0	-100.0%	0	0	0
Representative offices of foreign banks ⁵	17	17	0			
General insurers	89	87	-2.2%	132.6	140.9	6.3%
Life insurers	24	22	-8.3%	133.3	132.2	-0.9%
Friendly societies	10	10	0	11.0	12.6	14.5%
Licensed trustees	67	58	-13.4%			
Superannuation entities ^{6, 7}	1,123	776	-30.9%	2,704.9	3,039.5	12.4%
Public offer funds	84	72	-14.3%	2,394.0	2,719.3	13.6%
Non-public offer funds	18	15	-16.7%	309.1	318.6	3.1%
Small APRA funds ⁸	1,000	673	-32.7%	1.8	1.6	-13.9%
Approved deposit funds	7	4	-42.9%	0	0	0
Pooled superannuation trusts	14	12	-14.3%	228.2	261.3	14.5%
Private health insurers	30	30	0	20.9	21.4	1.9%
Non-operating holding companies	34	32	-5.9%			
TOTAL	1,512	1,147	-24.1%	9,133.3	9,819.3	7.5%

Notes:

¹ The figures for number of entities includes entities that are in the process of winding up or deregistration, but remain authorised entities as at the respective June year-end.

² The percentage change for assets have been calculated using the underlying unrounded values.

³ Asset figures for ADIs are predominately sourced from the Economic and Financial Statistics (EFS) domestic books data collection.

⁴ Mutual ADIs are defined as ADIs operating under a mutual corporate structure in accordance with ASIC Regulatory Guide 147.

⁵ Number of representative offices of foreign banks have not been included in the ADI classification or total number of regulated entities, as APRA does not regulate them.

⁶ This data excludes superannuation entities that APRA does not regulate, that is, exempt public sector superannuation schemes and Australian Taxation Office regulated self-managed superannuation funds.

⁷ Pooled superannuation trust assets are not included in asset totals as they have already been included as part of other superannuation categories. The 'number' of pooled superannuation trusts however are included in totals.

⁸ The decrease in number of Small APRA funds is driven by wind-up of entities finalised over the 2024-25 financial year.

Chapter 2

Performance

- **Statement of Performance**
 - Strategic objectives
 - Strengthening key enablers
 - Collaboration and engagement

Addendums:

- A: Performance measures, targets and results**
- B: APRA's stakeholder survey**
- C: International engagement**
- D: APRA-ASIC statement of engagement**

Statement of Performance

Chair's Statement

I, John Lonsdale, as the accountable authority of the Australian Prudential Regulation Authority (APRA), present the annual performance statement of APRA for the 2024-25 reporting period, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). In my opinion, this annual performance statement accurately presents the performance of APRA in the 2024-25 reporting period and complies with subsection 39(2) of the PGPA Act.

Performance Results

Throughout the 2024-25 reporting period, APRA continued to play its pivotal role in ensuring the safety and stability of the financial system. While heightened political uncertainty in major economies and geopolitical tensions were features of the past year, public confidence in the Australian financial system remained strong. The financial system continued to display a high level of resilience, supported by a well-developed regulatory framework and APRA's proactive approach to supervision. On the whole, Australia's financial system remains well placed to support the long-term growth of the economy.

This section sets out APRA's performance in achieving its strategic priorities, consistent with the 2024-25 Corporate Plan.⁶ APRA's assessment of its performance is based on information up to 30 June 2025.⁷

⁶ APRA's 2024-25 Corporate Plan is available at: <https://www.apra.gov.au/apra-corporate-plan-2024-25>.

⁷ APRA's performance measures are informed by regulatory best practice principles and are included in the Table of Data (Addendum A).

Strategy on a page⁸

<p>Our purpose and regulatory tools are...</p>	<p>Our purpose: We are Australia's prudential regulator and are responsible for ensuring that Australians' financial interests are protected. We promote the safety and stability of the financial system, while balancing competition and efficiency considerations.</p> <p>Our people enliven our purpose, through their dedication and commitment to our work and our values.</p> <p>Our regulatory tools include our powers to set, supervise and enforce standards and if necessary, ensure the resolution of the entities in an orderly manner.</p>		
<p>underpinned by our strengths...</p>	 System-wide Perspective	 Domestic and international relationships	 Values, expertise and insight
<p>directed at our strategic objectives...</p>	 Maintain financial and operational resilience	 Respond to significant and emerging risks	 Address industry-specific challenges
<p>and invest in our key enablers...</p>	 Technology and data: informing risk-based decision-making	 Our people: empowered by an inclusive, agile and effective organisation	 Supervision excellence: modern and future-ready capabilities
<p>to deliver our outcomes.</p>	 Safety and resilience of regulated entities	 A stable financial system	 A financial system enabling good community outcomes

⁸ APRA's key objectives are set out in the 2024-25 Corporate Plan: <https://www.apra.gov.au/apra-corporate-plan-2024-25>.

Strategic Objectives



Maintain financial and operational resilience

Over the past year, APRA progressed several initiatives aimed at reinforcing the financial system's resilience to future shocks. Operational resilience was a key area of focus, with recent cyber-attacks reinforcing the importance of APRA's efforts to uplift industry standards.

Financial resilience

Since the global financial crisis, APRA has implemented extensive policy reforms to enhance financial resilience, including finalising unquestionably strong capital standards for the banking sector. While these reforms provide a strong platform, risks are rapidly evolving and it is critical that the regulatory framework keeps pace. For example, the international banking turmoil in 2023 was an important reminder of how technology and market connectivity can amplify the speed and impact of financial stress across the system.

Targeted policy changes

During 2024-25, APRA consulted on targeted changes to strengthen its capital and liquidity standards for banks:

- **Liquidity:** In July 2024, APRA announced that from 1 July 2025 banks would need to meet two targeted changes under the *Prudential Standard APS 210 Liquidity* (APS 210). The first change requires that banks on the Minimum Liquidity Holdings (MLH) regime adjust the value of their liquid assets regularly to update for movements in market prices. The second change requires that banks have improved processes in place for accessing liquidity assistance from the Reserve Bank of Australia (RBA). Collectively, these changes are designed to strengthen banks' resilience to future stress events.
- **Additional Tier 1 (AT1) capital:** In September 2024, APRA launched consultation on a proposal to replace AT1 with more reliable and effective forms of bank capital. APRA's overall aim is to ensure capital instruments can operate effectively in stress as a loss absorber. Following extensive engagement with stakeholders, in December 2024 APRA confirmed that AT1 would be phased out from 2027. Larger banks will need to replace AT1 with Common Equity Tier 1 (CET1) and Tier 2 capital while, under APRA's proportionate approach, smaller banks will be able to fully replace AT1 with Tier 2 capital. APRA plans to provide further details on implementation in the next reporting period, including consulting on consequential updates to its prudential standards.
- **Interest rate risk in the banking book (IRRBB):** In July 2024, APRA released an updated *Prudential Standard APS 117 Interest Rate Risk in the Banking Book* (APS 117), which will take effect in the next reporting period (1 October 2025). The revisions to APS 117 address lessons learned from large interest rate movements, create better incentives for managing interest rate risk, and simplify the IRRBB framework ensuring a proportionate approach.

System-wide risks

In 2024-25, APRA conducted a stress test of the banking industry's resilience to a severe shock. The 2024 test involved only larger, more complex banks to reduce the impost on smaller banks. The test reinforced APRA's view that the banking system remains well capitalised, with results showing that

large banks would be able to withstand the impacts of a severe economic downturn while continuing to support an economic recovery.

APRA also progressed work on its first system stress test. This is an exploratory scenario designed to identify potential risks from rising interconnections across the banking and superannuation sectors. The stress test will provide new insights into how liquidity risk might propagate across the financial system during a severe shock. APRA worked closely with the RBA and the Australian Securities and Investments Commission (ASIC) to design the stress test, and collaborated with industry participants to undertake the same. Key findings from this work will be released in the next reporting period.

Another priority was to progress work to strengthen the financial system's resilience to geopolitical risks. In the current environment, heightened geopolitical tensions are creating risks and uncertainty, which could have impacts for global economic growth and financial stability. APRA has established a dedicated geopolitical risk team, which continued to work closely with peer agencies from the Council of Financial Regulators (CFR): ASIC, RBA and Treasury. In December 2024, the CFR agreed a multi-year work program to reinforce system-wide resilience to geopolitical risk. This work will continue into the next reporting period.

APRA also undertook regular assessments of systemic risks, publishing updates in July and November 2024 on the implications for APRA's macroprudential policy settings. APRA continued to consult with the RBA on the use of macroprudential policy in managing financial stability risks and with other CFR agencies in developing a shared view of system-wide risks.

Balancing competition and efficiency

In delivering on its mandate, APRA does not pursue a safety-at-all costs agenda. By design, APRA's prudential standards avoid overly prescriptive requirements which would otherwise stymie innovation and increase compliance costs. APRA's standards and supervisory practices are risk-based and proportionate to support financial institutions in fulfilling their vital and productive roles in the economy, supporting long-run growth and investment.

Over the past 12 months, APRA continued to progress targeted actions to improve regulatory efficiency and reduce burden on industry, without compromising APRA's safety and stability objectives. These actions were largely incremental in impact, building on existing proportionality in the framework.

A key area of focus was pursuing a more targeted agenda of policy reform. The number of policy changes progressed by APRA in the 2024-25 financial year was less than half that of the year prior, helping to minimise the impact on industry.⁹ APRA also adopted a more collaborative approach to its policy consultations, providing industry greater opportunity to inform APRA's policy thinking at an early stage, to better assist with identifying policy solutions that minimise regulatory burden. For example, in exploring changes to APRA's governance standards, APRA held 57 meetings and roundtables, involving more than 150 stakeholder organisations. This more collaborative approach to policy development was positively received by industry.¹⁰

Strengthening our coordination with other agencies was another priority. This included contributing to the government's Regulatory Initiatives Grid (RIG), which was first published in December 2024. The RIG aims to enhance transparency of upcoming changes to the financial sector regulatory landscape and strengthen coordination across regulators.

⁹ In 2024-25, APRA conducted seven policy and reporting consultations. This compares to 20 in the year prior.

¹⁰ In 2025, 74 per cent of industry respondents to the APRA stakeholder survey agreed that APRA provided sufficient opportunity for consultation, compared to 60 per cent in 2023.

APRA worked with external stakeholders to identify areas where there could be unnecessary or duplicative requests of industry. APRA consulted with industry on options to reduce potential overlap between reporting obligations that apply to entities under APRA's fitness and propriety requirements and statutory requirements under the Financial Accountability Regime. APRA also increased its data sharing with other regulatory agencies, to reduce duplicative requests on industry. Measured by number, APRA shared 18 per cent more data files with external stakeholders in the past year.¹¹

APRA also worked with the other CFR members and the Australian Competition and Consumer Commission (ACCC) to examine the state of small and medium-sized banks, with a focus on competition. The CFR and ACCC provided its final report to the Treasurer in June 2025, following the release of an issues paper for consultation in December 2024. The CFR found that small and medium-sized banks face a range of competitive pressures related to the fast-changing and more complex operating environment.

The CFR concluded that regulatory frameworks were generally fit for purpose, and identified a package of measures across agencies that could assist small and medium-sized banks without increasing risks to safety and stability. For APRA, these changes will build on existing initiatives implemented over several years that have supported a proportionate prudential framework. APRA plans to consult on these changes in the next reporting period.

Over the past year, APRA also made targeted changes to its *Prudential Standard APS 220 Credit Risk Management* (APS 220). These changes clarified how banks should treat Higher Education Loan Program (HELP) debt repayments when assessing home loan applications to support flow of credit to new home buyers. Relevant revisions to the *Reporting Standard ARS 223.0 Residential Mortgage Lending* will come into effect in the next reporting period (1 October 2025).

On the whole, the financial sector continued to support the flow of finance across the economy. Banks' lending for housing grew by 5.7 per cent over the year to June 2025, up from 4.2 per cent over the prior year. Business credit growth was also stronger over the year to June 2025, at 9.4 per cent. Total non-performing loans as a share of total loans increased marginally to 1.2 per cent as at 30 June 2025.

Operational resilience

A significant and ongoing area of focus has been uplifting operational resilience across the banking, insurance and superannuation sectors. The April 2025 cyber-attacks on the superannuation industry and the global IT outage experienced in July 2024 are critical reminders of the importance of this work.

Over the past year, APRA had a strong supervisory focus on monitoring and supporting entities in the implementation of the new *Prudential Standard CPS 230 Operational Risk Management* (CPS 230), effective from 1 July 2025. APRA's initial supervisory focus has been more targeted at larger entities – smaller entities having an additional 12 months to comply with certain requirements. CPS 230 places new obligations on banks, insurers and superannuation funds to have a comprehensive understanding of their supply chain vulnerabilities and develop contingency plans to mitigate potential disruptions.

To support entities in complying with the CPS 230 requirement to submit a register of material service providers, APRA developed a register template. This information provides APRA with a system-wide view of exposures to service providers. The first annual submission is due by 1 October 2025.

¹¹ In the 12 months to March 2025, APRA processed 83 requests from external stakeholders for data, an 18 per cent increase on the year prior.

In October 2024, APRA finalised related changes to the *Prudential Standard SPS 114 Operational Risk Financial Requirement* (SPS 114), which applies to superannuation. These changes strengthen operational resilience by ensuring that trustees can better access operational risk reserves when needed and maintain an appropriate level of reserving for this purpose. The revised standard comes into effect 1 July 2025.

Cyber resilience

Cyber resilience remained a key focus area this year. While entities have made notable progress in strengthening their controls, continued uplift is required given quickly evolving cyber threats from malicious attacks and operational incidents.

APRA continued to focus on uplifting entities' compliance with the *Prudential Standard CPS 234 Information Security* (CPS 234) to strengthen entities resilience to information security incidents, such as cyber-attacks. An important area of focus was ensuring that regulated entities completed remedial actions from an independent review conducted in the prior reporting period. Around 2,000 remedial actions were identified in this review, covering more than 300 banks, insurers and superannuation trustees. To ensure timely remediation of issues, APRA subjected entities with material non-compliances to heightened supervision. As at 30 June 2025, most entities had completed their implementation of remedial actions. This has resulted in a higher level of cyber resilience compared to several years ago.

To support a consistent uplift across industry, APRA shared its observations on common cyber control weaknesses and provided industry with guidance on better practices. APRA also continued to support the CFR's Cyber Operational Resilience Intelligence-led Exercises (CORIE), which is a program of exercises aimed at assessing and improving a financial institution's cyber resilience.

While industry resilience to cyber-attacks has been strengthened, risks are quickly evolving. The April 2025 cyber-attacks targeting the superannuation industry were an important reminder of the need for entities to further invest in their resilience. Over a short period, eight superannuation trustees and their members were targeted by malicious actors using credential stuffing techniques. This resulted in a small number of members experiencing a financial loss, though all have since been remediated. During the period of attacks, APRA worked with the National Office of Cyber Security, which coordinated engagement across the Australian Government. APRA also worked closely with superannuation trustees in monitoring the situation and focused on protecting members' funds as a priority.

In June 2025, APRA wrote to all superannuation funds highlighting APRA's ongoing concerns about persistent weaknesses in information security controls, particularly those relating to authentication. APRA required all trustees to complete a self-assessment of their information security controls, ensure multi-factor authentication or equivalent protections are in place for high-risk activities and privileged access, and notify APRA of any material control weaknesses or breaches.

Crisis preparedness

Over recent years, APRA has taken significant steps to strengthen crisis preparedness across the banking, insurance, and superannuation sectors. Throughout 2024-25, APRA continued to work closely with CFR peers, international regulators and industry to enhance further Australia's crisis preparedness.

Recovery and exit planning

APRA continued its focus on strengthening recovery and exit planning across all industries. All entities are now subject to the new *Prudential Standard CPS 190 Recovery and Exit Planning* (CPS 190), with this standard coming into effect on 1 January 2025 for superannuation funds and the year prior for banks and insurers. CPS 190 introduces formal requirements for entities to develop and maintain credible plans for responding to a stress that could threaten their financial viability.

During the period, APRA conducted a thematic review of banks' compliance with CPS 190. This review identified several areas for improvement primarily relating to early identification of stress, and actions in response. In February 2025, APRA wrote to banks to share thematic observations and provide entity-specific feedback on areas where it expects improvements. APRA will assess banks' progress in addressing APRA's concerns in the next reporting period.

For insurers, APRA conducted a review of the first submissions of recovery and exit plans since the implementation of CPS 190. This review had a targeted focus on previously identified gaps and assessed the credibility of newly identified exit options. In superannuation, APRA undertook a targeted thematic review to assist the industry in transitioning to the new standard. APRA plans to undertake a more comprehensive review of the superannuation industry's compliance with CPS 190 in the next reporting period.

In April 2025, APRA oversaw the successful and orderly exit of Integrity Life Australia Limited, with limited disruption to policyholders. This involved multiple transfers of the insurer's policyholder liabilities to other life insurers following its decision to voluntarily exit the market. Following the transfer of all policyholder liabilities, Integrity Life Australia Limited's insurance licence was revoked.

Resolution planning

Implementation of the new *Prudential Standard CPS 900 Resolution Planning* (CPS 900) was another priority. Under CPS 900, APRA can require entities to implement pre-positioning actions and maintain capabilities to support their orderly resolution. This seeks to ensure that, in the unlikely event of failure, entities can be resolved in an orderly manner, protecting the interests of beneficiaries and preserving financial system stability. Throughout 2024-25, APRA worked with a small number of large and complex entities on developing and implementing resolution plans.

Crisis simulation

In September 2024, APRA coordinated a major simulation exercise to test Australian and New Zealand agencies' readiness for dealing with the failure of a hypothetical trans-Tasman bank. The Trans-Tasman Council on Banking Supervision (TTBC) crisis simulation brought together a range of Australian and New Zealand regulatory authorities, including APRA, RBA, ASIC, Australian Treasury, Reserve Bank of New Zealand, New Zealand's Financial Markets Authority and The Treasury, New Zealand.

The simulation is a critical initiative that aims to ensure agencies are prepared to manage future crises. The September 2024 exercise tested coordination arrangements across agencies in Australia and New Zealand and yielded several important lessons. Key areas tested in the simulation included liquidity, capital and control responses to achieve stabilisation.

Governance, accountability and risk culture

Effective governance is fundamental to financial stability and sound risk management. Throughout 2024-25, APRA progressed several initiatives aimed at ensuring entities continue to meet robust governance practices.

Governance standards

Over the past 10 years, APRA has devoted increased attention to governance, culture, remuneration and accountability across regulated industries. APRA's assessment is that this has led to generally stronger governance practices, but some areas of weakness persist. Some of the main areas where APRA has seen continued weakness relate to the skills and capabilities of directors, narrow approaches to assessing and reviewing fitness and propriety, insufficient attention to board performance assessments, problems stemming from overly long tenure and inadequate management of conflicts of interest.

To address these weaknesses, in March 2025 APRA released a discussion paper which set out eight policy proposals for strengthening governance at banks, insurers and superannuation trustees. Collectively, these proposals aim to provide the community with greater confidence that regulated entities are led by high calibre, high integrity teams that can manage risks and govern effectively.

Consultation formally closed in June 2025 and APRA intends to update industry on its response to feedback received in the next reporting period. APRA expects to consult on draft standards and guidance in 2026, taking into account responses to the discussion paper.

Financial Accountability Regime

Throughout the year, APRA continued to work with ASIC on embedding the Financial Accountability Regime (FAR). The FAR commenced for insurers and superannuation trustees on 15 March 2025, a year after it was introduced for banks. To support implementation, APRA, together with ASIC, developed new operational processes to ensure effective joint administration of the FAR and alleviate duplicative reporting burden. APRA processed 2,837 accountable person registrations, building on the 1,585 registered for banks in the year prior. As at 30 June 2025, there were 4,039 accountable persons registered in total. APRA also received accountability statements and maps from 77 entities that are subject to enhanced notification obligations. APRA's focus going forward will be on leveraging the regime to improve entity accountability and strengthen risk culture and governance practices.

Risk culture

A strong risk culture is essential for effective risk management outcomes that support an organisation's financial and operational resilience. Ultimately, organisations with a strong risk culture, that supports sound risk management practices and behaviours, are better placed in terms of financial performance and delivery of good outcomes for their customers.

During the year, APRA conducted a comprehensive risk culture survey of the insurance sector. This work provided APRA with insurer employees' views on risk behaviours and their views on the effectiveness of risk management structures. The survey results indicated that some entities had made meaningful progress in strengthening their risk culture, while others had more material improvements to make. APRA communicated its findings to insurers highlighting areas for improvement.

Throughout the period, APRA also operationalised a practical pulse check approach for all industries to provide a more efficient way to supervise entities' risk culture. Participating entities were asked to

incorporate the pulse check into their own surveys within a flexible 12-month window rather than running an additional survey. This has reduced the burden on entities while also providing for more timely identification of issues.

Enforcement

APRA continued to use its enforcement powers to prevent and address serious prudential risk and to hold entities and individuals to account for breaches of their prudential and legislative obligations. APRA's enforcement actions also aim to have a wider deterrent effect.

During 2024-25, APRA's enforcement actions included:

- imposing additional licence conditions on three superannuation trustees relating to concerns with data, fitness and propriety processes, and fund expenditure management. The three trustees were: Fiducian Portfolio Services Limited; United Super Pty Limited as trustee for Construction and Building Unions Superannuation Fund (Cbus); and BUSS (Queensland) Pty Ltd (BUSSQ).
- accepting court enforceable undertakings from three regulated entities. The three entities were: Australia and New Zealand Banking Group (ANZ), relating to weaknesses in its approach to non-financial risk management and risk culture; One Path Custodians Pty Limited (OPC), relating to compliance deficiencies and compensating members for failing to invest members' default superannuation contributions in MySuper products under the *Superannuation Industry (Supervision) Act 1993* (SIS Act); and Cbus, relating to weaknesses with its approach to operational risk management.
- issuing infringement notices to OPC to the value of \$10.7 million for failures to invest members' default superannuation contributions in MySuper products.
- increasing capital add-ons for two entities: for ANZ, the add-on was raised from \$500 million to \$1 billion in relation to concerns over non-financial risk management; and for Pacific International Insurance Pty Limited, the add-on was raised by \$10 million in relation to fundamental deficiencies in its oversight and control of its existing binder holder business and risk management framework.
- commencing civil penalty proceedings in the Federal Court against the former director and co-chair of First Super Pty Ltd (Michael O'Connor), relating to alleged breaches of the director covenants in the SIS Act. APRA is seeking civil penalties and disqualification of Mr O'Connor.
- successfully defending a judicial review application by BUSSQ in the Federal Court in relation to APRA's decisions to impose additional licence conditions and to disclose that decision.
- requiring HEST Australia, a superannuation trustee, to make payments to members impacted by weaknesses in revaluations made in March 2020.



Respond to significant and emerging risks

Climate-related financial risks

APRA continued its work to assess how climate risk could impact the ability of entities to meet financial promises. This remains an important priority for APRA and the CFR; APRA is leading the insurance Climate Vulnerability Assessment (CVA).

Throughout the period, APRA worked with Australia's five largest general insurers to progress the insurance CVA. The insurance CVA is exploring how the affordability of general insurance may change up to 2050 in response to physical and transition climate risks modelled against two possible future climate scenarios. This initiative builds on the 2022 banking CVA which identified that climate change, and the response to it, may drive pockets of credit risk across Australia.

In December 2024, APRA published an information paper providing an overview of the insurance CVA. This paper set out the objectives and design of the insurance CVA and provided stakeholders with a view of next steps. APRA will publish its findings from the insurance CVA in the next reporting period.

APRA also conducted a second iteration of its Climate Risk Self-Assessment Survey. This survey provides APRA with insight into industry trends and levels of maturity in addressing climate risk using *Prudential Practice Guide CPG 229 Climate Change Financial Risks* (CPG 229) as a benchmark. The survey focused on four topic areas: governance and strategy, risk management, metrics and targets, and disclosure. All regulated entities were invited to participate and 149 responses were received. APRA's findings were published in November 2024. Overall, the findings showed that larger entities had improved their climate risk maturity since 2022 but there is scope for further progress towards leading practice. Smaller entities reported lower levels of climate risk maturity.

APRA continued to collaborate with domestic and international peer regulators on climate-related financial risk initiatives. APRA is chair of the CFR Climate Working Group, which provides coordination in climate risk activities across the CFR. APRA leads the development of CFR advice to the government on sustainability data challenges associated with the government's Sustainable Finance Roadmap. APRA's contribution to international forums is summarised at Addendum C.

Payments and licensing

APRA continued to support government's efforts to reform regulation of Australia's payments system. Under the government's *Strategic Plan for Australia's Payments System*, APRA would be responsible for regulating major stored value facilities (SVFs), which includes issuers of payment stablecoins. Over the past year, APRA worked closely with Treasury and ASIC to design the key policy features of the new SVF regime. The proposed legislation is expected to be released for consultation in the next reporting period.

During 2024-25, one foreign bank (Land Bank of Taiwan) was licensed by APRA to conduct banking business in Australia. APRA also engaged with a range of prospective applicants that are seeking an APRA licence.



Address industry-specific challenges

Retirement incomes

APRA continued its focus on improving outcomes for superannuation members in retirement. An important priority was subjecting fund-level expenditure to more heightened scrutiny. In October 2024, APRA published new granular expense data for the first time. Using this data, APRA prioritised its supervisory attention on fund expenditure where member benefit was not immediately evident or may not be reasonably justified. APRA conducted an in-depth review of 14 trustees, and published its observations on better practice and areas for improvement.

In June 2025, APRA published for the first time data on the performance of superannuation retirement products. This publication provides greater transparency on returns and fees, with the aim of supporting members to better select from different retirement products.

In July 2024, APRA released the updated *Prudential Standard SPS 515 Strategic Planning and Member Outcomes* (SPS 515) and accompanying guidance. These reforms support member outcomes by sharpening trustees' focus on strategic planning and the quality of expenditure. In December 2024, APRA finalised enhancements to superannuation data collections covering investments, trustee licensee profile and trustee profile.

Jointly with ASIC, APRA published a retirement income covenant pulse check in July 2024. This work showed that trustees were making progress in areas previously identified for improvement, but less progress in measuring and tracking the success of retirement income strategies. Throughout the period, APRA engaged with trustees to ensure that improvements are made.

APRA also focused on trustees' investment governance practices. In December 2024, APRA published the results of its review of trustees' progress implementing enhanced valuation governance and liquidity risk management requirements. APRA engaged closely with the 12 entities where material improvements were required.

Superannuation transparency

APRA continued to focus on holding trustees accountable for addressing product underperformance. In August 2024, APRA published the results of the 2024 Performance Test. This showed a further reduction in the number of underperforming products. For the first time since the test was introduced in 2021, all MySuper products passed the test. This has had a significant positive impact in terms of fee savings to members.

In September 2024, APRA also released the Comprehensive Product Performance Package (CPPP). The CPPP provides trustees with the ability to understand the performance of their products relative to the industry through a comprehensive set of performance metrics. It assesses performance across a range of dimensions for 876 MySuper and choice products, which collectively represent most types of investment offerings for accumulation members.

2024 Performance test outcomes¹²

Measure	MySuper	Non-platform Trustee directed products (TDPs)	Platform TDPs
Number and per cent of failing products (% by product)	0	0	37 (19%)
Assets and per cent of assets in failing products (% by product)	\$0	\$0	\$1.8 billion (10%)
Member accounts and percentage in failing products (% by product)	0	0	17,000 (10%)
Benchmark to which a products fees are compared (Benchmark representative administrative fees and expenses)	0.27%	0.26%	0.57%
Number and per cent of trustees with failed products (% by product)	0	0	2 (18%)

Protection gap for household insurance

APRA continued to collaborate with government and other stakeholders in response to growing affordability and availability challenges in Australian household insurance. The drivers of the protection gap in household insurance are complex and include the increasing frequency and severity of natural disasters, higher reinsurance costs and building cost inflation. All stakeholders, including industry, government, communities and regulators, have a role to play in reducing the growing protection gap.

As part of this collaboration, APRA made submissions to the House of Representatives Standing Committee on Economics inquiry into insurers' responses to 2022 major floods claims.¹³ APRA also provided support to the Hazards Insurance Partnership (HIP), which is a forum for private and public sector stakeholders to reduce risk and insurance costs.¹⁴ Internationally, APRA supported work on protection gaps through participating in the International Association of Insurance Supervisors (IAIS) and Network of Central Banks and Supervisors for Greening the Financial System (NGFS).

APRA continued to engage with industry on the importance of offering products that affordably meet consumer needs. APRA sought to bring greater transparency to this issue by encouraging insurers to clearly explain what is driving premium increases and what is covered by insurance policies.

¹² The 2024 performance test results were published on 30 August 2024. Further information is available at: <https://www.apra.gov.au/news-and-publications/apra-releases-2024-superannuation-performance-test-results>.

¹³ APRA's submission is available at: <https://www.apra.gov.au/submissions>.

¹⁴ Information on the Hazards Insurance Partnership is available at: <https://www.nema.gov.au/our-work/resilience/hazards-insurance-partnership>.

APRA also used its role as the data collection agency for the financial sector to inform key stakeholders on issues around the household protection gap.

In response to increased price pressures in reinsurance, APRA released a consultation paper in November 2024 aimed at improving general insurers access to alternative forms of reinsurance. Feedback was received in February 2025. APRA expects to consult on specific changes to prudential standards in the next reporting period.

APRA and ASIC continued to work together to assess the sustainability of life insurance protection products. Both agencies concluded a joint review on premium practices in retail life insurance in May 2025. Results from the joint review demonstrated a substantial uplift in re-rating practices, marketing and disclosure materials, and product governance.

Strengthening key enablers

Throughout the reporting period, APRA continued to focus on improving the effectiveness of its infrastructure and the capabilities of its people. This work will provide important benefits to regulated entities and create broader efficiencies.

Technology and data: Informing risk-based decision-making

In the 2024-25 Federal Budget, the government committed \$73.2 million in additional funding to support APRA in strengthening and transforming its data-related capabilities. This additional funding is supporting a multi-year program aimed at driving greater productivity for industry and APRA's approach to supervision, as well as uplifting the resilience of APRA's technology and data infrastructure.

Throughout the period, APRA heightened its focus on ensuring the resilience of its technology and data infrastructure, in recognition of the growing threats to cyber, personnel and physical security. APRA's multi-year program has been mobilised to deliver improvements to security for core data platforms and systems. APRA continued work to uphold the confidentiality, availability, integrity and privacy of information entrusted to its care under the Protective Security Policy Framework (PSPF) and the Australian Privacy Principles.

As the central data collection agency for the financial sector, APRA collects data on behalf of other government agencies under a common reporting system to avoid duplication and minimise costs and burden. In February 2025, APRA announced that it would discontinue ARF 923.0 Covid-19 Capital and Credit. APRA's decision was part of a regular review of ad hoc data collections and follows a number of cessations in 2023 and 2024.

Underpinning APRA's commitment to improve efficiency and further minimise burden, a priority was reducing the time required for entities to lodge data submissions with APRA. Throughout the period, APRA made further investments in the performance of APRA Connect, which has significantly reduced the time taken to lodge returns. The proportion of peak submissions taking more than five minutes has decreased from 4.0 per cent in 2023 to 0.4 per cent in the reporting period.

During the reporting period, APRA started migrating remaining data collections from the legacy Direct to APRA (D2A) system to APRA Connect. This is a significant investment in streamlining and improving reporting and is scheduled for completion by December 2027. The migration will provide a single portal for data collection that simplifies processes and reduces burden. It provides a pathway to decommission legacy D2A infrastructure and consolidate existing reporting tools.

APRA's new data collection activities were driven by new risks facing the Australian financial system, as well as in response to new government policy initiatives.¹⁵ In the reporting period, APRA engaged with industry on the design of several reporting collections. Key highlights for the period included:

- finalising enhancements to superannuation data collections covering investments, trustee licensee profile and trustee profile
- migrating data collections for Interest Rate Risk in the Banking Book (IRRBB) to APRA Connect
- implementing FAR data collections for banks, insurance and superannuation funds, working in collaboration with ASIC.

APRA also embarked on a multi-year strategic initiative that will transition its legacy data warehouse to a secure cloud-based platform. The overall objective is to enhance security, scalability and flexibility. In the reporting period, APRA continued to make progress in establishing the new platform. APRA also delivered an integrated cloud-based data visualisation tool to enhance analytics, publications and dashboards. APRA also commenced transitioning the core supervision platform to a modern cloud-based platform. This will enhance operational efficiency, security, and user experience for supervisors.

APRA's people: Empowered by an inclusive, agile and effective organisation

In September 2024, APRA implemented changes to its internal operating and governance structures to improve its operational effectiveness and facilitate smoother interactions between APRA and industry. An important change involved creating a centre of excellence for risk specialists, to improve knowledge transfer and cross-skilling opportunities across teams. Ultimately, this change is aimed at improving APRA's ability to identify and respond to emerging systemic risks at an early stage.

During the year a new Enterprise Agreement, which covers 754 employees (as at 30 June 2025), was endorsed by a majority of those employees and received approval from the Fair Work Commission. The new three-year Agreement took effect from 18 April 2025.

Investing in the skills and capability of APRA's people remained a key priority in 2024-25. APRA continued to:

- build capabilities and knowledge through cross-skilling, rotation across the organisation and secondments at other agencies. To increase upskilling across the organisation, employees were encouraged to express interest in a wide range of available opportunities.
- build talent through its industry-recognised graduate program
- strengthen leadership capability through new training programs
- encourage and provide support to employees in furthering their professional development.

APRA also finalised the development of its employee value proposition (EVP). The EVP captures the unique value APRA offers employees by highlighting the meaningful work APRA does in ensuring the stability and safety of Australia's financial system. APRA completed extensive research and employee consultation to shape the EVP, which will be rolled out in the next reporting period.

APRA continued to reconfigure its office spaces to include contemporary collaboration spaces and diverse work arrangements tailored to individual and team needs in a hybrid working environment. In September 2024, APRA employees in Melbourne moved to a new office, which completed the project to provide an enhanced and modern workspace. APRA also lowered its carbon footprint through a

¹⁵ Examples include Investment Risk and Member profile collections in superannuation, Interest Rate Risk in the Banking Book in banking, and the new Operational Risk collection for all industries.

reduction in floorspace in its Sydney office occupancy of 20 per cent and enhanced its travel policies in support of sustainability.

Supervision excellence

A key priority for APRA is making sure its supervision capabilities are keeping pace with a fast-moving external risk environment. During the reporting period, APRA continued to uplift the skills and knowledge of supervisors through the delivery of technical training. APRA also developed and launched supervision programs for new and experienced supervisors, as well as leaders of supervision, aimed at further refining skills sets.

APRA launched the Supervision Learning Window for the exchange and sharing of ideas, collaboration, and consistency across supervision. APRA relaunched its Supervision Speaker series, which invites external speakers to present to supervisors on a topic of interest. This series aims to bring new perspectives and challenge existing ways of working.

APRA continued to explore and trial new methods to collect and analyse data to enhance the efficiency and effectiveness of supervision, including the use of artificial intelligence (AI) technologies. Following successful trials across government in 2024, access to AI technology has been rolled out to APRA staff.

Collaboration and engagement

Domestic and international relationships

APRA continued to coordinate closely with other regulatory agencies across a wide range of policy and supervisory matters. The CFR is the main coordinating body for Australia's financial regulators, bringing together APRA, ASIC, RBA and Treasury. The CFR agencies engage closely to promote the stability of the financial system and address shared challenges to system wide risks.

Some of APRA's key bilateral domestic engagement across 2024-25 included:

- APRA member / ASIC commissioner level meetings through the APRA-ASIC Committee (see Addendum D) supplemented with formal and informal working level engagement
- APRA member / Treasury executive level meetings as well as formal and informal working level engagement, particularly in relation to financial services policy related matters
- APRA member / ACCC commissioner level meetings as well as formal and informal working level engagement
- APRA executive level meetings with peers at the RBA as well as formal and informal working level engagement, particularly in relation to macroprudential matters
- APRA executive level engagement with peers at the Australian Transaction Reports and Analysis Centre (AUSTRAC) as well as formal and informal working level engagement
- Regular working level engagement with the Australian Financial Complaints Authority
- Engagement with non-financial sector agencies, including the Australian Signals Directorate, the Australian Security Intelligence Organisation, Office of National Intelligence, Department of Home Affairs, Department of Industry, Science and Resources, the Office of the Australian Information Commissioner, and the Digital Transformation Agency.

Internationally, APRA supports and advises global standard setting bodies and peer regulators, particularly in the Asia-Pacific region, and is recognised as a respected and valued contributor. APRA also continued to engage with a range of global forums that shape the international financial

regulatory architecture. APRA is a member of key international forums and standard setting bodies including the Basel Committee on Banking Supervision (BCBS), Executives' Meeting of East-Asia Pacific Central Banks (EMEAP), Financial Stability Board (FSB), International Association of Insurance Supervisors (IAIS), International Organisation of Pension Supervisors (IOPS), Network for the Greening of the Financial System (NGFS) and Trans-Tasman Council on Banking Supervision (TTBC). Additional details are provided in Addendum C. APRA's ongoing participation in international forums enables us to learn from international best practice, share our experiences with international peers, and develop solutions to common regulatory challenges.

Stakeholder engagement

Communication with industry and other stakeholders remained an important component of APRA's approach to meeting its objectives. APRA uses a range of channels to communicate its decisions as transparently and clearly as possible.

APRA conducts biennial stakeholder surveys of its regulated entities to help assess its performance and effectiveness. Findings from APRA's 2025 stakeholder survey were published on the APRA website in June 2025, and key results are also summarised in Addendum B.¹⁶ Overall the 2025 results remained strongly positive, with 95 per cent of entities agreeing that APRA's supervision of the financial services sector protects the financial well-being of the Australian community. Responses to questions on how well APRA balanced competition and efficiency considerations and the cost of new regulations were generally less positive. APRA is progressing several initiatives in the next reporting period aimed at minimising regulatory burden and supporting productivity.

The website is an important tool for providing information and engaging entities and other stakeholders and interested parties globally, with more than 1 million visits and 5.1 million page views in 2024-25. To ensure it continues to meet evolving needs, this year APRA started a significant website upgrade due for completion in the next reporting period.

The various channels used to communicate policy, statistical and other announcements are shown in the table below. Consistent with a more targeted policy agenda, APRA's policy and reporting consultations and information letters were less than half the number of the prior year.

During the 2024-25 period, APRA representatives attended seven parliamentary hearings. APRA made public submissions to assist: the Senate inquiry into financial regulatory framework and home ownership; the House of Representatives inquiry into insurers' responses to 2022 major floods claims; and the Senate inquiry into the impact of climate risk on insurance premiums and availability.

Key communications and engagements¹⁷

Activity	2023-24	2024-25
Policy and reporting consultations conducted	20	7
Information letters issued to industry	55	34
Presentations at formal speaking engagements	54	58
Media releases issued	45	58
Parliamentary hearings attended	7	7

¹⁶ APRA's stakeholder survey results are available at: <https://www.apra.gov.au/stakeholder-survey>.

¹⁷ APRA's key communications are available at: <https://www.apra.gov.au/news-and-publications>.

Addendum A: Table of Data – Performance Measures, Targets and Results

	Area	Outcome	Performance measure	Target	Result	
					2023-24	2024-25
1	Institution resilience-financial	Protection of loss in the financial sector	Money Protection Ratio (MPR) ¹⁸	Low incidence of loss	Achieved 100%	Achieved 100%
2		Reduction of failure in the financial sector	Performing Entity Ratio (PER) ¹⁹	Low incidence of failure	Achieved 100%	Achieved 99.7% ²⁰
3		Capital: Resilience of the banking and insurance sectors	Capital ratios for banks and insurers ²¹	Above minimum prudential requirements	Mostly achieved 3 entities reported capital ratios below minimum prudential requirements.	Mostly achieved 1 entity reported their capital ratio below minimum prudential requirements. ²²
4	Community financial outcomes	Sustainability of superannuation funds and acceptable performance for members	Number of superannuation members exposed to unsustainable funds ²³	Reduction during the reporting period	Achieved The number reduced by 289,000. ²⁴	Achieved The number reduced by 88,000.
5			Number of superannuation members in high fee, poor performing MySuper offerings ²⁵	Reduction during the reporting period	Achieved No members remaining in underperforming products.	Achieved 0 failed the MySuper performance test.
6			Number of high fee, poor performing choice offerings ²⁶	Reduction during the reporting period	Achieved Of the 96 products that failed the TDP performance test, 33 remained at June 2024.	Achieved Of the 37 products that failed the TDP performance test, 5 remained at June 2025.
7	Regulatory posture	Delivery of recommendations from independent reviews of APRA	Recommendations from independent reviews addressed ²⁷	Closure within the reporting period	Achieved 5 recommendations were closed within approved timeframes.	Mostly achieved 8 of 9 (89%) recommendations were closed within approved timeframes.

¹⁸ APRA seeks to protect the Australian community from financial loss and disruption. The MPR indicates the incidence of loss in the financial sector, measured as the dollar value of liabilities to beneficiaries in Australia in a given year less any losses due to prudential failures divided by the total dollar value of liabilities to beneficiaries in Australia in APRA-regulated entities. The higher the percentage the lower the incidence of loss.

¹⁹ APRA seeks to reduce the likelihood of a regulated entity failing. The PER indicates the incidence of failure measured as the number of regulated entities that met their commitments to beneficiaries in a given year divided by the total number of regulated entities. The higher the percentage, the lower the incidence of failure. APRA will be refining this metric in the next reporting period as the current definition of failure would include delays in death benefit payments by RSE licensees (where the PER would have been 97.7%). The revised metric will exclude these events from being classified as failures, as they were operational delays and did not result in permanent, irrecoverable failures of the regulated entities.

²⁰ During this reporting period, APRA oversaw the orderly exit of Integrity Life Australia Limited with limited disruption to policyholders following its decision to voluntarily exit the market. All of Integrity Life Australia Limited's policyholder liabilities were transferred to other life insurers, with no financial losses incurred by beneficiaries.

²¹ Capital ratios provide insights into the resilience of the banking and insurance sectors. For banks, this is calculated as total capital as a percentage of risk-weighted assets. For insurance, it is calculated as capital base as a percentage of prescribed capital amount.

²² An insurer fell below the minimum prudential capital requirement during 2024-25. This entity is in run-off.

²³ Measured by the number of member accounts in registrable superannuation entities that APRA considers unsustainable. Numbers for this measure are rounded to account for the changes to APRA reporting forms.

²⁴ Data from annual fund-level superannuation statistics for 2024 led to revised numbers for 2023-24.

²⁵ Measured by the number of member accounts in MySuper products that failed the performance test as published by APRA each year.

²⁶ Measured by the number of trustee directed products that failed the performance test as published by APRA each year.

²⁷ Recommendations from independent reviews relate to the FRAA; APRA's Capability Review; and the Financial Sector Assessment Program undertaken by the International Monetary Fund in 2018-19.

	Area	Outcome	Performance measure	Target	Result	
					2023-24	2024-25
8	Regulatory efficiency and outputs	Delivery of regulatory services in line with commitments to stakeholders	Delivery of services in line with key performance indicators set out in APRA's Service Charter ²⁸	100% as per APRA's Service Charter	Mostly achieved 88% (see below)	Mostly achieved 88% (see below)
			APRA will meet all requirements of the Office of Impact Analysis (OIA) when consulting on proposed changes to the prudential framework	100%	Achieved 100%	Achieved 100%
			APRA will provide regulated entities with the outcomes of a prudential review in writing within 20 business days of the review's closing meeting	>75%	Achieved 92%	Achieved 87%
			APRA will acknowledge receipt of a reporting requirement query as soon as possible within 5 business days and will provide a substantive response in time for the next reporting period	100%	Mostly achieved 99.8% Substantive responses for 3 queries (all from ADIs) were delayed as the complex nature of the queries required additional time to resolve.	Mostly achieved 99.9% A substantive response was delayed for 1 query received in December as it required cross agency input.
			APRA will make a licence decision in accordance with statutory timeframes and, for all other applications, within 3 months of receiving a substantially complete application ²⁹	>75%	Achieved 100%	Achieved 100%
			APRA will provide an initial response to a capital instrument submission within 25 business days of receiving a substantially complete application ³⁰	>75%	Achieved 87%	Achieved 97%

²⁸ APRA's Service Charter is available at: <https://www.apra.gov.au/apra-service-charter>.

²⁹ An application is determined to be substantially complete once an applicant has demonstrated it has sufficient financial and non-financial resources and has submitted all of the expected supporting material, which is of sufficient quality and detail to allow APRA to complete its assessment. Further information is available at: <https://www.apra.gov.au/apras-licensing-process>.

³⁰ A substantially complete application for a program review or standalone issue must contain the following documents: terms and conditions, including a pricing supplement (if applicable); Prospectus/Information Memorandum; meeting provisions; legal/tax/accounting opinions; entity self-assessment.

	Area	Outcome	Performance measure	Target	Result	
					2023-24	2024-25
			APRA will confirm the capital eligibility of an instrument or program within 60 business days of receiving a substantially complete application	>75%	Achieved 95%	Achieved 97%
			APRA will make an internal ratings-based (IRB) accreditation decision within 9 months of receiving a 'substantially complete' application ³¹	>75%	No 'substantially complete' applications received.	No 'substantially complete' applications received.
			APRA will return all eligible deposits at ADIs declared under the Financial Claims Scheme (FCS), up to a total of \$250,000 per account holder and, for non-complex accounts, will do so within seven calendar days ³²	100%	No FCS declarations	No FCS declarations
9	Organisational infrastructure	Management of financial resources	Budgeted expenses versus actual for the reporting period. ³³	Within budget	Achieved Actual \$237.0m vs budget \$239.1m. Variance of \$2.1m	Achieved Actual \$236.1m vs budget \$270.2m Variance of \$34.1m ³⁴
10	Organisational investment	Delivery of the corporate plan	Status of APRA's strategic programs of work. ³⁵	>75% of strategic programs of work are in line with plan	Mostly achieved 64% of APRA's 14 strategic programs of work were tracking to plan at 30 June 2024. Some programs were impacted by capacity challenges and reprioritisation during the year.	Achieved 86% of APRA's strategic programs tracking to plan.

³¹ A substantially complete application must contain the following documents: scope of the IRB application; IRB rollout plan (where applicable); *Prudential Standard APS 113 Capital Adequacy: Internal Ratings-based Approach to Credit Risk* (APS 113) self-assessment; development documentation for rating systems and risk estimates; validation documentation for material rating systems and risk estimates; evidence of compliance with use and experience. requirements; independent sign-off on data management practices and data quality; board sign-off on the IRB application; interest rate risk in the banking book (IRRBB) application (where applicable).

³² Non-complex deposits are protected accounts where sufficient data/permissions exist to enable payment to be made in the initial FCS payment files.

³³ Budget versus actuals for the reporting period. Data sources: APRA's PBS and Financial Statements.

³⁴ Total expenses were \$34.1m below budget, primarily driven by lower than expected spending on employee benefits, supplier expenses and deferral of some project activities to the 2025-26 financial year. Refer to Chapter 5: Financial Statements for further information.

³⁵ Measured by progress against strategic activities in APRA's corporate plan.

Addendum B: APRA's stakeholder survey

This section provides relevant results from APRA's latest biennial stakeholder survey conducted in March to May 2025. The findings report was published on the APRA website in June 2025.³⁶

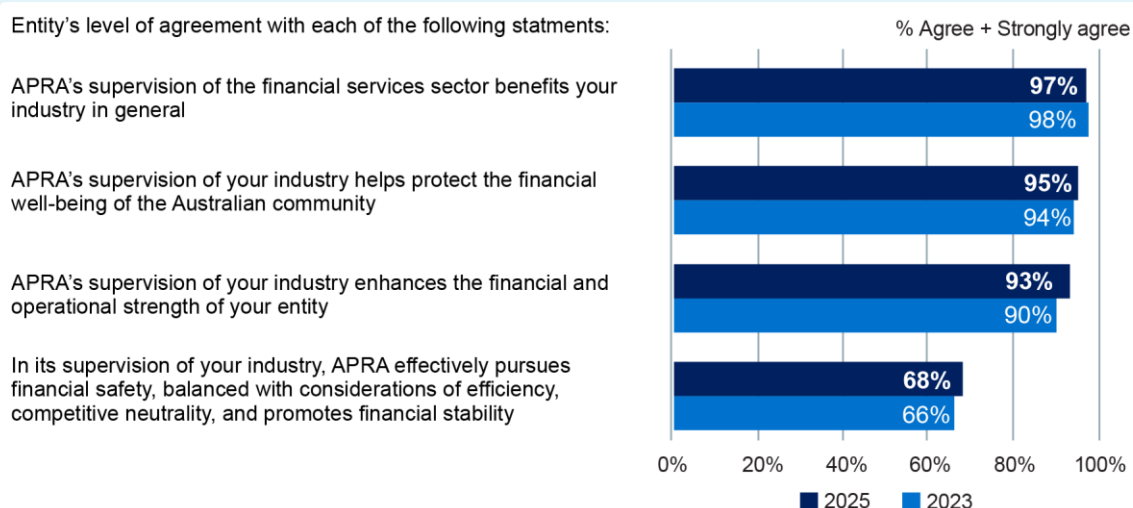
APRA has conducted a biennial survey of regulated entities since 2009. Feedback from this survey is used to better understand the effectiveness and impact of APRA's regulation, and the financial sector's perceptions of APRA's processes and communications.

As in previous years, the 2025 survey was conducted by an independent party and all entities across banking, insurance and superannuation were invited to participate. The voluntary survey received 262 responses, a response rate of 70 per cent; this compares to 67 per cent in 2023. Overall, the 2025 survey results were strongly positive and remained broadly in line with the 2023 results.

Building on long-term positive trends, there was strong support for APRA's prudential supervisory role, and the impact and effectiveness of APRA's regulatory approach. Also consistent with previous surveys, entities' views were more mixed in relation to how APRA considered the cost and compliance burden of its regulatory requirements. An area where stakeholders highlighted a significant improvement was APRA's communication and consultation on proposed changes to the prudential framework.

APRA uses the findings from the survey to inform its priorities, building on broader feedback received from stakeholders across industry and government.

Chart 1: Perceptions of APRA's supervisory role



³⁶ APRA's stakeholder survey results are available at: <https://www.apra.gov.au/stakeholder-survey>.

Chart 2: Perceived impact of APRA's regulatory approach

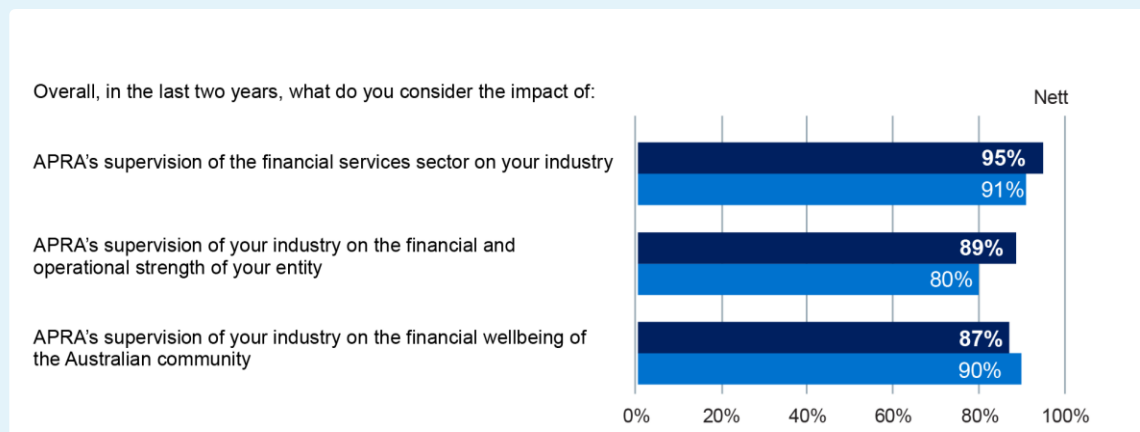


Chart 3: Perceived effectiveness of APRA's regulatory approach



Chart 4: Performance and communication: Perception of balance of regulatory burden and benefits

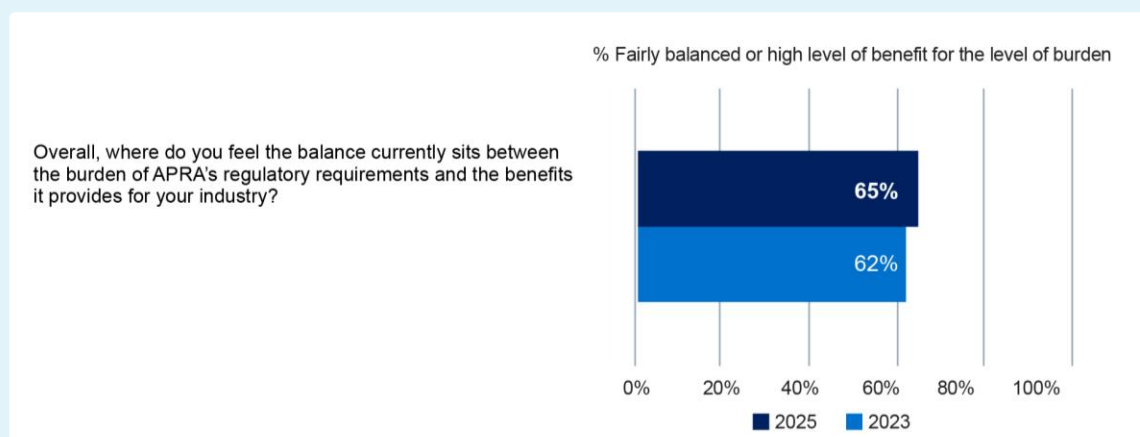
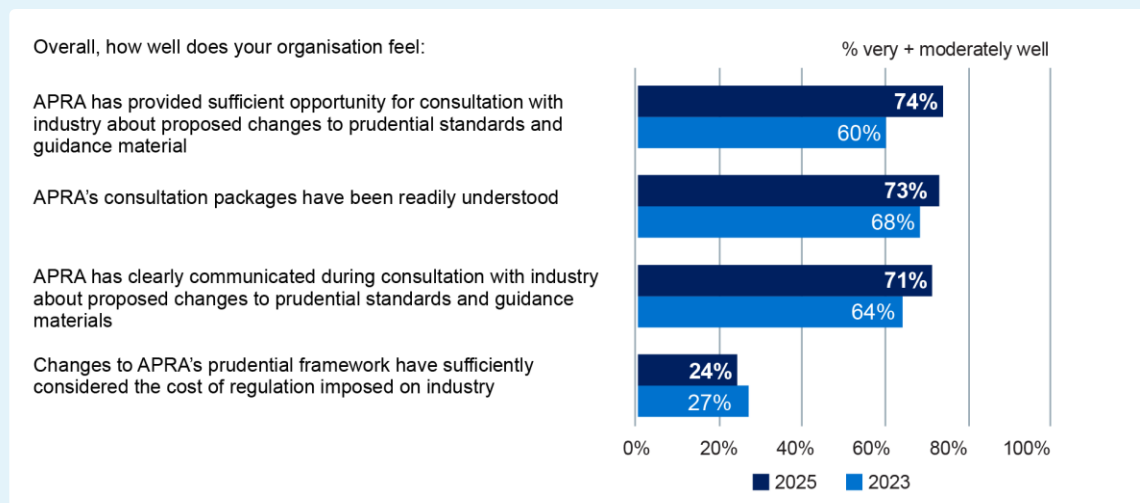


Chart 5: Performance and communication: Engagement with regulated entities



Addendum C – International Engagement

APRA has a broad range of international engagement – from standard setting bodies and regulatory committee forums to inbound delegations and regional capacity building. Global financial markets are increasingly interconnected, underscoring the importance of continued cooperation. APRA is an internationally active contributor, regularly engaging with peers to share our insights and experiences, identify and address emerging risks, and develop solutions to common regulatory challenges.

In line with the Australian Government's foreign policy priorities to support a stable and prosperous Pacific region, APRA has been supporting peer regulators across the Asia-Pacific region on aligning with best practice regulation, particularly in areas of cyber risk, climate risk and adapting to the digital economy.

Basel Committee on Banking Supervision (BCBS)

Purpose

The BCBS is the primary global standard setter for the prudential regulation of banks and provides a forum for cooperation on banking supervisory matters. Its mandate is to strengthen the regulation, supervision and practices of banks worldwide with the purpose of enhancing financial stability.

APRA Involvement

APRA is actively involved in all levels of the BCBS as the lead Australian agency. We are members of the Governors and Heads of Supervision (GHOS) and main BCBS committee, as well as "level 2" groups including the Policy and Standards Group (PSG), Risks and Vulnerabilities Assessment Group (RVG), Supervisory Cooperation Group (SCG), and a wide range of "level 3" working groups and task forces.

Key meetings

In 2024-25, APRA attended four BCBS Committee meetings (two virtual; one in Stockholm, Sweden; and one in Basel, Switzerland).

Executives' Meeting of East Asia-Pacific Central Banks (EMEAP)

Purpose

EMEAP brings together central banks and prudential regulators in the east Asia-Pacific region to discuss issues relevant to monetary policy, financial markets, financial stability and payment systems. Its members are Australia, China, Hong Kong SAR, Indonesia, Japan, Malaysia, New Zealand, the Philippines, Singapore, South Korea and Thailand.

APRA Involvement

APRA is a regular participant at all levels: Governors and Heads of Supervision (GHOS) meetings, Working Group on Banking Supervision (WGBS) meetings and High-Level meetings (HLM). We work with the RBA and coordinate where appropriate as we both continue our engagement with EMEAP.

Key meetings

In 2024-25, APRA attended one GHOS meeting in Penang, Malaysia, one HLM in Bangkok, and participated in one WGBS (virtual). The RBA attended a second EMEAP WGBS virtually in APRA's stead.

Financial Stability Board (FSB)

Purpose

The FSB promotes international financial stability by coordinating national financial sector authorities and international standard-setting bodies as they develop strong regulatory, supervisory and other financial sector policies. It also plays a central role in identifying and assessing evolving global trends and risks, and fosters a level playing field by encouraging coherent implementation of these policies across sectors and jurisdictions.

APRA Involvement

APRA is a member of the FSB Standing Committee on Supervisory and Regulatory Cooperation (SRC), as well as a small number of working groups such as the FSB Resolution Steering Group (ReSG). APRA is not a member of the FSB Plenary, but coordinates with Australia's representatives (Treasury and the RBA) as necessary.

Key meetings

In 2024-25, APRA attended a total of six FSB SRC meetings. Five were virtual, and one was in-person in London, United Kingdom.

International Association of Insurance Supervisors (IAIS)

Purpose

The IAIS is the global standard-setting body responsible for developing and assisting in the implementation of principles, standards and guidance for the supervision of the insurance sector. The IAIS's mission is to promote effective and globally consistent supervision of the insurance industry to develop and maintain fair, safe and stable insurance markets for the benefit and protection of policyholders, and to contribute to global financial stability.

APRA Involvement

APRA is a member of the IAIS Executive Committee (ExCo) and Chair of the Audit and Risk Committee. APRA is also a member of the IAIS's Policy Development Committee, Macprudential Committee, Fintech Forum, and a range of other working groups and taskforces. In 2024-25, APRA also contributed to an IAIS paper on insurance protection gaps for the G20 Sustainable Finance Working Group under the South African Presidency. APRA also hosted a meeting of the IAIS's Governance Working Group in Sydney in March 2025.

Over 2024-25, Australia was one of six jurisdictions included in independent assessment of jurisdictional implementation of the IAIS Holistic Framework. This framework includes expected supervisory policy measures for IAIS member jurisdictions which are aimed at assessing and mitigating systemic risks in the insurance sector. APRA welcomed the opportunity to be part of this

important step in the Framework's implementation. The IAIS is expected to release a report summarising its assessment findings during 2025-26.

Key meetings

In 2024-25, APRA attended seven IAIS ExCo meetings, four of which were virtual. The remaining three meetings were in-person meetings in: Washington DC, USA; Cape Town, South Africa; and Zurich, Switzerland.

International Organisation of Pension Supervisors (IOPS)

Purpose

IOPS aims to set international standards on pension supervisory issues, whilst taking into account the variety of different pension systems in various jurisdictions. The major goal of IOPS is to improve the quality and effectiveness of the supervision of private pension systems throughout the world, thereby enhancing their development and operational efficiency, and allowing for the provision of a secure source of retirement income in as many jurisdictions as possible.

APRA Involvement

APRA is a member of the IOPS Executive Committee and the Working Party on Private Pensions (WPPP). APRA also provides input into papers, provides training via online workshops and shares best practice and experiences via periodical surveys.

Key meetings

In 2024-25, APRA attended two key IOPS engagements in-person, one in Paris, France and one in Bali, Indonesia. These engagements included a combined IOPS Committee Meeting, AGM, and OECD/IOPS Global Forum on Private Pensions, and a combined Committee Meeting and OECD Working Party on Private Pensions.

Network for Greening the Financial System (NGFS)

Purpose

The NGFS is a forum of central banks and supervisors which collaborates on responding to the financial risks arising from climate change by exchanging best practice and publishing tools and guidance. The NGFS is not a standard-setting body and its work has provided a useful reference point on climate-related risks for the BCBS and IAIS. It has grown from eight founding members in 2017 to 145 members in 2025 from over 90 different countries. Areas of focus include integrating climate and nature-related risks into financial stability monitoring and supervision, development of climate risk scenarios (both long-term and, more recently, short term) and data and metrics that are relevant to the management of financial risks arising from climate change.

APRA Involvement

APRA is a member of the NGFS alongside the RBA and participates in a number of NGFS workstreams. APRA has also co-chaired the NGFS Task Force on Adaptation, which published the *Conceptual Note on Adaptation* in November 2024. APRA also contributed to a paper to the G20 Sustainable Finance Working Group on Adaptation in Transition Plans for the G20 meeting in June 2025.

Key meetings

APRA attended the annual NGFS Plenary meeting in-person in New Delhi in March 2025 and, as a Task Force co-chair, has also been a regular (virtual) observer of the NGFS Steering Committee.

Trans-Tasman Council on Banking Supervision (TTBC)

Purpose

The TTBC provides a platform for cooperation and information sharing between the respective regulators of the banking sectors in Australia and New Zealand. It supports the development of a single economic market in banking services and promotes a joint approach to trans-Tasman banking supervision that delivers a seamless regulatory environment. It considers issues relating to financial stability, efficiency and integration throughout the financial sector, with a particular focus on the banking system and bank supervision, including crisis preparedness.

APRA Involvement

APRA is one of seven members of the TTBC, together with the RBA, ASIC, Australian and NZ Treasuries, the Reserve Bank of New Zealand and the NZ Financial Markets Authority.

Key meetings

In 2024-25, APRA participated in one 'Heads' level meeting in Sydney, and two 'Deputies' level meetings, both virtual.

Technical cooperation and bilateral relations

Outside of formal international multilateral forums and committees, APRA maintains strong bilateral relationships with a number of peer regulators, particularly where supervised entities have operations in both Australia and abroad. Amongst other international activities, APRA responds to ad hoc requests for information; provides input to international surveys; and periodically hosts international delegations (both in person, and virtual). In executing on our key international work, APRA works closely with Department of Foreign Affairs and Trade (DFAT) and CFR agencies as appropriate to ensure alignment with whole-of-government geo-strategic engagement priorities.

Addendum D – APRA-ASIC statement of engagement

PUBLIC STATEMENT ON APRA-ASIC ENGAGEMENT 2024-25

The APRA-ASIC annual statement of engagement highlights our joint initiatives from the past year and outlines our combined ongoing commitment to improving efficient and effective ways of engaging with regulated entities. The annual statement reflects ASIC and APRA's ongoing commitment to transparency and accountability in the execution of our regulatory mandates, and complements existing oversight by the Australian Parliament, the Australian National Audit Office and the Financial Regulator Assessment Authority.

APRA and ASIC are united in upholding the resilience and stability of the Australian financial system, thereby supporting the broader economy and safeguarding the financial interests of all Australians. The prevailing global policy uncertainty and geopolitical tensions that Australians face today underscores the importance of us working together to achieve this objective.

While we work toward the shared goal together, we fulfil this mandate through our distinct regulatory roles. APRA is a prudential regulator with a safety and stability focus, while ASIC is a market conduct regulator with a consumer protection and market integrity focus. Where our work overlaps and intersects, the 'twin peaks' model of financial regulation is designed to reflect and preserve the unique functions of each regulator to enable a comprehensive and balanced framework for financial oversight.

The APRA-ASIC Committee (AAC), comprising the APRA Members and ASIC Commissioners, supports strategic cross-agency collaboration through a formal structure. Throughout the year, the Committee discussed issues impacting the financial system against a backdrop of a rapidly changing environment characterised by increasing uncertainty³⁷ and increasing geopolitical instability. The Committee considered options to uplift industry practices relating to cyber security issues; ways to approach and learn more about effective application of artificial intelligence; discussed joint priorities including engagement with the Council of Financial Regulators' review into small and medium sized banks; and ways to ensure a more connected approach to oversight of the financial system and each agencies engagement with industry. Each agency's priorities were also discussed, including ASIC's work on Public Private Markets and APRA's work to improve governance practices across the financial system.

Supporting the AAC in meeting its objectives are four sub-committees (Banking, Insurance, Superannuation and Enforcement). These sub-committees, comprised of senior representatives from both agencies, identify and facilitate strategic and operational coordination on key emerging risks and issues relevant to each sector. They also provide governance and oversight of coordination and cooperation in areas of common responsibility and shared interest, consistent with the objectives and engagement arrangements set out in the APRA-ASIC Memorandum of Understanding.

In addition to the AAC and AAC sub-committees, APRA and ASIC's collaboration extends beyond formal engagement. There is ongoing day-to-day engagement between staff at all levels that continues to strengthen our partnership. This sustained cross engagement has fostered a deeper mutual understanding of our roles and priorities, leading to more effective joint responses to key challenges.

³⁷ World Uncertainty Index (WUI): Global, <https://worlduncertaintyindex.com/>

Examples of key cooperation and collaboration activities across 2024-25 include:

- Working closely together in the joint administration of the Financial Accountability Regime (FAR), which commenced for the banking sector from March 2024, followed by the insurance and superannuation sectors from March 2025.
- Joint cross-sector industry days focused on general insurance claims handling practices to examine the impacts on both consumers and industry participants.
- Close collaboration on supervisory activities across banking and general insurance, addressing a broad range of regulatory matters.
- Co-hosting multiple superannuation trustee CEO roundtables, focusing on investment stewardship, climate and nature related risks and the FAR.
- Publishing *Report 784: Industry Update – Pulse Check on Retirement Income Covenant Implementation* in July 2024, a summary of our findings of an industry survey to understand trustees' progress of addressing recommendations in *Report 766: Implementation of the retirement income covenant*.
- Reviewing our guidance on the consideration of HELP debts in lending assessments.
- Contributing to discussions on sector wide banking initiatives and regulatory strategies, with an emphasis on reducing duplication and regulatory burden. This included planning of joint thematic activities and coordinated engagement to ensure aligned messaging and oversight for the upcoming year.
- Publishing a joint letter to life insurers in June 2025, outlining findings from a year of monitoring industry progress in relation to premium increases.
- ASIC and APRA, along with other agencies, contribute to the Treasury-led cross-agency Regulatory Initiatives Grid (RIG) that sets out significant regulatory initiatives that materially affect the financial sector over a rolling 24-month period. The agencies have worked closely with Treasury to develop the Co-ordination Principles underpinning the RIG. ASIC and APRA are using the RIG's coordination processes to complement existing bilateral arrangements in coordinating our financial services regulatory activities.
- Regularly discussing enforcement strategy and engaging in enforcement investigations relating to dual-regulated entities.

Strengthening co-operation on interconnected regulatory issues will remain a key priority over the coming year. We will continue to build on our strong relationship in the banking, insurance, and superannuation sectors. Where legislation is administered jointly, we will continue to strengthen collaboration in emerging and increasingly complex areas of financial services regulation, including areas such as different forms of digital money and ensuring trustees are meeting requirements set by the Retirement Income Covenant. Leveraging off the foundations laid in recent years to address new and existing challenges, APRA and ASIC will continue to collaborate to fulfil shared goals.

Chapter 3

Management and Accountability

- Governance
- Our People
- Management of APRA



Management and Accountability

Governance

APRA is governed by an executive group of APRA Members (Executive Board) who are collectively responsible and accountable for APRA's operation and performance. Biographies for APRA's four Members are included below.

The Executive Board is supported by six Executive Directors and a range of governance committees, including the Audit and Risk Committee, which comprises three independent committee members.



APRA Members

John Lonsdale, Chair

John Lonsdale was appointed Chair of APRA on 31 October 2022 after originally joining as Deputy Chair on 8 October 2018.

In his Deputy Chair role, Mr Lonsdale was responsible for the oversight of Australia's banking sector. His responsibilities also included oversight of APRA's work on culture and remuneration, building APRA's crisis resolution capability and strengthening APRA's collaboration with peer regulators.



Mr Lonsdale worked for Australian Treasury for over 30 years prior to joining APRA. He was a member of Treasury's Executive and, in his role as Deputy Secretary, Markets Group, he had responsibility for financial system, consumer and foreign investment policy. In 2014, he led the Secretariat to the Financial System Inquiry based in Sydney. Mr Lonsdale also worked across key areas in the Treasury including budget policy, tax policy, retirement incomes and the financial system.

Mr Lonsdale is APRA's representative on the Payments System Board, the Council of Financial Regulators, the Trans-Tasman Council on Banking Supervision and the Financial Stability Board's Standing Committee on Supervisory and Regulatory Cooperation.

Margaret Cole, Deputy Chair

Margaret Cole was appointed Deputy Chair of APRA on 31 October 2022, after joining as an Executive Board Member on 1 July 2021. She is responsible for the oversight of the superannuation sector and represents APRA at the International Organisation of Pension Supervisors.

Ms Cole graduated from the University of Cambridge with a degree in law and spent more than 20 years in private legal practice, specialising in commercial litigation with an emphasis on financial services. She was formerly a partner at Stephenson Harwood and White & Case.



In 2005, Ms Cole joined the UK Financial Services Authority (FSA) becoming Managing Director of Enforcement and Financial Crime and interim Managing Director of the Conduct Business Unit and a board member. Prior to joining APRA, she spent a year as PwC's Global Regulatory Leader based in Melbourne. Before that, she was PwC UK Chief Risk Officer and General Counsel from 2012 to 2020.

Ms Cole has also been an independent non-executive director of Toronto Dominion Bank Europe Limited, Chair of Toronto Dominion Securities Limited and a trustee and executive committee member of the Institute for Fiscal Studies. She is an Honorary Fellow of Murray Edwards College (formerly New Hall), University of Cambridge. Ms Cole has also been awarded an Honorary Doctorate of Law from the University of Law, London.

Therese McCarthy Hockey, Executive Board Member

Therese McCarthy Hockey was appointed Executive Board Member of APRA on 31 October 2022, with responsibility for the banking sector. She is an APRA representative of the Basel Committee on Banking Supervision and sits on the Council of Financial Regulators and the Trans-Tasman Council on Banking Supervision.

Ms McCarthy Hockey joined APRA in January 2018 as the Executive General Manager: Strategy and Chief Risk Officer. In December 2019, she was promoted to Executive Director of the Banking Division, responsible for the prudential supervision of all authorised deposit-taking institutions operating in Australia and for the functional domains of market risk, credit risk, credit analytics, liquidity risk and capital management.



Ms McCarthy Hockey's experience spans Australia, the United Kingdom and Europe. Prior to joining APRA, she was Deutsche Bank's Treasury Deputy Group Head and Global Chief Operating Officer based in London. Ms McCarthy Hockey has also served on the boards of Deutsche's UK subsidiaries, including the regulated bank.

Ms McCarthy Hockey holds a Bachelor in Mathematics, a Bachelor in Economics and Finance, and a Master of Applied Finance degree from Macquarie University. She is also a graduate of the Australian Institute of Company Directors.

Suzanne Smith, Executive Board Member

Suzanne Smith was appointed Executive Board Member of APRA on 31 October 2022, responsible for the life insurance, general insurance and private health insurance sectors. She represents APRA at the International Association of Insurance Supervisors (IAIS) as Chair of the IAIS Audit and Risk Committee, and as a member of the IAIS Executive Committee.



Ms Smith joined APRA in March 2019, initially as General Manager for Superannuation and then Executive General Manager for the Specialised Institutions Division. In December of that year, she was promoted into the Executive Director role with responsibility for the prudential supervision of superannuation funds licensed under the *Superannuation Industry (Superannuation) Act 1993*.

Prior to joining APRA, Ms Smith's career included senior roles across the superannuation and financial services industry in areas including life insurance, funds management, asset servicing, alternative investments, wholesale banking and property.

Immediately prior to joining APRA, Ms Smith held the role of Chief Customer Officer Group Insurance at MLC Life Insurance. She has also held several senior roles within NAB, including acting as a director and Chair of a NAB subsidiary board from 2011 to 2015.

Ms Smith holds a Bachelor of Business with distinction (Property), a Masters of Applied Finance from Melbourne University, and is a graduate of the Australian Institute of Company Directors.

Audit and Risk Committee

APRA's Audit and Risk Committee (ARC) provides independent assurance and advice to the APRA Chair on APRA's risk management operations, financial and performance reporting responsibilities, systems of internal controls, and compliance with applicable laws and regulations.

The ARC is an advisory committee and not a decision-making body. In fulfilling its obligations, it is briefed on a range of matters including APRA's financial performance and implementation of its strategic objectives. It has the authority to call for reports and updates from across APRA as required to meet its obligations.

The Audit and Risk Committee charter is available on APRA's website.³⁸

The ARC comprises three independent non-executive members.

The ARC meets formally four times a year. Additional meetings may be held to meet any specific requirements of the ARC or the APRA Chair.

In addition to its members, the Australian National Audit Office (ANAO), an APRA Member and APRA's Chief Risk Officer and Chief Internal Auditor are regular attendees at ARC meetings.

Further information on the membership and attendance of the ARC follows.

³⁸ <https://www.apra.gov.au/apras-executive-and-governance>.

The current ARC members are:

**Kate Hughes, BCom (Ec & Fin), Grad Dip Applied Finance, Grad Dip OH&S, GAICD
Audit and Risk Committee – Chair**

Ms Hughes was appointed Chair of APRA's ARC on 1 March 2023. Ms Hughes joined APRA's ARC as an independent member on 2 December 2019 for a three-year term and, in the second half of 2022, was reappointed for a further three-year term. Ms Hughes is a risk management, compliance, internal audit and governance professional who chairs the Audit and Risk committee for the Victorian Department of Health and is a non-executive director of Lower Murray Water Corporation, SuniTAFE, SkyCity Entertainment Group and the Australian Maritime Safety Authority.

Ms Hughes' most recent executive role was as Chief Audit and Risk Officer at RMIT University, with responsibility for the University's internal audit, risk management, compliance and regulatory affairs functions. Prior to this, she was the Chief Risk Officer at Telstra with global responsibility for the enterprise-wide risk management, resilience, privacy, compliance, and health and safety functions. Ms Hughes has led international teams for 15 years and has broad risk management, compliance, safety and governance experience in many sectors, including financial services, agribusiness, retail, manufacturing, public administration and telecommunications.

**Chris Hall, BComm (Hons), FCA, MAICD
Audit and Risk Committee – Independent member**

Mr Hall joined APRA's ARC as an independent member on 1 January 2021 for a three-year term, and in 2024, was re-appointed for a further three-year term. He has extensive experience in the financial services industry, risk management, audit and regulation.

Mr Hall is a former partner at KPMG where, during his 40-year career spanning Australia and the United Kingdom, he was a board member and member of KPMG's National Executive Committee as National Managing Partner for Risk and Regulation. He has recently retired from the board of the Prostate Cancer Foundation of Australia, having been Finance Director since 2007 and Deputy National Chairman since 2018.

**Rick Sawers, Fellow Finsia, GAICD, Harvard PMD
Audit and Risk Committee – Independent member**

Mr Sawers joined APRA's ARC as an independent member in March 2023 for a three-year term. He has extensive experience in the financial services industry, currency, debt and structured finance markets, financial risk management, governance and regulation.

Mr Sawers is a former group executive at NAB and ANZ. Throughout his 46-year career, he completed assignments in Japan, the United Kingdom, Hong Kong and New York. He has also served on various boards, including as a board member (and Chair) of AFMA and currently as Chair of the Australian Rural Leadership Foundation and Chair of Fund2 Market Holdings Ltd.

Attendance at Audit and Risk Committee meetings from 1 July 2024 to 30 June 2025

Member	Meetings	Attended	Total Annual Remuneration (Incl GST)
Kate Hughes (Chair, independent)	4	4	\$54,120
Chris Hall (independent)	4	4	\$44,000
Rick Sawers (independent)	4	4	\$44,000

Governance committees

Executive Board

The Executive Board comprises all APRA Members and ordinarily meets on a monthly basis, and more frequently as required. It is chaired by the APRA Chair. The Executive Board is responsible for setting APRA's strategic direction and risk appetite and oversees performance and management of risk across the organisation. The Executive Board deals with matters that require formal approval or decisions such as APRA's strategic plans, financial statements and budgets, risk framework and remediation issues, audit plans, and matters that are essential to meeting the organisation's statutory obligations.

Attendance at Executive Board meetings during 2024-25

Member	Meetings	Attended
John Lonsdale	11	8
Margaret Cole	11	8
Therese McCarthy Hockey	11	10
Suzanne Smith	11	10

The following governance committees support the Executive Board in performing its obligations:

Executive Committee

The Executive Committee (ExCo), comprising all APRA Members and the Executive Directors, meets throughout the year. It is chaired by the APRA Chair. The ExCo is the primary forum to provide advice and direction on strategy, risk, delivery of corporate plan and industry plan priorities, and emerging external risks and issues.

Management Committee

The Management Committee (MCo), comprising all APRA Executive Directors, provides oversight of the day-to-day management of APRA, and meets twice monthly. It is chaired by the Chief of Staff and Enterprise Services. The MCo focuses on financial reporting and forecasts, portfolio prioritisation and resourcing, leadership and people related matters, technology and data infrastructure and capabilities, security and risk matters.

Prudential Policy Committee

The Prudential Policy Committee (PPC) is the primary forum for strategic oversight and review of APRA's prudential policy development function, including related strategic initiatives and risks. The PPC meets twice monthly. It is chaired by the APRA Chair and comprises all APRA Members plus relevant executives.

Supervision, Enforcement and Resolution Committee³⁹

The Supervision, Enforcement and Resolution Committee (SERC) is the primary forum for the strategic oversight and review of APRA's core supervisory function, including the use of enforcement and resolution powers. The SERC meets twice monthly. It is chaired by the APRA Deputy Chair and comprises all APRA Members plus relevant executives.

Other forums and groups

Reporting or providing input to governance committees listed above are additional specialist forums, including:

Inclusion and Diversity Council

Providing input to the MCo and Executive Board, the Inclusion and Diversity Council (IDC) shapes and oversees APRA's initiatives to build and maintain a diverse and inclusive workplace. The IDC met once this year and is chaired by an APRA Member. The IDC monitors the implementation of APRA's inclusion and diversity strategy.

Strategic Consultative Forum

Providing input to the MCo and Executive Board, the Strategic Consultative Forum (SCF) facilitates communication and consultation with all employees below senior management on APRA's development and training, ways of working and workplace environment. The SCF also plays a key role in its focus on employment terms and conditions, having regard to APRA's Enterprise Agreement and employment policies.

Work Health and Safety Committee

Reporting to the Executive Board, the Work Health and Safety (WHS) Committee focuses on issues concerning the health, safety and wellbeing of employees and ensures that these concerns are integrated into broader management systems and practices.

Integrity Review Group

The Integrity Review Group (IRG) supports and oversees the effective management of integrity related risks and issues across APRA's business activities and functions – including in relation to whistleblower, public interest and fraud disclosures, and other issues relating to conduct and management of conflicts. The IRG escalates matters to the Executive Board or ARC, as appropriate.

³⁹ The Supervision Oversight Committee and the Resolution and Enforcement Committee were in existence and operational between July 2024 and December 2024. These committees were amalgamated into the Supervision, Enforcement and Resolution Committee, which became operational from January 2025.

Responsible Minister

As at 30 June 2025, the Hon Dr Jim Chalmers MP had portfolio responsibility for APRA as Treasurer of the Commonwealth of Australia.

Parliamentary committees

Avenues through which APRA is accountable to Parliament include through Parliamentary committee inquiries.

During 2024-25, APRA Members, executives, and senior staff appeared at public hearings before the:

- Senate Economics References Committee:
 - Inquiry into the financial regulatory framework and home ownership, 24 October 2024
 - Inquiry into improving consumer experiences, choice, and outcomes in Australia's retirement system, 14 November 2024 and 20 February 2025
- House of Representatives Standing Committee on Economics: Review of the Australian Prudential Regulation Authority Annual Report 2023, 25 October 2024
- Senate Economics Legislation Committee:
 - Estimates hearings on 21 November 2024 and 26 February 2025
- Select Committee on the Impact of Climate Risk on Insurance Premiums and Availability, 20 September 2024.

Copies of opening statements delivered as part of APRA's appearances may be downloaded from APRA's website <http://www.apra.gov.au/news-and-publications>. Transcripts of APRA's Parliamentary appearances are available from the relevant Committee page on the Parliamentary website www.aph.gov.au.

During 2024-25, APRA made submissions to the following formal inquiries:

- Senate Inquiry on the Impact of Climate Risk on Insurance Premiums and Availability, 2 July 2024
- House of Representatives Inquiry into insurers' responses to 2022 major floods claims, 6 August 2024
- Senate Inquiry into financial regulatory framework and home ownership, 27 September 2024.

Copies of APRA's submissions to formal inquiries can be viewed on APRA's website <https://www.apra.gov.au/submissions>.

Our People

Management of human resources

Our people enliven APRA's purpose; their commitment, dedication and capability are central to APRA's work in protecting the financial interests of Australians.

Throughout the reporting period, APRA continued its strong focus on maintaining a highly skilled workforce with regulatory, supervisory and industry expertise. This is essential for a supervision-led regulator such as APRA, which relies on the judgement and experience of its employees to achieve sound prudential outcomes.

Talent and development

APRA is committed to being a future-ready regulator, enabled by highly capable and engaged people. Our people and performance related initiatives have been designed to support our people in delivering APRA's purpose, strategic agenda and corporate plans.

Our people are committed to high performance and delivering our Corporate Plan objectives, which are key measures in assessing performance. Total remuneration packages are reviewed annually with consideration of a range of factors (capability, performance, alignment with our values and behaviours consistent with our Code of Conduct).

The people and performance initiatives play a key role in enabling our people to build their capability across technical, leadership and emerging risk domains. APRA encourages employees to move across the organisation, providing the opportunity to experience various roles and leverage a range of unique perspectives.

APRA supports the ongoing development of supervisors at all stages of their career. To support excellence in supervision, APRA has a dedicated team focused on delivering a variety of opportunities for supervisors to enhance their knowledge and skills and practise these skills in a challenging immersive learning environment.

Other development opportunities offered throughout the 2024-25 year included secondments to peer domestic and international regulatory agencies, learning from specialists in their respective fields, internal specialists sharing knowledge through drop-in sessions, increased offerings via digital learning, and self-paced learning via our licenced platforms of LinkedIn Learning and FSI Connect.

APRA also continued to encourage its people to lead and invest in their professional development by accessing the support provided through APRA's study assistance program. In 2024-25, 25 employees were undertaking postgraduate study through this program.

APRA is committed to continuing to build talent through its graduate program. In February 2025, a cohort of 13 graduates commenced a targeted development program that includes rotations across APRA's key divisions to develop a strong foundation for their financial services career, as part of APRA's talent management platform.

Employee wellbeing remained a key priority in 2024-25 and was supported through various initiatives, inclusive leadership, and flexible working arrangements. In addition to these wellbeing programs, APRA continued to provide learning opportunities and resources for leaders and employees, ensuring they understand their responsibilities in promoting wellbeing, minimising psychosocial risks in the workplace, and fostering behaviours that enhance psychosocial workplace safety.

APRA's flexible working environment includes a hybrid working model and flexible work and leave options. Flexible work arrangements may vary depending on individual needs and circumstances, and APRA encourages employees, leaders and teams to collaborate in developing effective working methods that foster productivity, engagement and well-being for all.

Learning and development activities

Key training metrics	2022-23	2023-24	2024-25
Training spend per employee	\$2,950	\$3,085	\$2,582
Percentage of employees provided with training	100	100	100
Training sessions per employee	10.8	10.95	13.66
Training days per employee	3.4	3.03	3.16
Number of internal courses offered	273	220	270
Employees undertaking formal post-graduate studies	15	26	25

Inclusion and Diversity

APRA is committed to being an inclusive and diverse workplace where all employees can bring their whole selves to work. The Inclusion and Diversity Council (IDC) oversees and drives the Inclusion and Diversity strategy and is supported by the dedicated work of our employee networks across a range of key areas of focus. As at 30 June 2025, these are our Pride Network (LGBTQIA+), Culturally and Linguistically Diverse (CALD) Network, Aspire Network (gender focused), Gen X and Gen Delta networks (age diversity), AccessAbility Network (disability and access) and our Aboriginal and Torres Strait Islander Network.

This year, APRA developed its second Innovate Reconciliation Action Plan (RAP), which was submitted to Reconciliation Australia for approval in June 2025. The new RAP sets out a multi-year plan to deliver a range of initiatives that reinforce and build on APRA's previous RAPs. The specific areas of focus include attracting, retaining and developing Aboriginal and Torres Strait Islander employees, and developing opportunities for our employees to engage with First Nations Peoples and cultures and grow their cultural awareness.

In 2024-25, APRA was awarded Bronze Tier Status in the Australian Workplace Equality Index (AWEI), recognising APRA's support for LGBTQIA+ inclusion in the workplace. This achievement acknowledges the work undertaken by APRA to ensure its range of People and Culture policies are inclusive in nature.

APRA's AccessAbility Network was a finalist in the 2025 Disability Confidence awards in the Disability Employee Network of the Year category, in recognition of its work representing both visible and non-visible disabilities and encouraging equal participation in the workplace.

In May 2025, the Workplace Gender Equality Agency (WGEA) report for individual public sector organisations was made publicly available for the first time using data relating to the 2023 calendar year. APRA's average total remuneration gender pay gap (GPG) for 2023 was 5.3 per cent - up slightly from 5.1 per cent in 2022. For public sector organisations of similar size, the GPG was 6.3 per cent. Closing the GPG is an ongoing focus area and will be a key consideration in APRA's compensation review conducted in the next reporting period.

*Diversity and inclusion characteristics across employees (by total headcount)**

	Female	Male	Non-binary	Prefers not to answer	Uses a different term	Aboriginal and Torres Strait Islander	CALD ¹	PWD ²
Level 1	7	6	0	0	0	0	1	0
Level 2	47	33	0	0	0	1	13	2
Level 3	102	106	0	0	0	2	60	3
Level 4	205	245	0	3	0	3	120	8
Level 5	43	62	0	0	0	0	23	2
General Manager	7	21	0	0	0	0	4	0
Executive Director	3	3	0	0	0	0	0	0
APRA Member	3	1	0	0	0	0	0	0
Total	417	477	0	3	0	6	221	15

¹ Culturally and Linguistically Diverse (CALD)

² People with Disabilities (PWD)

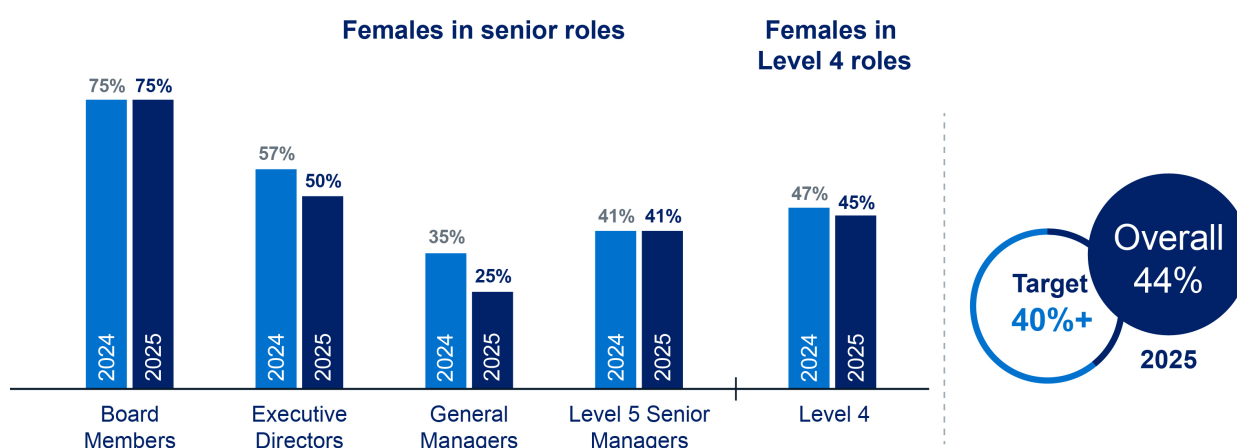
* Data on characteristics are self-reported in APRA's core HR system.

Gender diversity in senior management

In 2024-25, women represented 46 per cent of APRA's total workforce and 44 per cent of senior roles.

The percentage of women on the APRA Executive Board and in Senior Manager roles remained unchanged from the previous year at 75 per cent and 41 per cent respectively. Women made up 50 per cent of Executive Director roles and 25 per cent of General Manager roles.

While overall the target of 40 per cent women had been exceeded, APRA is taking actions towards achieving this target in General Manager roles.



Accessibility

APRA is a Silver employer member of the Australian Disability Network (ADN) and has continued to actively promote accessibility in the workplace throughout the reporting period. As mentioned in the 'Inclusion and Diversity' section, APRA was a finalist in the 2025 Disability Confidence Awards for the Disability Employee Network of the Year, in recognition of its AccessAbility employee network's achievements.

The AccessAbility network was closely involved in the planning of APRA's new Melbourne office, which opened in October 2024. The Melbourne office meets or exceeds all relevant modern accessibility codes.

Following the ADN's Dignified Access Review of APRA's Brisbane Office in April 2024, APRA has continued to implement the report's recommendations to ensure that the Brisbane office is a disability inclusive and welcoming workspace.

APRA has implemented a range of initiatives to promote better understanding of disability and remove barriers to inclusion. This year's activities included celebrating the International Day of People with Disability with a morning tea and information session, and facilitating sessions in the Healthy Conversations Series for employees.

APRA is committed to ensuring information on its website is accessible to everyone, including people with a disability. APRA seeks to meet the Australian Government's web accessibility requirements, including the World Wide Web Consortium (W3C) Web Content Accessibility Guidelines version 2.0 at level AA. The guidelines are available on the W3C website: <https://www.w3.org/TR/WCAG20/>.

Further information about APRA's approach to accessibility is available on the APRA website: <https://www.apra.gov.au/accessibility>.

Work Health and Safety

Improving and maintaining the health and safety of our people remained a key focus in 2024-25.

APRA continued to implement its Work Health and Safety (WHS) policy to ensure compliance with legislative and regulatory requirements, with an increased emphasis on managing psychosocial hazards and reducing these risks. Proactive application of our duty of care obligations and safeguarding employee mental and physical health in a hybrid working environment, remained an ongoing priority.

In 2024-25:

- APRA continued to implement its Respect@APRA program to proactively educate all leaders and employees on their shared accountability to prevent harassment and report and manage psychosocial risk in the workplace. Fostering a psychologically safe culture remains a priority for APRA.
- APRA hosted events across the organisation including an RU OK morning tea and information session to promote mental health awareness and pathways for seeking assistance, including through APRA's Wellbeing Ambassador program.
- As part of its Regional Engagement Program, Comcare visited APRA onsite to conduct a proactive health and safety inspection. Comcare's assessment concluded that APRA has the systems in place for 'Consultation, Cooperation and Coordination' in the workplace, resulting in a compliant outcome.

APRA continued to offer a voluntary health assessment program to identify current and potential health risks. The program offers a range of assessments, targeting the relative health risk of different employee age groups. Over a third of employees (350) participated in the program over the period.

APRA also offered a range of initiatives to support employee psychosocial health and wellbeing. This included APRA's partnership with Parents at Work through which APRA has achieved certification as a Family Friendly Workplace, implementing policies and practices that positively impact inclusion, equality, and wellbeing outcomes.

Through APRA's partnership with its employee assistance provider Centre For Corporate Health (CFCH), employees had access to manager, team and individual wellbeing checks. Employees continued to use CFCH's Resilience Box App throughout this year.

Annual flu vaccinations were available for employees to access in APRA offices or offsite.

WHS Committee

The WHS Committee is an integral part of APRA's internal governance system and is the principal forum for oversight of all WHS matters. It is responsible for monitoring the effectiveness of WHS control measures. The committee meets bi-monthly and was engaged for feedback in Comcare's proactive health and safety inspection.

WHS outcomes

APRA's risk management strategies have successfully mitigated any risks or hazards that may have resulted in notifiable incidents, investigations relating to undertakings, or provisional improvement notices.

There were no workers' compensation claims accepted by Comcare in the 2024-25 financial year.

Collective agreements and common law contracts

All employees are appointed under the APRA Act.

On 30 June 2025, there were 754 employees covered by the terms of the APRA Enterprise Agreement 2025. The APRA Enterprise Agreement 2025 commenced on 18 April 2025 for a three-year term, with a nominal expiry date of 10 April 2028.

APRA's 143 senior employees are covered by common law agreements.

APRA applies a total remuneration package (TRP) approach whereby all salary, superannuation and 'salary-sacrifice' benefits are included in an employee's TRP.

TRP ranges for non-executive employees in the period July 2024 to June 2025

	Level 1	Level 2	Level 3	Level 4
Maximum	\$90,000	\$128,673	\$186,510	\$265,172
Minimum	\$60,000	\$71,483	\$103,666	\$147,268

Indemnities and Insurances

APRA Members and officers are covered by the professional indemnity insurance cover of the Commonwealth-managed insurance scheme, Comcover. The generic terms and conditions of the insurance cover provided by Comcover to Commonwealth agencies are available on the Comcover website: www.finance.gov.au/comcover. Under the conditions of the cover, APRA has an obligation not to disclose the nature and limits of liability and the amount of the premium.

Executive remuneration

APRA's Board members' remuneration is determined by Remuneration Tribunal determinations. The Senior Executives are remunerated through a common law contract and APRA's remuneration policies. All decisions relating to executive remuneration are governed by the APRA Board.

Remuneration adjustments for all other employees are approved through an annual remuneration review process, the outcomes of which are approved by Executive Directors and the APRA Chair. Out-of-cycle remuneration adjustments are approved at Executive Director level and taken into consideration during the annual review process.

Workforce composition

As at 30 June 2025, APRA had 897 employees on a permanent or fixed-term contract basis, compared with 870 at the end of the 2024 financial year.

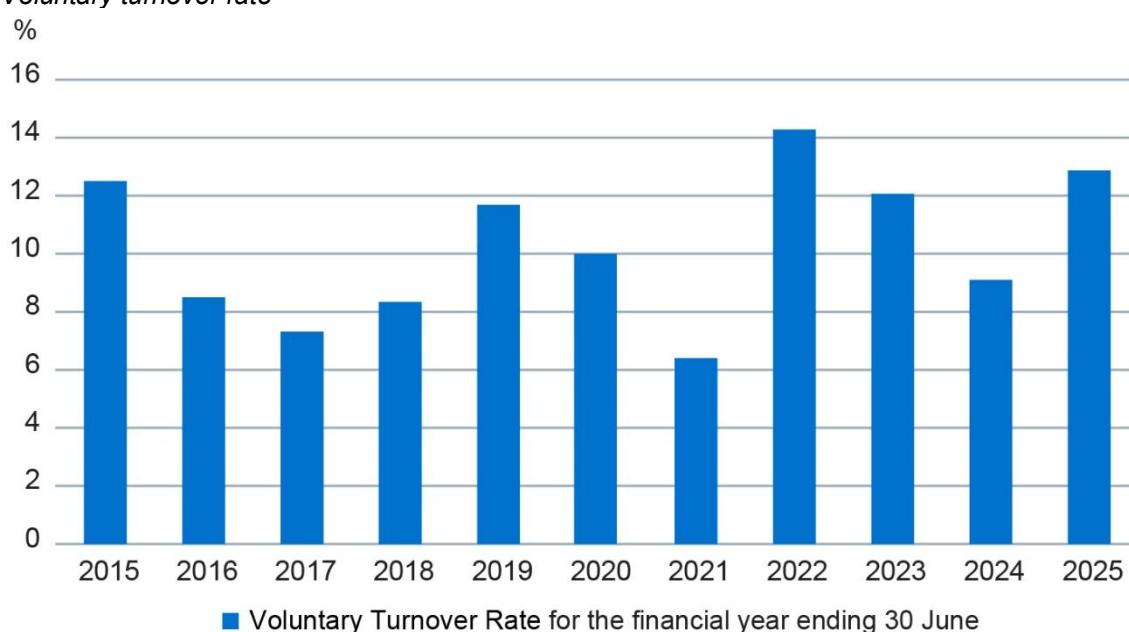
In 2024-25, APRA hired 147 employees on a permanent or fixed-term contract basis, of whom 13 were graduates.

External recruitment in 2024-25 by level and gender

	Female	Male	Non-binary	Prefers not to answer	Uses a different term	Total
Level 1	7	6	0	0	0	13
Level 2	8	9	0	0	0	17
Level 3	27	24	0	1	0	52
Level 4	21	31	0	0	0	52
Level 5	6	3	0	0	0	9
General Manager	2	2	0	0	0	4
Executive Director	0	0	0	0	0	0
APRA Member	0	0	0	0	0	0
Total	71	75	0	1	0	147

For 2024-25, APRA's voluntary turnover was 12.7 per cent compared to 9 per cent in 2023-24. This is one percentage point higher than the average turnover for the last three years.

Voluntary turnover rate



Employee statistics (by headcount)

Ongoing employees 2024-25 by location

	Male			Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
ACT	4	0	4	0	0	0	0	0	0	0	0	0	0	0	0	4
NSW	282	5	287	229	45	274	0	0	0	2	0	2	0	0	0	563
QLD	22	0	22	20	4	24	0	0	0	0	0	0	0	0	0	46
SA	7	0	7	5	0	5	0	0	0	0	0	0	0	0	0	12
VIC	50	1	51	35	7	42	0	0	0	0	0	0	0	0	0	93
Total	365	6	371	289	56	345	0	0	0	2	0	2	0	0	0	718

Non-ongoing employees 2024-25 by location (Fixed-term, Senior Managers and above)

	Male			Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
ACT	3	0	3	0	0	0	0	0	0	0	0	0	0	0	0	3
NSW	86	2	88	52	7	59	0	0	0	1	0	1	0	0	0	148
QLD	7	1	8	2	0	2	0	0	0	0	0	0	0	0	0	10
SA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
VIC	7	0	7	11	0	11	0	0	0	0	0	0	0	0	0	18
Total	103	3	106	65	7	72	0	0	0	1	0	1	0	0	0	179

Ongoing employees 2023-24 by location

	Male			Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
ACT	4	0	4	0	0	0	0	0	0	0	0	0	0	0	0	4
NSW	271	6	277	230	47	277	0	0	0	1	0	1	0	0	0	555
QLD	25	0	25	12	7	19	0	0	0	0	0	0	0	0	0	44
SA	7	0	7	6	0	6	0	0	0	0	0	0	0	0	0	13
VIC	48	1	49	33	6	39	0	0	0	0	0	0	0	0	0	88
Total	355	7	362	281	60	341	0	0	0	1	0	1	0	0	0	704

Non-ongoing employees 2023-24 by location (Fixed-term, Senior Managers and above)

	Male			Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total	
ACT	2	0	2	0	0	0	0	0	0	0	0	0	0	0	0	2
NSW	77	2	79	49	6	55	0	0	0	0	0	0	0	0	0	134
QLD	7	1	8	2	1	3	0	0	0	0	0	0	0	0	0	11
SA	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	1
VIC	7	0	7	11	0	11	0	0	0	0	0	0	0	0	0	18
Total	93	3	96	63	7	70	0	0	0	0	0	0	0	0	0	166

Remuneration for key management personnel earned in 2024-25

Name	Position title as at 30 June	Short-term benefits \$			Post-employment benefits \$	Other long-term benefits \$		Termination benefits \$	Total remuneration \$
		Base salary ⁴⁰	Bonuses	Other benefits and allowances	Superannuation contributions	Long service leave ⁴¹	Other long-term benefits		
John Lonsdale	Chair	788,629	0	0	121,698	32,812	0	0	943,138
Margaret Cole	Deputy Chair	805,778	0	0	30,000	35,749	0	0	871,527
Therese McCarthy Hockey	Member	704,674	0	0	30,000	31,912	0	0	766,585
Suzanne Smith	Member	681,793	0	0	30,000	34,512	0	0	746,304

⁴⁰ Differences between the key management personnel figures and those provided by the Remuneration Tribunal are related to leave earned, taken and revalued during the year.

⁴¹ Long service leave balances include leave accrued in the year, write-backs and any revaluations.

Remuneration for senior executives earned in 2024-25

		Short-term benefits \$			Post-employment Benefits \$	Other long-term benefits \$		Termination Benefits \$	Total remuneration \$
Total remuneration bands	Number of senior executives	Average base salary	Average bonuses	Average other benefits and allowances	Average superannuation contributions	Average long service leave ⁴²	Average other long-term benefits	Average termination benefits	Average total remuneration
\$0 - \$220,000	13	129,786	0	0	12,448	(11,692)	0	5,570	136,112
\$270,001 - \$295,000	1	256,703	0	0	30,000	3,043	0	0	289,746
\$295,001 - \$320,000	2	259,697	0	0	27,414	24,057	0	0	311,167
\$320,001 - \$345,000	1	296,262	0	0	30,000	9,205	0	0	335,467
\$345,001 - \$370,000	2	240,789	0	0	27,089	1,693	0	94,375	363,946
\$370,001 - \$395,000	4	332,964	0	13,425	30,000	6,185	0	0	382,573
\$395,001 - \$420,000	10	362,765	0	0	29,993	13,082	0	0	405,840
\$420,001 - \$445,000	2	381,874	0	0	30,000	13,414	0	0	425,288
\$570,001 - \$595,000	3	537,600	0	0	30,000	19,456	0	0	587,056
\$595,001 - \$620,000	3	539,048	0	2,834	30,000	25,543	0	0	597,425

⁴² Long service leave balances include leave accrued in the year, write-backs and any revaluations.

Remuneration for highly paid staff earned in 2024-25

Total remuneration bands	Number of other highly paid staff	Short-term benefits			Post- employment benefits	Other long-term benefits		Termination benefits	Total remuneration
		Average base salary	Average bonuses	Average other benefits and allowances ⁴³	Average superannuation contributions	Average long service leave ⁴⁴	Average other long-term benefits	Average termination benefits	Average total remuneration
\$260,000 - \$270,000	15	227,534	0	615	27,571	9,370	0	0	265,090
\$270,001 - \$295,000	34	242,206	0	1,510	28,844	7,999	0	0	280,558
\$295,001 - \$320,000	13	236,496	0	2,287	28,757	8,118	0	20,509	296,166
\$320,001 - \$345,000	3	266,290	0	0	29,110	37,628	0	0	333,028
\$345,001 - \$370,000	1	113,368	0	0	29,643	10,058	0	199,986	353,055
\$370,001 - \$395,000	1	214,590	0	0	30,000	10,905	0	126,000	381,496

⁴³ Other benefits and allowances include fringe benefits relating to motor vehicles.

⁴⁴ Long service leave balances include leave accrued in the year, write-backs and any revaluations.

Management of APRA

Financial resources

APRA's total operating expenditure for the 12 months to 30 June 2025 was \$236.1 million against an original budget of \$270.2 million. The expenditure was lower than the original budget due to a combination of lower than budgeted staff levels and the deferral of certain project related activities into the 2025-26 financial year.

APRA's income

APRA's total income in 2024-25 was \$289.4 million, against a budget of \$267.2 million.

Income was higher than budget due to higher cost recovery activities, an over-collection of Financial Institutions Supervisory Levies arising from higher-than-expected June 2024 quarter assets growth in the superannuation industry, revaluation of leasehold improvements and the reversal of previously anticipated restoration costs reflecting the removal of restoration obligations under the terms of the renewed office lease.

Industry levies are raised according to the *Financial Institutions Supervisory Levies Collection Act 1998*, the Supervisory Levy Imposition Acts⁴⁵ relevant to each of APRA's regulated industries, and the *Private Health Insurance Supervisory Levy Imposition Act 2015*. Following consultation with industry, the relevant Minister determines the levy rates for each regulated industry prior to the beginning of each financial year. Industry levies are based on the costs incurred by APRA in discharging its duties with respect to each sector. For industries APRA regulates, other than private health insurance, the levy rate is applied on the relevant institution's total assets, subject to a minimum and maximum amount per institution. Exceptions to this are non-operating holding companies and small APRA-regulated superannuation funds, which are levied at a flat rate. For private health insurers, the levies are based on the number of policies held by each insurer at 30 June each year.

Levies are also collected to cover the costs of the National Claims and Policies Database (NCPD) for which a rate is applied to the gross earned premiums of general insurers that contribute to this database. The amount raised for NCPD purposes in 2024-25 was \$1.3 million. The total levies collected by APRA also cover certain costs attributable to the ATO, the Gateway Network Governance Body Ltd and the Treasury. Levies collected by APRA in 2024-25, including on behalf of these agencies, were \$47.9 million.

⁴⁵ Being the *Retirement Savings Account Providers Supervision Levy Imposition Act 1998*; *Superannuation Supervisory Levy Imposition Act 1998*; *General Insurance Supervisory Levy Imposition Act 1998*; *Authorised Deposit-taking Institution Act 1998*; *Authorised Non-operating Holding Companies Supervisory Levy Imposition Act 1998*; and the *Life Insurance Supervisory Levy Imposition Act 1998*.

APRA's financial industry levies



APRA releases a Cost Recovery Implementation Statement on an annual basis to provide further information on the APRA component of the levies collected from industry.

APRA also administers the Risk Equalisation Special Account whereby revenue collected by APRA for the purposes of Risk Equalisation across the private health insurance industry is treated by the government as revenue and expenses. Total Risk Equalisation collections and payments in 2024-25 were \$405.3 million.

Reserves

The components of APRA's reserves were subject to the following changes during the year:

- APRA's retained surpluses increased by \$45.1 million to \$82.7 million, attributable to an operating surplus from ordinary activities of \$45.2 million and a net transfer of \$0.04 million to the Contingency Enforcement Fund (CEF) for future enforcement matters.
- The Asset Revaluation Reserve balance increased by \$8.2 million due to the revaluation of leasehold improvements following the renewal of office leases.
- The CEF was \$0.96 million below budget, due to drawdowns associated with legal matters during the reporting period.

Advertising and market research

Under the *Commonwealth Electoral Act 1918*, APRA is required to report annually on amounts paid to advertising agencies, market research and media advertising organisations relating to electoral expenditure.

In 2024-25, APRA has not incurred advertising or market research expenditure in relation to an election.

Separately, during 2024-25 APRA incurred the following recruitment advertising expenditure.

Advertising expenditure

Supplier	Amount (Incl. GST)
Mediabrand Australia Pty Ltd T/As Universal McCann	\$63,894.71
Total	\$63,894.71

Outside of the above, APRA did not conduct specific advertising campaigns during 2024-25.

Commonwealth procurement rules

The APRA Chair's Finance Instructions and Finance Policies (CFIs) and associated operational procedures ensure that APRA complies with the Commonwealth Procurement Rules (CPRs). In particular, the policies ensure that the core procurement principle of value for money is achieved, with a focus on efficiency and competition for each procurement.

APRA conducts its procurement processes in accordance with the CPRs, including but not limited to:

- engaging Indigenous suppliers for procurements between \$80,000 and \$200,000 as required under the Indigenous Procurement Policy
- conducting open tenders for procurement activities of more than \$200,000 (unless otherwise exempted under the CPRs)
- reporting all procurements over \$10,000 on AusTender
- providing a link on APRA's website to the AusTender report on all purchases over \$100,000.

In 2024-25, APRA had no AusTender-exempt contracts. As required under the CPRs, all APRA competitively tendered contracts over \$100,000 provide for the Auditor-General to have access to the contractor's premises.

APRA's procurement processes uphold integrity, diligence and consistency in our conduct, which ensures honesty and fairness.

Procurement initiatives to support small businesses

APRA supports small business participation in the Commonwealth Government procurement market and recognises the importance of ensuring that small businesses are paid on time. Small and medium enterprises (SME) and small enterprise participation statistics are available on the Department of Finance's website: <https://www.finance.gov.au/government/procurement/statistics-australian-government-procurement-contracts->.

APRA's procurement activities that support small business are consistent with paragraphs 5.5, 5.6 and 5.7 of the CPRs and include:

- using the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000
- prequalified panels with SME providers
- payments via electronic systems.

Consultancies

This annual report contains information about actual expenditure on contracts. Information on the committed value of contracts is available through AusTender at <https://www.tenders.gov.au>.

APRA's CFIs and associated operational procedures include specific provisions on the use of consultants.

APRA engages consultants where it requires specialist expertise or when independent research, review or assessment is required. Consultants are typically engaged to investigate or diagnose a defined issue or problem; carry out defined reviews or evaluations; or provide independent advice, information or solutions to assist in APRA's decision-making. Before engaging consultants, APRA considers the skills and resources required for the task, the skills available in-house, and the cost-effectiveness of engaging external expertise. The decision to engage a consultant is made in accordance with legislation, CPRs and internal policies to ensure fairness and transparency in the decision-making process and that value for money is achieved.

During 2024-25, APRA entered nine new consultancy contracts.

Expenditure on Reportable Consultancy Contracts

	Number	Expenditure \$ (GST incl.)
New contracts entered during the reporting period	9	795,603.57
Ongoing contracts entered during a previous reporting period	5	242,869.56
Total	14	1,038,473.13

*Expenditure on Reportable Non-Consultancy Contracts**

	Number	Expenditure \$ (GST incl.)
New contracts entered during the reporting period	264	21,467,514.41
Ongoing contracts entered during a previous reporting period	237	31,747,666.00
Total	501	53,215,180.41

*This includes multi-year contracts such as property leases and IT services and systems.

*Organisations Receiving Largest Shares of Reportable Consultancy Contract Expenditure**

	Expenditure \$ (GST incl.)
KPMG	579,475.68
Mercer Consulting (Australia) Pty Ltd	95,700.00
BIS Oxford Economics Pty Ltd	82,134.80
Protiviti Pty Limited	84,669.76
BDO Services Pty Ltd	61,326.17

*All contracts ended on or before 30 June 2025.

*Organisations Receiving Largest Shares of Reportable Non-Consultancy Contract Expenditure**

	Expenditure \$ (GST incl.)
Trustee For No. 1 Martin Place Office Tower Trust	9,912,929.75
Hunter Mason (VIC) Pty Ltd	3,241,355.52
Macquarie Technology Operations Pty Limited	2,545,816.04
Charter Hall Real Estate Management Services NSW	2,191,020.72
Hays Specialist Recruitment (Australia) Pty Limited	2,518,813.46

*Contract details are available on AusTender.

Preventing, detecting and dealing with fraud and corruption

APRA is committed to ensuring compliance with *Public Governance, Performance and Accountability Rule 2014* Section 10 Preventing, detecting and dealing with fraud and corruption.

During the reporting period APRA has ensured compliance through:

- reviewing fraud and corruption risks regularly throughout the reporting period
- ensuring staff complete mandatory Commonwealth Fraud Awareness training
- ensuring that APRA has officials who are responsible for managing risks of fraud and corruption
- ensuring that APRA has appropriate mechanisms for detecting, investigating and reporting fraud or corruption or suspected fraud or corruption.

Consultative arrangements

APRA consults extensively with regulated entities, industry bodies and interested parties prior to finalising prudential standards, prudential guidance and reporting standards.

During 2024-25, APRA undertook seven formal consultations. They were broadly aligned with APRA's policy and data priorities for the period.

APRA complies with the Australian Government's Regulation Impact Analysis requirements. During 2024-25, APRA developed 13 preliminary assessments.

APRA complies with the Australian Government's Regulation Impact Analysis requirements. During 2024-25, APRA developed 13 preliminary assessments.

Legal services

The *Legal Services Directions 2017* requires Commonwealth agencies to make publicly available information on records of their legal services expenditure for the previous financial year. During 2024-25, APRA's total expenditure on external legal advice and litigation services was \$2,645,630 (excluding GST). During 2024-25, APRA's total expenditure on internal legal advice and litigation services was \$9,706,165 (excluding GST). This included \$203,034 (excluding GST) in external expenditure that is recoverable.

Courts and tribunals

During 2024-25, there were no judicial decisions, administrative decisions, or decisions by the Office of the Australian Information Commissioner that have had, or may have, a significant impact on APRA's operations.

During 2024-25, APRA:

- successfully defended a judicial review application filed by BUSS (Queensland) Pty Ltd (BUSSQ) in the Federal Court in relation to APRA's decisions to impose additional licence conditions on BUSSQ's RSE licence and to disclose that decision.
- filed proceedings in the Federal Court against Michael Joseph O'Connor, director and co-chair of First Super Pty Ltd, alleging breaches of the *Superannuation Industry (Supervision) Act 1993* director covenants. APRA is seeking civil penalties and the disqualification of Mr O'Connor.

APRA also played a prominent role in overseeing applications before the Federal Court for confirmation of schemes for transfers of insurance business in 2024-25. APRA made submissions to the Court in:

- three schemes for the transfer of a general insurance business under Division 3A of Part III of the *Insurance Act 1973*.
- three schemes for the transfer of a life insurance business under Part 9 of the *Life Insurance Act 1995*.

Chapter 4

Other statutory reporting requirements



Other statutory reporting requirements

APRA reports in accordance with the following Commonwealth legislation and other requirements:

- *Australian Prudential Regulation Authority Act 1998*
- *Commonwealth Electoral Act 1918*
- *Environment Protection and Biodiversity Conservation Act 1999*
- *Equal Employment Opportunity (Commonwealth Authorities) Act 1987*
- *Freedom of Information Act 1982*
- *Public Governance, Performance and Accountability Act 2013*
- *Work Health and Safety Act 2011*
- Commonwealth Fraud and Corruption Control Framework
- Requirements for Annual Reports for Departments, Executive Agencies and other Non-corporate Commonwealth Entities.

Australian Prudential Regulation Authority Act 1998

Section 59 of the APRA Act requires APRA to report on:

- activities of persons conducting investigations under Division 2 of Part II and section 61 of the *Banking Act 1959*
- information about investigations (including joint investigations) conducted by APRA under Division 1 of Part 4 of Chapter 3 of the *Financial Accountability Regime Act 2023* (FAR Act) during the period
- activities of Banking Act statutory managers (within the meaning of the *Banking Act 1959*)
- activities of Insurance Act statutory managers (within the meaning of the *Insurance Act 1973*)
- activities of Life Insurance Act statutory managers (within the meaning of the *Life Insurance Act 1995*)
- the operation of Division 2AA (Financial Claims Scheme (FCS) for account-holders with insolvent ADIs) of Part II of the *Banking Act 1959*
- the operation of Part VC (FCS for policyholders with insolvent general insurers) of the *Insurance Act 1973*
- the number of times during the period that APRA determined, under subsection 13(1) of the FSCOD Act, a reporting standard that is not a legislative instrument
- the exercise during the period of APRA's powers under Part 15 of the *Retirement Savings Accounts Act 1997* (RSA Act) and Part 29 of the *Superannuation Industry (Supervision) Act 1993* (SIS Act)
- information on other matters required by the regulations.

During 2024-25, APRA did not appoint investigators under section 61 of the *Banking Act 1959*. There were two investigator appointments under the *Banking Act 1959* continuing from the 2020-21 and 2023-24 years.

There were no investigations conducted by APRA under Division 1 of Part 4 of Chapter 3 of the FAR Act.

APRA did not appoint statutory managers under the *Banking Act 1959*, *Insurance Act 1973* or *Life Insurance Act 1995* during 2024-25. There were no appointments continuing from the previous year.

There were no schemes in operation under Division 2AA of Part II of the *Banking Act 1959*.

There were no schemes in operation under Part VC (FCS for policyholders with insolvent general insurers) of the *Insurance Act 1973*.

APRA did not determine reporting standards under subsection 13(1) of the FSCOD Act during 2024-25 that were not legislative instruments.

APRA did not exercise its powers under Part 15 of the RSA Act in 2024-25.

APRA exercised its powers under Part 29 of the SIS Act during 2024-25 in relation to particular entities or persons as set out below:

Exemptions exercised under the SIS Act

Instrument Number	Date	Provision of SIS Act / regulations exempted
A4 of 2024	13/08/2024	9.04D(1) and 9.04I(1)
A1 of 2025	12/02/2025	93(3)

APRA did not exercise its powers under Part 29 of the SIS Act during 2024-25 in relation to a particular class of persons.

Modifications exercised under the SIS Act

Instrument Number	Date	Provision of SIS Act / regulations modified
A13 of 2024	02/07/2024	1.06A, 1.06B, 1.07A, 1.07B, 1.07C, 1.07D or Schedules 1A, 1AAB, 1B, 6 or 7 of the SIS Regulations
A14 of 2024	05/07/2024	1.06(8)(d)
A16 of 2024	28/08/2024	93(3)(a)(ii)
A17 of 2024	18/09/2024	1.06 and 1.07D
A19 of 2024	27/11/2024	1.06(8)(d)
A20 of 2024	22/10/2024	Column 3 of item 108 of the table in Part 1 of Schedule 1 of the SIS Regulations
A21 of 2024	22/11/2024	1.06(8)(d)
A22 of 2024	22/11/2024	29E(6A)
A23 of 2024	23/12/2024	7.01 and 7.04 of the SIS Regulations
A24 of 2024	04/02/2025	1.03 of SIS Regs
A1 of 2025	20/01/2025	1.03(1)

Instrument Number	Date	Provision of SIS Act / regulations modified
A2 of 2025	17/02/2025	1.03(1)
A3 of 2025	18/02/2025	89
A4 of 2025	16/04/2025	6.27B, 6.28(1) and 6.29(1)
A5 of 2025	08/05/2025	1.06 and 1.07B
A6 of 2025	11/04/2025	1.06
A7 of 2025	07/04/2025	1.06
A8 of 2025	13/06/2025	6.27B, 6.28(1) and 6.29(1)
A9 of 2025	20/05/2025	1.06
A10 of 2025	23/05/2025	1.06

Freedom of Information Act (1982)

Agencies subject to the *Freedom of Information Act 1982* (FOI Act) are required to publish information to the public as part of the Information Publication Scheme (IPS). This requirement is in Part II of the FOI Act and has replaced the former requirement to publish a section 8 statement in an annual report. APRA displays material on its website showing what information it publishes in accordance with the IPS requirements.⁴⁶

Environment Protection and Biodiversity Conservation Act 1999

APRA is committed to operating in an environmentally sustainable manner. APRA actively takes steps to reduce its environmental impact and adopts environmentally friendly options where practical. Measures include: sensor-controlled lighting; minimisation of printing; recycling of paper, cardboard, office furniture and printer cartridges; waste reduction; the use of mobile devices and ‘follow-me’ printing; and fostering employee awareness of environmental issues including considering the need to print documents.

⁴⁶ Further information is available at: <https://www.apra.gov.au/information-publication-scheme>.

Australian Public Service (APS) Net Zero 2030 emissions reporting

To meet the government's expectations to report transparently on emissions under the APS Net Zero 2030 policy, APRA publishes emissions from its operations.

Greenhouse gas emissions reporting has been developed with methodology that is consistent with the whole-of-Australian Government approach as part of the APS Net Zero 2030 policy.

In the next reporting period, we will complete APRA's climate risk and opportunity assessment and identify our material risks and opportunities.

2024-25 Greenhouse Gas Emissions Inventory – Location Based Method

Emission Source	Scope 1 t CO ₂ -e	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total t CO ₂ -e
Electricity (Location Based Approach)	N/A	618.12	45.20	663.31
Natural Gas	-	N/A	-	-
Solid Waste	N/A	N/A	13.15	13.15
Refrigerants	-	N/A	N/A	-
Fleet and Other Vehicles	-	N/A	-	-
Domestic Commercial Flights	N/A	N/A	249.68	249.68
Domestic Hire Car	N/A	N/A	0.64	0.64
Domestic Travel Accommodation	N/A	N/A	53.92	53.92
Other Energy	-	N/A	-	-
Total t CO₂-e	-	618.12	362.59	980.71

Note: The table above presents emissions related to electricity usage using the location-based accounting method. CO₂-e = Carbon Dioxide Equivalent.

Additionally, APRA has assessed its international air travel emissions arising from employees attending a range of international supervisory and regulatory forums. APRA assesses its international emissions to be 468.89 t CO₂e for the financial year.

N/A = not applicable

2024-25 Electricity Greenhouse Gas Emissions

Emission Source	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total t CO ₂ -e	Electricity kWh
Electricity (Location Based Approach)	618.12	45.20	663.31	926,535.91
Market-based electricity emissions	557.14	75.66	632.80	687,824.18
Total renewable electricity consumed	N/A	N/A	N/A	238,711.73
Renewable Power Percentage ¹	N/A	N/A	N/A	168,583.21
Jurisdictional Renewable Power Percentage ^{2, 3}	N/A	N/A	N/A	70,128.52
GreenPower ²	N/A	N/A	N/A	-
Large-scale generation certificates ²	N/A	N/A	N/A	-
Behind the meter solar ⁴	N/A	N/A	N/A	-
Total renewable electricity produced	N/A	N/A	N/A	-
Large-scale generation certificates ²	N/A	N/A	N/A	-
Behind the meter solar ⁴	N/A	N/A	N/A	-

Note: The table above presents emissions related to electricity usage using both the location-based and the market-based accounting methods. CO₂-e = Carbon Dioxide Equivalent. Electricity usage is measured in kilowatt hours (kWh).

¹ Listed as Mandatory renewables in 2023-24 Annual Reports. The renewable power percentage (RPP) accounts for the portion of electricity used, from the grid, that falls within the Renewable Energy Target (RET).

² Listed as Voluntary renewables in 2023-24 Annual Reports.

³ The Australian Capital Territory is currently the only state with a jurisdictional renewable power percentage (JRPP).

⁴ Reporting behind the meter solar consumption and/or production is optional. The quality of data is expected to improve over time as emissions reporting matures.

Equal Employment Opportunity (Commonwealth Authorities) Act 1987

APRA remains committed to creating an environment that fosters inclusivity and respect for all its people. Diverse and inclusive teams are critical for APRA's success. Leveraging diversity of thought, breadth of knowledge and robust discussions results in strong decision making and judgement, which are the foundation of supervisory authorities. APRA's Inclusion and Diversity initiatives are further discussed in Chapter 3: Our People.

Commonwealth Fraud and Corruption Control Guidelines

The Chair of APRA certifies that he is satisfied that:

- a fraud and corruption risk assessment and fraud and corruption control plan has been prepared and complies with the Commonwealth Fraud and Corruption Control Framework.
- appropriate fraud and corruption prevention, detection, investigation, recording and reporting procedures are in place to meet the specific needs of APRA.
- all reasonable measures have been taken to deal appropriately with fraud and corruption relating to APRA.

Auditor-General activities

The Australian National Audit Office (ANAO) undertook the required statutory financial audit of APRA for 2024-25. An unmodified auditor's report was issued by the ANAO confirming APRA's annual financial statements comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and present fairly the financial position of APRA as at 30 June 2025 and its financial performance and cash flows for the year then ended.

Capability reviews

APRA was not subject to external capability reviews in 2024-25.

Commonwealth Ombudsman

The Commonwealth Ombudsman did not undertake any investigation into APRA's conduct in 2024-25.

Grant programs

Information on grants awarded by APRA during 2024-25 is available on its website:
<https://www.apra.gov.au/grants-and-scholarships>.

Privacy Act 1988

No privacy complaints against APRA were made to the Office of the Australian Information Commissioner under section 36 of the *Privacy Act 1988* (Privacy Act).

The Privacy Commissioner made no determinations under section 52 of the Privacy Act, nor did APRA seek any under section 73 of the Privacy Act.

There were no adverse or favourable comments made by the Privacy Commissioner in respect of APRA's operations.

Privacy enquiries relating to APRA sent by post should be addressed to:

Privacy Officer
Australian Prudential Regulation Authority
GPO Box 9836
Sydney NSW 2001

Or by phone: 02 9210 3000 or email: privacy@apra.gov.au

Significant non-compliance with relevant financial laws

During 2024-25, there were no incidents of material non-compliance with relevant financial laws.

Commonwealth Climate Disclosure

Commonwealth Climate Disclosure (CCD) is the government's policy for Commonwealth entities to publicly disclose their exposure to climate-related risks and opportunities, as well as their actions to manage them, delivering transparent and consistent climate disclosures to the Australian public.

Under the policy, non-corporate Commonwealth entities are required to complete climate disclosures that address four areas: Governance, Risk Management, Strategy, and Targets and Metrics. As APRA meets the thresholds of Tranche 1 in the CCD Policy Architecture it is required to include these climate disclosures in its annual reports from 2024-25. This climate statement has been prepared in accordance with the Year 1 Reporting Provisions for Tranche 1 entities.

Governance

Effective governance is fundamental for enabling oversight of climate-related risks and opportunities. APRA uses its existing comprehensive governance and risk management policies and procedures to manage the risks and opportunities relating to climate change. The roles and responsibilities of our governance committees are outlined in Chapter 3: Management and Accountability of this report. APRA intends to embed climate risk in existing frameworks and deliver on obligations under The Australian Government's Approach to Climate Risk and Opportunity Management in the Public Sector 2024-2026.⁴⁷

APRA is committed to climate action, which includes playing a part in achieving the government's Australian Public Service (APS) Net Zero emissions by 2030. APRA's Emissions Reduction Plan establishes targets related to climate-related risks and opportunities, with progress against those actions, and measures adopted, disclosed in our annual reports.⁴⁸

APRA's system of risk oversight, management and internal controls is aligned with section 16 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), including the Commonwealth Risk Management Policy. APRA's risk profile is overseen by its Executive Board, Management Committee, and the independent Audit and Risk Committee.

Climate risk management

The Commonwealth Risk Management Policy requires entities to have an appropriate level of risk management capability.⁴⁹ During the next reporting period, APRA will assess its climate risk management capabilities to ensure capacity to manage climate-related risks. Identified gaps and measures to address these will be reported to the Audit and Risk Committee and the Executive Board.

⁴⁷ <https://www.dcceew.gov.au/climate-change/publications/climate-risk-opportunity-management-program-resources>.

⁴⁸ <https://www.apra.gov.au/emissions-reduction-plan>.

⁴⁹ <https://www.finance.gov.au/government/comcover/risk-services/management/commonwealth-risk-management-policy>.

Climate Risk Roles and Responsibilities

Role	Responsibility
Accountable authority	Pursuant to s12 of the PGPA Act, the APRA Chair is the accountable authority for APRA. Under s16 of the PGPA Act, the APRA Chair is responsible for establishing and maintaining systems of internal control and risk oversight. This responsibility encompasses climate-related risks and related disclosures. The APRA Chair and the APRA Audit and Risk Committee will be informed of any material climate-related risks as part of the quarterly risk reporting cadence.
Executive Board	The Executive Board, comprising the APRA Members and chaired by the accountable authority (i.e. the APRA Chair), is focused on ensuring that a sound framework of internal control, risk management and compliance is established and maintained. The Executive Board also monitors APRA's risk profile to ensure risks are being managed within APRA's stated risk appetite or actions are being taken to bring risks back within appetite.
Chief Risk Officer (CRO) and Enterprise Risk Team	<p>The CRO is responsible for overseeing APRA's Enterprise Risk Management Framework (ERMF) and APRA's risk governance, including regular risk reporting to the Audit and Risk Committee, Executive Board, and Management Committee. Through these channels, the accountable authority is informed of climate-related risks and opportunities.</p> <p>The Risk Team is responsible for designing, building, and implementing APRA's ERMF, developing internal risk management capability, promoting positive risk culture and supporting the Climate Risk and Opportunity Management Program (CROMP) process.</p>

APRA's risk practices are aligned with the Commonwealth Risk Management Policy. Climate-related risks and opportunities will be identified, assessed, prioritised, managed, monitored and reported in accordance with APRA's ERMF.

Over the next reporting period, APRA will review and refine its risk practices with reference to the CROMP guidelines. This will include commencing our first climate risk and opportunity assessment in accordance with our obligations under the Australian Government's Approach to Climate Risk and Opportunity Management in the Public Sector 2024-2026 and in line with CROMP's Organisation Application Guide.⁵⁰

A combination of internal and external data sources will be used to inform APRA's climate risk and opportunity assessment including:

- incident and issue registers
- input from staff to identify assets, infrastructure and staff that may be at risk from climate change
- published reports such as the State of the Climate 2024 report and Climate scenario and transition summaries in CROMP Organisation Application Guide Appendix.

⁵⁰ <https://www.dcceew.gov.au/climate-change/publications/climate-risk-opportunity-management-program-resources>.

Strategy

In the next reporting period, APRA will complete its climate risk and opportunity assessment, identify its material risks and opportunities, and complete a full disclosure of the Strategy criteria.

Metrics and Targets

APS Net Zero 2030 is the government's policy for the Australian Public Service (APS) to reduce its greenhouse gas emissions to net zero by 2030 and transparently report on its emissions. As part of the Net Zero in Government Operations Strategy and the reporting requirements under section 516A of the *Environment Protection and Biodiversity Conservation Act 1999*, APRA is required to report on its operational greenhouse gas (GHG) emissions.

Emissions Reporting

Refer to APRA's 2024-25 emissions tables provided earlier in this Chapter.

APRA's greenhouse gas emissions are calculated under the Australian Public Service Net Zero Emissions Reporting Framework.⁵¹

APRA is committed to leading climate action within the public sector and contributing to the APS Net Zero 2030 target.⁵² See the APS Net Zero Target Factsheet for details including scope, emissions sources and timeframes.⁵³ APRA has not deviated from the approach in this factsheet.

APRA's approach to reducing emissions is detailed in our publicly available Emissions Reduction Plan, which reports on our entity's progress annually. This plan was approved by the Board, which will also monitor its ongoing performance through regular board meetings.

⁵¹ <https://www.finance.gov.au/government/climate-action-government-operations/commonwealth-emission-reporting/emissions-reporting-framework>.

⁵² <https://www.finance.gov.au/government/climate-action-government-operations/aps-net-zero-emissions-2030>.

⁵³ <https://www.finance.gov.au/government/climate-action-government-operations/aps-net-zero-emissions-2030>.

Agency resources and expenses by outcome

Under the Requirements for annual reports for departments, executive agencies and other non-corporate Commonwealth entities, issued by the Department of Prime Minister and Cabinet, APRA must provide information outlining its various funding sources during the financial year and total expenses for each agency outcome. To this end, APRA's Agency Resource Statement and Expenses by Outcome Statement for 2024-25 are set out below.

Agency resources statement

	Actual available appropriation	Payments made	Balance remaining
	\$'000	\$'000	\$'000
	(a)	(b)	(a)-(b)
Ordinary annual services			
Departmental appropriation	28,067	28,067	-
Total	28,067	28,067	-
Total available annual appropriations and payments	A 28,067	28,067	-
Special accounts			
Opening balance	69,667		
Appropriation receipts	16,361		
Statutory credits receipts	249,881		
Other receipts	11,353		
S74 receipts	11,706		
Payments made		240,298	
Total special account	B 358,968	240,298	118,670
Total resources and payments			
A+B	387,035	268,365	118,670
Less appropriation drawn from annual or special appropriations above and credited to special accounts	(28,067)	(28,067)	-
Total net resourcing and payments for APRA	358,968	240,298	118,670

Expenses by outcome statement

Outcome 1: Enhanced public confidence in Australia's financial institutions through a framework of prudential regulation which balances financial safety and efficiency, competition, contestability and competitive neutrality and, in balancing these objectives, promotes financial system stability in Australia.

	Budget	Actual expenses	Variation
	\$'000	\$'000	\$'000
	(a)	(b)	(a)-(b)

Program 1.1: Australian Prudential Regulation Authority

Departmental expenses

Departmental appropriation ¹	14,106	28,067	(13,961)
Special accounts	256,065	208,011	48,054
Total expenses for outcome¹	270,171	236,078	34,093

	Actual 2024-25	Actual 2023-24	Variation
Average staffing level (number)	825	846	(21)

¹ Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No.1)' and 'Revenue from independent sources'.

Chapter 5: Financial Statements

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*Administered items are distinguished from departmental items throughout these financial statements by background shading.



INDEPENDENT AUDITOR'S REPORT

To the Treasurer

Opinion

In my opinion, the financial statements of the Australian Prudential Regulation Authority (the Entity) for the year ended 30 June 2025:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2025 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2025 and for the year then ended:

- Statement by the Accountable Authority and Chief Financial Officer;
- Statement of comprehensive income;
- Statement of financial position;
- Statement of changes in equity;
- Cash flow statement;
- Administered schedule of comprehensive income;
- Administered schedule of assets and liabilities;
- Administered reconciliation schedule;
- Administered cash flow statement; and
- Notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and their delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Chair is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Chair is also responsible for such internal control as the Chair determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chair is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Chair is also responsible for disclosing, as applicable, matters related to

going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

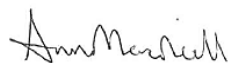
My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Ann MacNeill

Acting Executive Director

Delegate of the Auditor-General

Canberra

12 August 2025

Statement by the Accountable Authority and Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2025 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Australian Prudential Regulation Authority will be able to pay its debts as and when they fall due.



Mr John Lonsdale
Chair

12 August 2025



Mr Eugene Jalba
Chief Financial Officer

12 August 2025

Statement of comprehensive income for the year ended 30 June 2025

	Notes	2025 \$'000	2024 \$'000	Original Budget \$'000
Expenses				
Employee benefits	1.1A	169,504	165,896	190,539
Suppliers	1.1B	42,987	43,926	57,034
Depreciation and amortisation	3.2	20,117	25,957	22,340
Finance costs	1.1C	1,327	721	258
Assets written off	3.2	2,055	454	-
Scholarships		88	47	-
Total expenses		236,078	237,001	270,171
Own-source revenue				
Revenue from contracts with customers	1.2A	5,715	4,863	3,312
Other revenue	1.2B	9,190	1,106	1,430
Total own-source revenue		14,905	5,969	4,742
Gains				
Reversal of write-downs and impairments	1.2C	12	519	-
Net cost of services		221,161	230,513	265,429
Revenue from Government	1.2D	266,333	234,205	262,469
Operating surplus / (deficit)		45,172	3,692	(2,960)
Other comprehensive income				
Items not subject to subsequent reclassification to net cost of services				
Increase in asset revaluation reserve	3.2	8,187	43	-
Total comprehensive gain / (loss)		53,359	3,735	(2,960)

The above statement should be read in conjunction with the accompanying notes.

Budget Variances Commentary

Expenses:

Total expenses were \$34.1m below budget, primarily attributable to the following factors:

- Employee Benefits: Underspend of \$21.0m, reflecting lower-than-budgeted average staffing levels and the deferral of certain project related activities to the 2025–26 financial year.
- Supplier Expenses: Underspend of \$14.0m, due to contractor labour market constraints and the deferral of certain project related activities to the 2025–26 financial year.
- Depreciation and Amortisation: Lower than budget by \$2.2m, driven by reduced capitalisation driven expenditure and the renewal of office lease arrangements.
- Asset Write-offs: Totalled \$2.1m, relating to the disposal of leasehold improvements and computer hardware following a reduction in office space and the renewal of the Sydney office lease during the reporting period.

Own-Source Revenue:

Own-source revenue exceeded budget by \$10.2m, primarily due to:

- The reversal of previously anticipated restoration costs reflects the removal of restoration obligations under the terms of the renewed office lease.
- Higher-than-expected cost recoveries for services provided, including secondments to other government agencies and capital adequacy review for Authorised Deposit-taking Institutions (ADIs) under Basel requirements.

Revenue from Government:

- Revenue from Government was \$3.8m above budget, reflecting a higher-than-projected asset growth rate in the superannuation industry during the June 2024 quarter. This over-collection will be returned to industry through the 2025–26 levy collection process.

Operating Result:

- The operating surplus of \$45.2m was \$48.1m higher than budget, driven by the variances outlined above.

Statement of financial position

as at 30 June 2025

	Notes	2025 \$'000	2024 \$'000	Original Budget \$'000
Assets				
Financial assets				
Cash and cash equivalents	3.1A	118,670	69,667	80,147
Trade and other receivables	3.1B	4,999	4,989	4,008
Total financial assets		123,669	74,656	84,155
Non-financial assets				
Property, plant and equipment ¹	3.2	67,806	31,098	76,486
Intangibles	3.2	27,608	36,332	36,871
Prepayments		6,897	7,570	4,756
Total non-financial assets		102,311	75,000	118,113
Total assets		225,980	149,656	202,268
Liabilities				
Payables				
Suppliers	3.3A	5,086	4,590	6,401
Other payables	3.3B	5,870	5,226	7,149
Total payables		10,956	9,816	13,550
Interest bearing liabilities				
Leases	3.4	50,568	19,655	62,576
Total interest bearing liabilities		50,568	19,655	62,576
Provisions				
Employee provisions	6.1	45,831	45,519	58,801
Other provisions	3.5	216	9,616	9,157
Total provisions		46,047	55,135	67,958
Total liabilities		107,571	84,606	144,084
Net assets		118,409	65,050	58,184
Equity				
Contributed equity		16,657	16,657	16,657
Retained surpluses		82,717	37,586	29,763
Asset revaluation reserve		8,227	43	-
Contingency Enforcement Fund		10,808	10,764	11,764
Total equity		118,409	65,050	58,184

The above statement should be read in conjunction with the accompanying notes.

¹ Right-of-Use assets are included in Property, plant and equipment.

Statement of financial position - continued

as at 30 June 2025

Budget Variances Commentary

Assets:

Total assets were \$23.7m above budget, primarily due to:

- Financial Assets: Exceeded budget by \$39.5m, reflecting higher cash balances resulting from lower-than-anticipated employee and supplier expenditure.
- Non-Financial Assets: Were \$15.8m below budget, due to reduced capitalised expenditure and the timing of office lease renewals (refer to Note 3.2).

Liabilities:

Total liabilities were \$36.5m below budget, driven by:

- Employee Provisions: Lower than budget by \$12.9m, reflecting movements in leave provisions and lower average staffing levels (refer to Note 6.1).
- Lease Liabilities: Lower than budget by \$12.0m, largely due to the timing of office lease renewals.
- Other Provisions: Lower than budget by \$8.9m, primarily due to the reversal of restoration costs previously anticipated under restoration obligations, which no longer apply under the terms of the renewed office lease (refer to Note 3.5).

Equity:

Total equity was \$60.2m above budget, attributable to:

- Retained Surpluses: Higher than budget by \$52.9m, reflecting increased revenue and reduced expenditure as outlined in the Statement of Comprehensive Income.
- Asset Revaluation Reserve: Exceeded budget by \$8.2m, due to the revaluation of leasehold improvements following the renewal of office leases.
- Contingency Enforcement Fund (CEF): Lower than budget by \$0.95m, due to utilisation of the fund in relation to legal matters during the year.

Statement of changes in equity

for the year ended 30 June 2025

	2025 \$'000	2024 \$'000	Original Budget \$'000
Contributed equity			
Opening balance	16,657	16,657	16,657
Closing balance as at 30 June	16,657	16,657	16,657
Retained surpluses			
Opening balance	37,586	34,894	33,723
Transfer (to) Contingency Enforcement Fund	(44)	(1,000)	(1,000)
Surplus / (Deficit) for the period	45,172	3,692	(2,960)
Transfer from revaluation reserve	3	-	-
Closing balance as at 30 June	82,717	37,586	29,763
Asset revaluation reserve			
Opening balance	43	-	-
Increase in asset revaluation reserve	8,187	43	-
Transfer to retained surpluses	(3)	-	-
Closing balance as at 30 June	8,227	43	-
Contingency Enforcement Fund			
Opening balance	10,764	9,764	10,764
Transfer from retained surpluses	44	1,000	1,000
Closing balance as at 30 June	10,808	10,764	11,764
Total equity			
Opening balance	65,050	61,315	61,144
Increase in asset revaluation reserve	8,187	43	-
Surplus / (Deficit) for the period	45,172	3,692	(2,960)
Closing balance as at 30 June	118,409	65,050	58,184

The above statement should be read in conjunction with the accompanying notes.

Statement of changes in equity - continued

for the year ended 30 June 2025

Budget Variances Commentary

Retained Surpluses:

- Retained surpluses were higher than budget, reflecting the combined impact of higher-than-anticipated revenue and lower-than-expected expenditure, as outlined in the Statement of Comprehensive Income.

Asset Revaluation Reserve:

- The asset revaluation reserve was higher than budget by \$8.2m due to the revaluation of leasehold improvements following the renewal of office leases.

Contingency Enforcement Fund (CEF):

- The balance of the Contingency Enforcement Fund was \$0.95m below budget, due to drawdowns associated with legal matters during the reporting period.

Cash flow statement

for the year ended 30 June 2025

	Notes	2025 \$'000	2024 \$'000	Original Budget \$'000
Operating activities				
Cash received				
Appropriations		266,242	234,114	262,469
Section 74 receipts received ¹		11,706	-	-
Rendering of services		6,335	4,063	3,312
GST received		4,862	5,884	-
Other		156	528	1,230
Total cash received		289,301	244,589	267,011
Cash used				
Employees		(168,332)	(165,904)	(183,538)
Suppliers		(43,611)	(48,365)	(56,834)
Interest payments on lease liabilities		(1,116)	(376)	-
GST paid		(5,224)	(5,619)	-
Section 74 receipts transferred to Official Public Account (OPA) ¹		(11,706)	-	(258)
Other		-	(1,712)	(1)
Total cash used		(229,989)	(221,976)	(240,631)
Net cash from operating activities		59,312	22,613	26,380
Investing activities				
Cash used				
Purchase of property, plant and equipment		(3,513)	(3,390)	-
Purchase / development of software intangibles		(241)	(2,363)	(8,195)
Net cash used by investing activities		(3,754)	(5,753)	(8,195)
Financing activities				
Cash used				
Principal payments of lease liabilities		(6,555)	(8,100)	(9,200)
Net cash used by financing activities		(6,555)	(8,100)	(9,200)
Net (decrease) / increase in cash held		49,003	8,760	8,985
Cash and cash equivalents at the beginning of the reporting period		69,667	60,907	71,162
Cash and cash equivalents at the end of the reporting period	3.1A	118,670	69,667	80,147

The above statement should be read in conjunction with the accompanying notes.

Cash flow statement - continued

for the year ended 30 June 2025

Budget Variances Commentary

Cash and cash equivalents at the end of the reporting period were \$38.5m above budget, primarily due to:

Operating Activities:

Net cash inflows from operating activities exceeded budget by \$32.9m, driven by:

- Appropriations: Higher than budget by \$3.8m, reflecting the over-collection of industry levies and resulting in increased revenue from government.
- Employee-Related Payments: Lower than budget by \$15.2m, due to lower than budget employee expenses.
- Supplier-Related Payments: Lower than budget by \$13.2m, also due to lower than budget supplier costs.

Investing Activities:

- Net cash used in investing activities was \$4.4m below budget, primarily due to lower purchase and development of software intangibles costs (refer to Note 3.2).

Financing Activities:

- Net cash outflows from financing activities were \$2.6m below budget, reflecting the office lease renewals.

¹ Section 74 transactions have been reinstated in the cash flow statement under operating activities (cash received and cash used) for the current reporting year. These transactions had not been reported since 2021, following the cessation of physical remittance of cash to the Official Public Account (OPA) prior to retention by the Agency.

Administered schedule of comprehensive income for the year ended 30 June 2025

	Notes	2025 \$'000	2024 \$'000	Original Budget \$'000
Net cost of services				
Expenses				
Risk equalisation payments	2.1	405,299	447,327	400,000
Lloyds Security Deposit (held in trust) interest expense	2.1	55	55	55
Total expenses	2.1	405,354	447,382	400,055
Income				
Levy revenue				
Risk equalisation levy collections	2.2A	405,299	447,327	400,000
Financial Institutions Supervisory Levies	2.2A	297,892	266,421	294,071
Total levy revenue		703,191	713,748	694,071
Other revenue				
Enforcement recoveries	2.2B	10,705	783	-
Lloyds Security Deposit (held in trust) interest income	2.2B	55	55	55
Total other revenue		10,760	838	55
Total income		713,951	714,586	694,126
Surplus		308,597	267,204	294,071

The above schedule should be read in conjunction with the accompanying notes.

Budget Variances Commentary

Risk Equalisation:

- Total risk equalisation receipts and payments were \$5.3m above budget, primarily due to higher-than-anticipated benefits paid across the private health insurance industry. This increase reflects elevated activity levels in hospital procedures and treatments, which directly influence the overall scale of risk equalisation levy collections and payments across the sector.

Financial Institutions Supervisory Levies:

- Total Financial Institutions Supervisory Levies exceeded budget by \$3.8m, driven by a higher-than-projected asset growth rate in the superannuation industry during the June 2024 quarter. This over-collection will be returned to industry through the 2025–26 levy process.

Enforcement Recoveries:

- Enforcement recoveries were \$10.7m above budget, primarily due to infringement notices issued to entities within the superannuation sector. These recoveries were transferred to the Government during the reporting period.

Administered schedule of assets and liabilities

as at 30 June 2025

	Notes	2025 \$'000	2024 \$'000	Original Budget \$'000
Assets				
Financial assets				
Cash and cash equivalents	4.1A	-	-	970
Receivables	4.1B	2,380	3,051	3,909
Total assets administered on behalf of Government		2,380	3,051	4,879
Liabilities				
Lloyds Security Deposit (held in trust)	4.3	2,000	2,000	2,000
Total liabilities administered on behalf of Government		2,000	2,000	2,000
Net assets		380	1,051	2,879

The above schedule should be read in conjunction with the accompanying notes.

Budget Variances Commentary

Assets and Net assets:

- Total assets and net assets were \$2.5 million below budget, primarily due to the finalisation of matters associated with the Financial Claims Scheme (FCS) and enforcement activities. All related cash balances were transferred during the reporting period to the Federal Government and the Consolidated Revenue Fund.

Administered reconciliation schedule for the year ended 30 June 2025

	Notes	2025 \$'000	2024 \$'000
Opening assets less liabilities as at 1 July		1,051	2,879
Income		713,951	714,586
Expenses	2.1	(405,354)	(447,382)
Transfers (to) / from the Australian Government:			
Appropriation transfers from Official Public Account (OPA)		405,299	447,327
Appropriation transfers to OPA		(714,567)	(716,359)
Closing assets less liabilities as at 30 June		380	1,051

The above schedule should be read in conjunction with the accompanying notes.

Accounting Policy

Administered Cash Transfers to and from the Official Public Account (OPA)

Revenue collected by APRA for use by the Government rather than APRA is administered revenue. Collections are transferred to the OPA maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the administered cash held by APRA on behalf of the Government and reported as such in the schedule of administered cash flows and in the administered reconciliation schedule.

Administered cash flow statement for the year ended 30 June 2025

	Notes	2025 \$'000	2024 \$'000
Operating activities			
Cash received			
Financial Institutions Supervisory Levies		297,780	266,350
Enforcement recoveries		11,488	1,712
Risk equalisation levy collections		405,299	447,327
Total cash received		714,567	715,389
Cash used			
Risk equalisation levy payments		(405,299)	(447,327)
Total cash used		(405,299)	(447,327)
Net cash from operating activities		309,268	268,062
Cash to Official Public Account			
Financial Institutions Supervisory Levies		(297,780)	(266,350)
Financial Claims Scheme		-	(970)
Enforcement recoveries		(11,488)	(1,712)
Total cash to Official Public Account		(309,268)	(269,032)
Net increase / (decrease) in cash held		-	(970)
Cash at the beginning of the reporting period		-	970
Cash at the end of the reporting period	4.1A	-	-

This schedule should be read in conjunction with the accompanying notes.

Notes to the financial statements

Overview

Objectives of the Australian Prudential Regulation Authority (APRA)

APRA is an independent statutory authority established for the purpose of prudential supervision of financial institutions and for promoting financial stability in Australia. APRA's role is to regulate relevant financial institutions through a robust prudential framework of legislation, prudential standards and guidance, which aims to ensure that risk-taking is conducted within reasonable bounds and that risks are clearly identified and well-managed. In performing and exercising its functions, APRA is required to balance the objectives of financial safety and efficiency, competition, contestability and competitive neutrality, and, in doing so, to promote financial system stability in Australia. APRA is a not-for-profit entity.

APRA's activities contributing toward these outcomes are classified as either 'departmental' or 'administered'. Departmental activities involve the use of assets, liabilities, revenues and expenses controlled or incurred by APRA in its own right. Administered activities involve the management or oversight by APRA, on behalf of the Government, of items controlled or incurred by the Government.

APRA's continued existence in its present form and with its present programs is dependent on Government policy and on continuing appropriations from Parliament.

Basis of preparation of the financial statements

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The financial statements have been prepared in accordance with:

- the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR); and
- Australian Accounting Standards and Interpretations - Including simplified disclosures for Tier 2 Entities under AASB1060 issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

New Accounting Standards

All new, revised or amending standards and/or interpretations that were issued prior to the sign-off date were reviewed with no impact on APRA's financial statements.

Taxation

APRA is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

Reporting of administered activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the Administered Schedules and related notes. These administered items are distinguished from departmental items throughout these financial statements by background shading. Except where otherwise stated, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

Events after the reporting period

Departmental

There were no significant events occurring after the statement of financial position date that have the potential to significantly affect the ongoing financial activities of APRA.

Administered

There were no significant events occurring after the statement of financial position date that have the potential to significantly affect the administered activities of APRA.

DEPARTMENTAL FINANCIAL PERFORMANCE

This section analyses the departmental financial performance of the Australian Prudential Regulation Authority for the year ended 30 June 2025.

1.1 Expenses

	2025 \$'000	2024 \$'000
1.1A: Employee benefits		
Wages and salaries	135,163	131,395
Superannuation		
Defined contribution plans	15,436	15,038
Defined benefit plans	524	843
Leave and other entitlements	17,104	16,532
Separation and redundancies	891	1,647
Other employee benefits	386	441
Total employee benefits	169,504	165,896

Accounting policy

Accounting policies for employee-related expenses are detailed in section 6: People and relationships.

1.1B: Suppliers

Services rendered

Professional services & consultants	9,781	10,524
Information, communication and technology	12,040	12,195
Contractors	7,819	7,974
Administrative	4,771	4,709
Property	2,877	2,967
Training and conferences	2,604	3,069
Travel	1,903	1,921
Total services rendered	41,795	43,359

Other suppliers

Workers compensation expenses	689	519
Short-term leases and leases of low value assets	503	48
Total other suppliers	1,192	567
Total suppliers	42,987	43,926

Accounting policy

Short-term leases and leases of low value assets

APRA has elected not to recognise Right-of-Use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets (less than \$10,000). APRA recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

1.1C: Finance costs

Interest on lease liabilities	1,116	376
Adjustment to discount on restoration provisions	207	341
Banking fees	4	4
Total finance costs	1,327	721

The above lease disclosures should be read in conjunction with accompanying notes 3.4 and 3.5.

1.2 Own-source revenue and gains

	Notes	2025 \$'000	2024 \$'000
1.2A: Revenue from contracts with customers			
Rendering of services		5,715	4,863
Total revenue from contracts with customers		5,715	4,863
Type of service			
Statistical data collection services		794	927
Cost recoveries for employees on secondment		1,714	1,156
Capital adequacy assessment services		3,207	2,780
Total revenue from contracts with customers		5,715	4,863
Type of customer			
Australian Government entities (related parties)		2,508	2,083
Non-government entities		3,207	2,780
Total revenue from contracts with customers		5,715	4,863
1.2B: Other revenue			
Licence fees from finance sector entities		344	564
Resources received free of charge		170	200
Fees from foreign bank representative offices		47	62
Gain from release of restoration provisions		8,475	-
Other		154	280
Total other revenue		9,190	1,106

Accounting policies

Rendering of services and other revenue

Revenue from rendering of services is recognised progressively as the services are provided to the customer where it can be demonstrated that:

- the customer simultaneously receives and consumes the services as they are provided;
- the services create an asset that the customer controls as the asset is created; or
- the services have no alternative use to APRA and an enforceable right to either a payment or the retention of a payment exists for work completed to date.

The amount of revenue recognised is determined by reference to progress made in satisfying any obligations that exist.

Where the criteria are not met to recognise revenue over time, revenue is recognised at a point in time once performance obligations are satisfied and control has transferred to the customer. Revenue and receipts from sources other than an Appropriation Act are classified as Section 74 receipts.

Receivables for services, which have 30-day terms, are recognised at the nominal amounts due less impairment allowances, if applicable. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Resources received free of charge

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature. The resources received free of charge by APRA are audit services from the Australian National Audit Office (ANAO) of \$170,000 (2024: \$200,000).

1.2C: Reversal of write-downs and impairments

Reversal of impairment losses	12	519
Total reversal of previous asset write-downs and impairment	12	519

1.2D: Revenue from Government

Statutory credits	249,972	224,841
Departmental appropriation	16,361	9,364
Total revenue from Government	266,333	234,205

Accounting policy

Revenue from Government

Amounts appropriated for the year (adjusted for formal additions and reductions) and statutory credits are recognised as revenue from Government when APRA gains control of the appropriation.

Appropriations receivable are recognised at their nominal amounts.

Income and expenses administered on behalf of Government

This section analyses the activities that the Australian Prudential Regulation Authority does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

2.1 Administered - Expenses

	Notes	2025 \$'000	2024 \$'000
Expenses			
Risk equalisation levy payments		405,299	447,327
Lloyds Security Deposit (held in trust) interest expense	4.2	55	55
Total other expenses		405,354	447,382

Accounting policy

Expenses

Private health insurance risk equalisation expenses reflect amounts returned to relevant industry participants. These are recognised as administered expenses.

2.2 Administered - Income

	2025 \$'000	2024 \$'000
Revenue		
2.2A: Levy revenue		
Risk equalisation levy receipts	405,299	447,327
Financial Institutions Supervisory Levies and penalties (see Table 1) ¹	297,892	266,477
Supervisory Levy waivers (see Table 2)	-	(56)
Total levy revenue	703,191	713,748

Accounting policy

Revenue

Most of the administered revenues relate to the ordinary activities performed by APRA on behalf of the Australian Government. These revenues are not directly available to be used by APRA for its own purposes and are remitted to the OPA, or in the case of the private health insurance risk equalisation levies, returned to the relevant industry participants in accordance with the *Private Health Insurance (Risk Equalisation Policy) Rules 2015* (the Rules).

APRA undertakes the collection of certain levies on behalf of the Government. These comprise Financial Institutions Supervisory Levies, Financial Assistance Levies and late payment penalties collected under the *Financial Institutions Supervisory Levies Collection Act 1998*. Risk equalisation levy receipts are set to equalise risk across the private health insurance industry, and are returned to relevant industry participants in accordance with the Rules shortly after they are collected.

The Financial Institutions Supervisory Levies are set to recover the operational costs of APRA, and other specific costs incurred by certain Commonwealth agencies and departments.

Administered revenue arising from levies (including Financial Assistance Levies) is recognised on an accrual basis, in line with the Minister's regulations and determinations. The collectability of debts is reviewed at balance date. Provisions are made when collection of the debt is judged to be less, rather than more likely.

Table 1: Financial Institutions Supervisory Levies revenue by type

Levy:

Superannuation funds	123,517	113,100
Authorised deposit-taking institutions	107,425	91,689
General insurers	34,296	30,662
Life insurers and friendly societies	22,620	20,384
Private health insurers	10,000	10,400
Total Financial Industry Supervisory Levies	297,858	266,235

Late payment penalties:

Superannuation funds	34	242
Total late payment penalties	34	242
Total current year financial industry levies and penalties	297,892	266,477

¹ Financial Institutions Supervisory Levies are detailed in an annual consultation paper released by The Treasury. In addition, APRA publishes a Cost Recovery Implementation Statement in relation to its component of the Financial Institutions Supervisory Levies.

Table 2: Levies and late payment penalties waived by type

Waivers:

Superannuation funds	-	(56)
Total waivers	-	(56)

Waivers of levy debts are recognised as an offset to invoiced revenue at the time of approval by delegated APRA officials. Waivers generally occur due to a change of status of a supervised entity during the year, resulting in the annual levy being wholly or partly waived.

2.2B: Other revenue

Enforcement recoveries	10,705	783
Lloyds Security Deposit (held in trust) interest income	55	55
Total other revenue	10,760	838
Total revenue	713,951	714,586

Departmental financial position

This section analyses the Australian Prudential Regulation Authority's assets used to conduct its operations and the operating liabilities incurred as a result.

Employee-related information is disclosed in the People and Relationships section (section 6).

3.1 Financial assets

	2025 \$'000	2024 \$'000
3.1A: Cash and cash equivalents		
Cash in special account	116,519	68,026
Cash on deposit	2,151	1,641
Total cash and cash equivalents	118,670	69,667

Accounting policy

Cash is recognised at its nominal amount. Cash and cash equivalents includes:

- a) Demand deposits in bank accounts that are readily convertible to known amounts of cash; and
- b) Cash in special accounts.

3.1B: Trade and other receivables

Services receivable

Services receivable	4,057	4,278
Total services receivable	4,057	4,278

Appropriations receivable

Statutory credits receivable	183	92
Total appropriations receivable	183	92

Other receivables

GST receivable from the Australian Taxation Office	454	463
Other	305	156
Total other receivables	759	619
Total trade and other receivables (gross)	4,999	4,989

Less: impairment loss allowance

Total trade and other receivables (net)	4,999	4,989
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Credit terms for services rendered were within 30 days (2024: 30 days).

Accounting policies

Financial assets

Trade receivables, loans and other receivables that are held for the purpose of collecting the contractual cash flows where the cash flows are solely payments of principal and interest, that are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for a loss allowance, if applicable.

Impairment of financial assets

Financial assets are individually assessed for impairment at each balance date.

3.2 Non-financial assets

Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

	Right of Use lease assets \$'000	Leasehold improvements \$'000	Computer hardware and office equipment \$'000	Total property plant and equipment \$'000	Computer software internally developed \$'000	Computer software purchased \$'000	Total intangibles \$'000	Total \$'000
As at 1 July 2024								
Gross book value	58,743	27,247	5,911	91,901	105,193	9,643	114,836	206,737
Accumulated depreciation, amortisation and impairment	(41,692)	(19,110)	(1)	(60,803)	(70,274)	(8,230)	(78,504)	(139,307)
Net book value 1 July 2024	17,051	8,137	5,910	31,098	34,919	1,413	36,332	67,430
Additions:								
By purchase	3,858	3,335	178	7,371	-	-	-	7,371
Internally developed	-	-	-	-	241	-	241	241
Cost adjustment ¹	37,535	-	-	37,535	-	-	-	37,535
Reclassification	-	-	(127)	(127)	-	-	-	(127)
Depreciation and amortisation:								
Depreciation and amortisation expense	(6,414)	(2,802)	(1,945)	(11,161)	(8,294)	(662)	(8,956)	(20,117)
Revaluations recognised in other comprehensive income²	-	8,194	-	8,194	-	-	-	8,194
Disposals:								
Assets written off ³	(3,399)	(1,669)	(36)	(5,104)	(9)	-	(9)	(5,113)
Net book value 30 June 2025	48,631	15,195	3,980	67,806	26,857	751	27,608	95,414
Net book value as at 30 June 2025 represented by:								
Gross book value	84,837	15,345	5,890	106,072	99,026	8,749	107,775	213,847
Accumulated depreciation, amortisation and impairment	(36,206)	(150)	(1,910)	(38,266)	(72,169)	(7,998)	(80,167)	(118,433)
Net book value 30 June 2025	48,631	15,195	3,980	67,806	26,857	751	27,608	95,414

¹ During the year, a cost adjustment of \$37.4m was recognised for Right of Use assets, related to a lease modification for the Sydney office following a seven-year lease extension. An additional adjustment of \$0.14m was recognised in relation to a one-year lease extension for the Adelaide office.

² In June 2025 a valuation for leasehold improvements was undertaken by an independent valuer. The valuation resulted in an increase in value of \$8.1m which has been recognised through an increase to the asset revaluation reserve in other comprehensive income. In addition, the provision for restoration costs increased by \$7k (see Note 3.5), resulting in a total increase of \$8.2m.

³ Assets written off during the year relates mostly to the disposal of in Leasehold improvements (restoration costs and fitout) and Right of Use lease assets associated with the Sydney office. The total written off amounted to \$5.1m. This was partially offset by a \$3.0m gain from the release of the lease liability for Level 14 of the Sydney office, resulting in a net expense of \$2.1m recognised under asset written off expenses.

Revaluations of non-financial assets

Revaluations are conducted in accordance with the revaluation policy stated in this Note 3.2.

No significant non-financial assets are expected to be sold, disposed of or retired within the next 12 months.

No material contractual commitments for the purchase of property, plant and equipment and intangible assets currently exist.

3.2 Non-financial assets - continued

Accounting policies

Assets are recorded at cost on acquisition, except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for a nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructure.

Asset recognition threshold

Purchases of leasehold improvements and computer hardware / software are initially recognised at cost in the statement of financial position, except for purchases costing less than \$5,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items that are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to restoration provisions in property leases where there exists an obligation to restore the property to its original condition. These costs are included in the value of APRA's leasehold improvements with a corresponding provision for the restoration recognised.

Lease Right of Use (RoU) Assets

Leased RoU assets are capitalised at the commencement date of the lease and comprise the initial lease liability amount, direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by APRA as separate asset classes to assets owned outright, but included in the same category as where the corresponding underlying assets would be presented if they were owned.

Following initial application, an impairment review is undertaken for any Right of Use lease asset that shows indicators of impairment and an impairment loss is recognised against any Right of Use lease asset that is impaired. Lease RoU assets continue to be measured at cost after initial recognition in the financial statements.

Revaluations

Following initial recognition at cost, property, plant and equipment (excluding RoU assets) are carried at fair value, less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency such that the carrying amounts of assets do not differ materially from the assets' fair values at the reporting date. The regularity of independent valuations depend on the volatility of movements in market values for the relevant assets. APRA conducts such valuations usually every three years as at 30 June. An independent valuation was undertaken in June 2025, effective 30 June 2025. The valuation included a reassessment of the restoration costs as at June 2025.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus / deficit. Revaluation decrements for a class of assets are recognised directly in the surplus / deficit except to the extent that they reversed a previous revaluation increment for that asset class.

Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

3.2 Non-financial assets - continued

Depreciation

Depreciable computer hardware / software assets are written-off over their estimated useful lives to APRA using, in all cases, the straight-line method of depreciation. Leasehold improvements are depreciated on a straight -line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation rates (useful lives) and residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2025	2024
Right of Use finance lease assets*	Lease term	Lease term
Leasehold improvements	Lease term	Lease term
Computer hardware, software & intangibles	3 to 10 years	3 to 10 years

* The depreciation rates for RoU assets are based on the commencement date to the earlier of the end of the useful life of the RoU asset or the end of the lease term.

Impairment

All assets were assessed for impairment as at 30 June 2025. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if APRA were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

Leasehold improvements or computer hardware / software are derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Intangibles

APRA's intangibles comprise internally developed software and purchased software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Cloud-based Software-As-A-Service (SAAS) services, and the configuration work required to enable the use of such services, are not considered capital expenditure. Such configuration work is expensed as it is incurred.

All software assets were assessed for indications of impairment as at 30 June 2025.

Significant accounting judgements and estimates

Management performs a detailed review each reporting period to assess whether there are any indicators of impairment. This review involves the use of management judgement.

Fair value measurement

Following initial recognition at cost, leasehold improvements, computer hardware and office equipment are carried at fair value, less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency such that the carrying amounts of assets do not differ materially from the assets' fair values at the reporting date. The regularity of independent valuations depend on the volatility of movements in market values for the relevant assets.

3.3 Payables

	2025 \$'000	2024 \$'000
3.3A: Suppliers		
Trade creditors and accruals	5,086	4,590
Total suppliers	5,086	4,590

Suppliers are expected to be settled in less than 12 months.

3.3B: Other payables

Salaries and wages	5,419	4,558
Unearned revenue	359	223
GST payable / (receivable) to the Australian Taxation Office	-	370
Other	92	75
Total other payables	5,870	5,226

Accounting policy

Financial liabilities

APRA classifies its financial liabilities as 'payables'. Supplier and other payables are recognised at amortised cost.

Liabilities are recognised to the extent that the goods or services have been received, irrespective of having been invoiced.

3.4 Interest bearing liabilities

	2025 \$'000	2024 \$'000
3.4: Leases		
Lease liabilities	50,568	19,655
Total leases	50,568	19,655
Maturity analysis - contractual undiscounted cash flows		
Within 1 year	7,687	8,883
Between 1 to 5 years	26,755	11,034
More than 5 years	25,253	-
Total leases	59,695	19,917

Total cash outflow for leases for the year ended 30 June 2025 was \$7,671,000 (2024: \$8,476,000).

Accounting policy

Leases

For all new contracts entered into, APRA considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or APRA's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the Right-of-Use asset or profit and loss depending on the nature of the reassessment or modification.

3.5 Other provisions

	Leasehold improvements provision for restoration	Total other provisions
	\$'000	\$'000
Carrying amount as at 1 July	9,616	9,616
Increase / (decrease) in provisions	7	7
Adjustment for lease extensions	(12)	(12)
Provisions released	(8,475)	(8,475)
Payments	(1,127)	(1,127)
Annual adjustment to discount on restoration provisions	207	207
Closing balance as at 30 June	216	216

At 30 June 2025, APRA leased premises in Sydney, Melbourne, Brisbane, Canberra and Adelaide.

The lease conditions of the Adelaide location require APRA, upon expiration of the lease, to restore the premises to the original condition. For the other locations the requirement is to leave the premises in a clean and tidy condition at the end of the lease. APRA has made the required provisions to reflect the present value of these obligations.

Significant accounting judgements and estimates

Leasehold improvements provision for restoration

Estimated cost per square metre to restore the leased properties to the required condition are:

Sydney - \$nil (2024: \$1,065); Melbourne - \$nil (2024: \$785); Adelaide - \$795 (2024: \$760); and Brisbane - \$60 (2024: \$60).

During the year, restoration provisions for the Sydney and Melbourne offices were released following the removal of the associated obligations, resulting in a payment of \$1.13m and a gain of \$8.48m (see note 1.2). A reassessment of restoration costs for the Adelaide office led to an increase in the provision by \$7k. The related Leasehold improvement assets were revalued (see note 3.2). The net impact of these changes is reflected in the statement of comprehensive income.

Accounting policy

Leasehold improvements provision for restoration

Leasehold improvements provisions for restoration are initially measured at fair value, net of transaction costs. These are adjusted each year using an effective interest rate method to estimate the present value of the future obligation at the end of the reporting period. The effective interest rate is the rate that exactly discounts the estimated future cash payments at the end of the expected life of the provision.

Assets and liabilities administered on behalf of the Government

This section analyses assets used to conduct operations and the operating liabilities incurred as a result of activities that APRA does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

4.1 Administered - Financial assets

	2025 \$'000	2024 \$'000
4.1A: Cash and cash equivalents		
Financial Claims Scheme	-	-
Total cash and cash equivalents	-	-
4.1B: Receivables		
Lloyds Security Deposit (held in trust) ¹	2,000	2,000
Financial Assistance Levy	197	197
Financial Institutions Supervisory Levies	183	71
Enforcement recoveries	-	783
Total receivables	2,380	3,051
 ¹ See note 4.2 for further details.		
Receivables were aged as follows:		
Not overdue	2,181	2,853
Overdue by:		
0 to 30 days	-	1
more than 90 days ²	199	197
Total receivables	2,380	3,051

² There is no impairment allowance in 2025: Nil (2024: Nil). The receivables greater than 90 days relate to the previous Financial Assistance Levy (FAL) that were charged to superannuation funds that were no longer APRA-regulated institutions at the levy date. The outstanding amount will be added to the next FAL and collected at that time.

4.2 Administered - Assets held in trust

Monetary assets

The Lloyds Security Deposit is held by APRA in trust. Responsibility for the administration of the Lloyds Security Deposit was transferred from The Treasury to APRA on 26 May 2008. The purpose is to disburse amounts in accordance with section 92Q of the *Insurance Act 1973*.

	2025 \$'000	2024 \$'000
Lloyds Security Deposit (held in trust)		
Total amount held at the beginning of the reporting period	2,000	2,000
Receipts	(55)	(55)
Payments	55	55
Total amount held at the end of the reporting period	2,000	2,000
Total	2,000	2,000

The market valuation as at 30 June 2025 for the Lloyd's Security Deposit was \$2,063,687 (2024: \$2,091,814).

Non-monetary assets

APRA has no non-monetary assets held in trust.

4.3 Administered - Payables

	2025 \$'000	2024 \$'000
Other payables		
Lloyds Security Deposit (held in trust)	2,000	2,000
Total other payables	2,000	2,000

Funding

This section identifies the Australian Prudential Regulation Authority's funding structure.

5.1 Appropriations

5.1A: Annual appropriations ('recoverable GST exclusive')

Annual appropriations for 2025

	Annual Appropriation	Adjustments to appropriation ¹	Total appropriation	Appropriation applied in 2025 (current and prior years)	Variance
	\$'000	\$'000	\$'000	\$'000	\$'000
Departmental					
Ordinary annual services	16,361	11,706	28,067	28,067	-
Total departmental	16,361	11,706	28,067	28,067	-
Administered					
Other services					
New administered outcomes	-	-	-	-	-
Total administered	-	-	-	-	-

¹ PGPA Act Section 74 receipts

Annual appropriations for 2024

	Annual Appropriation	Adjustments to appropriation	Total appropriation	Appropriation applied in 2024 (current and prior years)	Variance
	\$'000	\$'000	\$'000	\$'000	\$'000
Departmental					
Ordinary annual services	9,364	4,754	14,118	14,118	-
Total departmental	9,364	4,754	14,118	14,118	-
Administered					
Other services					
New administered outcomes	-	-	-	-	-
Total administered	-	-	-	-	-

5.1 Appropriations - continued

5.1B: Unspent annual appropriations ('recoverable GST exclusive')

	2025 \$'000	2024 \$'000
Departmental		
Appropriation Act (No. 1) 2024-25	-	-
Appropriation Act (No. 1) 2023-24	-	-
Total	-	-

5.1C: Special appropriations - Administered ('recoverable GST exclusive')

APRA administers the below three Special Appropriations; however, there are no balances and no transactions in the current or previous periods.

Authority:

Insurance Act 1973, s.92Q(5)

Public Governance, Performance and Accountability Act 2013, s.77

Superannuation Industry (Supervision) Act 1993, s.231(4)

5.2 Special Accounts

	APRA Special Account (Departmental) ¹		Financial Claims Scheme Special Account (Administered) ²		Risk Equalisation Special Account (Administered) ³	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Balance brought forward from previous period	69,667	60,907	-	970	-	-
Increases:						
Departmental						
Statutory credits for reporting period	249,881	224,750	-	-	-	-
Appropriation Act No.1 and Supply Act No.1	16,361	9,364	-	-	-	-
S74 Receipts	11,706	-	-	-	-	-
Other receipts	11,353	10,475	-	-	-	-
Total departmental increases	289,301	244,589	-	-	-	-
Administered						
Special appropriation for reporting period	-	-	-	-	405,299	447,327
Total administered increases	-	-	-	-	405,299	447,327
Available for payments	358,968	305,496	-	970	405,299	447,327
Decreases:						
Departmental						
Total departmental decreases	(240,298)	(235,829)	-	-	-	-
Administered						
Repayments made from the Special Account	-	-		(970)	(405,299)	(447,327)
Total administered decreases	-	-	-	(970)	(405,299)	(447,327)
Total balance carried to the next period	118,670	69,667	-	-	-	-
Balance represented by						
Cash in APRA official bank accounts	2,151	1,641	-	-	-	-
Cash with the Official Public Account (OPA)	116,519	68,026	-	-	-	-
Total balance carried to the next period	118,670	69,667	-	-	-	-

5.2 Special Accounts - continued

¹ **Special account:** *Public Governance, Performance and Accountability Act 2013, section 80.*

Establishing Act: *Australian Prudential Regulation Authority Act 1998, section 52.*

Purpose: To pay the costs and other obligations incurred by APRA in the performance of its functions or the exercise of its powers; to pay any remuneration or allowances payable to persons appointed or engaged under the APRA Act; and to make any other payments that APRA is authorised or required to make under the APRA Act or any other law of the Commonwealth (refer subsection 54(1) of the *Australian Prudential Regulation Authority Act 1998*).

² **Appropriation:** *Public Governance, Performance and Accountability Act 2013, section 80.*

Establishing Act: *Australian Prudential Regulation Authority Act 1998, section 54A.*

There were no transactions debited or credited to this special account in the current reporting period.

Purpose: To meet account-holders' entitlements under Subdivision C (Payment of account-holders with declared ADI) of Division 2AA of Part II of the *Banking Act 1959*; meet persons' entitlements under Division 3 (Early payment of claims) of Part VC of the *Insurance Act 1973*; pay APRA's agents or delegates amounts equal to the entitlements the agents or delegates meet on APRA's behalf or in the performance of APRA's delegated functions; and repayment of principal, interest and other costs connected with the borrowings under Part 5, Division 2 of the APRA Act (refer to section 54C of the *Australian Prudential Regulation Authority Act 1998*).

³ **Appropriation:** *Public Governance, Performance and Accountability Act 2013, section 80.*

Establishing Act: *Private Health Insurance Act 2007, section 318-1.*

There were 119 (2024: 126) transactions debited and credited to the Risk Equalisation Special Account in the current reporting period.

Purpose: To make payments to private health insurers in accordance with the *Private Health Insurance (Risk Equalisation Policy) Rules 2015* (refer to section 318-10 of the *Private Health Insurance Act 2007*).

Collapsed Insurer Special Account

Appropriation: *Public Governance, Performance and Accountability Act 2013, section 80.*

Establishing Act: *Australian Prudential Regulation Authority Act 1998, section 54F.*

There were no transactions debited or credited to the Collapsed Insurer Special Account in the current reporting period, which keeps the account with a \$nil balance.

Purpose: To make payments to help meet a collapsed insurer's liabilities to the people insured under its complying health insurance policies that the collapsed insurer is unable to meet itself; to make payments by way of refund of amounts paid by way of the collapsed insurer levy or late payment penalty in respect of unpaid amounts of the collapsed insurer levy; and to meet APRA's associated administrative costs under subsection 54H(1) of the *Australian Prudential Regulation Authority Act 1998*.

5.3 Regulatory charging summary

	2025 \$'000	2024 \$'000
Amounts applied		
Departmental		
Statutory credits (including special accounts)	249,972	224,841
Departmental appropriation	16,361	9,364
Own source revenue	14,735	5,769
Reversal of write-downs and impairments	12	519
Administered	-	-
Total amounts applied	281,080	240,493
Expenses		
Departmental	235,908	236,801
Administered	-	-
Total expenses	235,908	236,801
External revenue		
Departmental	281,080	240,493
Administered	-	-
Total revenue	281,080	240,493

Regulatory charging activities:

- Financial Industry Supervisory Levies
- Statistical information provided to RBA and ABS
- Licence fees and other charges
- Assessment of models-based capital adequacy requirements for ADIs - Basel Framework
- Removal of restoration obligations under the terms of the renewed office lease.

Cost recovery implementation statements for the above activities, excluding charges to the RBA and ABS as these are intra-governmental, are available at:

<https://www.apra.gov.au/adis-fees-and-levies>

People and relationships

This section describes a range of employment and post employment benefits provided to our people and our relationships with other key people.

6.1 Employee provisions

	2025 \$'000	2024 \$'000
Employee provisions		
Leave	45,752	45,451
Other employee provisions	79	68
Total employee provisions	45,831	45,519

Accounting policies

Liabilities for short-term employee benefits and termination benefits expected within 12 months of the balance date are measured at their nominal amounts.

Leave

The liability for employee benefits includes provision for annual leave and long service leave.

The annual and long service leave liabilities are calculated on the basis of employees' remuneration at the estimated salary and superannuation rates that will be applied at the time the leave is taken during service rather than paid out on termination. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Superannuation

Certain employees of APRA are members of the Commonwealth Superannuation Scheme (CSS) and the Public Sector Superannuation Scheme (PSS). The CSS and PSS are defined benefit schemes for the Australian Government. The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

All other long-term employee benefits are measured as the net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

APRA makes employer contributions to the employees' defined benefit superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. APRA accounts for the contributions as if they were contributions to defined contribution plans. APRA also makes employer contributions to defined benefit schemes for former employees of the Reserve Bank of Australia and State-based regulators respectively. These defined benefit liabilities are recognised in the financial statements of the relevant funds.

For all other employees, employer contributions are made to the PSS accumulation plan or other superannuation (accumulation) funds as nominated by the employee.

Significant accounting judgements and estimates

The employee leave provisions have been determined by reference to standard parameters provided by the Department of Finance as well as an estimate of the proportion of leave likely to be taken in-service as compared to taken on termination. The leave taken was analysed and reviewed against the estimated leave to be taken and factored into the calculation. The expected long-term average annual salary growth rate assumption used in the calculation is 4% (2024: 4.5%).

6.2 Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. In 2024-25 APRA has determined the key management personnel to be the Cabinet Ministers and the APRA Members, whose remuneration and other benefits are set by the Remuneration Tribunal.

The key management personnel remuneration reported here excludes the remuneration and other benefits of the Cabinet Ministers. Their remuneration and other benefits are not paid for by APRA.

The total number of key management personnel included in the table below are: 4 (2024: 4).

2024/25 APRA key management personnel	Position	Period
John Lonsdale	Chair	1 July 2024 to 30 June 2025
Margaret Cole	Deputy Chair	1 July 2024 to 30 June 2025
Suzanne Smith	Member	1 July 2024 to 30 June 2025
Therese McCarthy Hockey	Member	1 July 2024 to 30 June 2025

Key management personnel remuneration is reported in the table below:

	2025 \$'000	2024 \$'000
Short-term employee benefits	2,981	3,023
Post-employment benefits	212	200
Other long-term benefits	135	143
Total key management personnel remuneration expenses	3,328	3,366

6.3 Related party disclosures

Related party relationships

APRA is an Australian Government controlled entity. Related parties to APRA are the key management personnel, including Cabinet Ministers and other Australian Government entities.

Transactions with related parties

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate or higher education loans. These transactions have not been separately disclosed in this note.

Refer to Note 6.1 Employee provisions for details on superannuation arrangements in the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), and the PSS accumulation plan (PSSap).

APRA transacts with other Australian Government controlled entities consistent with normal day-to-day business operations provided under normal terms and conditions, including the payment of workers compensation and insurance premiums. These are not considered individually significant to warrant separate disclosure as related party transactions.

Managing uncertainties

This section analyses how the Australian Prudential Regulation Authority manages financial risks within its operating environment.

7.1 Contingent assets and liabilities

Significant contingent assets

APRA has no significant contingent assets as at the balance date (2024: Nil).

Quantifiable contingencies (APRA departmental)

APRA has no quantifiable contingencies as at the balance date (2024: Nil).

Unquantifiable contingencies (APRA departmental)

APRA has no unquantifiable contingencies as at the balance date (2024: Nil).

Accounting policy

Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the *Statement of financial position* but are reported in this note. They may arise from uncertainty as to the existence of an asset or liability, or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when the probability of settlement is greater than remote.

7.2 Administered contingent assets and liabilities

Unquantifiable administered contingencies

APRA is responsible for the administration of the Financial Claims Scheme (FCS). The FCS provides depositors of authorised deposit-taking institutions (ADIs) and claimants of general insurers (GIs) with timely access to their funds in the event of a financial institution failure.

Under the *Banking Act 1959* the Scheme provides a mechanism for making payments to depositors under the Government's guarantee of deposits in ADIs. Payments are capped at \$250,000 per account holder per ADI, with the aggregate amount of payments covered under the Scheme estimated to be \$1.38 trillion as at 31 December 2024.

Under the *Insurance Act 1973* the Scheme provides a mechanism for making payments to eligible beneficiaries with a valid claim against a failed GI. It is not possible to estimate these potential claims.

In the very unlikely event of an ADI or GI failure, any payments made under the FCS would be recovered through the liquidation of the failed institution. If there was a shortfall in the amount recovered through the liquidation of the failed institution, a levy could be applied to the relevant industry to recover the difference between the amount expended and the amount recovered in the liquidation.

Under the FCS, payments to account-holders with protected accounts or eligible claimants would be made from APRA's FCS Special Account. Under the legislation, initial amounts available to meet payments, in the event of activation, are up to \$20 billion per institution and up to \$100 million for administration.

It is not possible to estimate the amounts of the eventual payments that may be required in relation to either the ADI FCS or GI FCS and as such no amount is included in this note.

7.3 Financial instruments

	Notes	2025 \$'000	2024 \$'000
7.3A: Categories of financial instruments			
Financial assets measured at amortised cost			
Cash and cash equivalents	3.1A	118,670	69,667
Trade receivables	3.1B	4,057	4,278
Other receivables	3.1B	305	156
Total financial assets at amortised cost		123,032	74,101
Financial liabilities			
Financial liabilities measured at amortised cost			
Trade creditors and accruals	3.3A	5,086	4,590
Total financial liabilities at amortised cost		5,086	4,590

7.3B: Net gains or losses on financial assets

There were no net gains or losses on financial assets during the current or previous period.

7.3C: Net gains or losses on financial liabilities

There were no net gains or losses on financial liabilities during the current or previous period.

Accounting policy

Financial assets

In accordance with *AASB 9 Financial Instruments*, APRA classifies its financial assets in the following categories:

- financial assets at fair value through other comprehensive income; and
- financial assets measured at amortised cost.

The classification depends on both APRA's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when APRA becomes a party to a contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

Financial assets at amortised cost

Financial assets included in this category need to meet two criteria:

- the financial asset is held in order to collect the contractual cash flows; and
- the cash flows are solely payments of principal and interest on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

Effective interest method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

Impairment of financial assets

Financial assets are assessed for impairment at the end of each reporting period based on expected credit losses, using the general approach which measures the loss allowance based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased.

The simplified approach for trade, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Financial liabilities at amortised cost

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

7.4 Administered financial instruments

	2025 \$'000	2024 \$'000		
7.4A: Categories of financial instruments				
Financial assets at amortised cost				
Other receivables	2,000	2,000		
Total financial assets at amortised cost	2,000	2,000		
Financial liabilities				
Financial liabilities measured at amortised cost				
Trade creditors and accruals	2,000	2,000		
Total financial liabilities measured at amortised cost	2,000	2,000		
7.4B: Net gains or losses on financial assets				
There were no net gains or losses on financial assets during the current or previous period.				
7.4C: Net gains or losses on financial liabilities				
There were no net gains or losses on financial liabilities during the current or previous period.				
7.4D: Fair value of financial instruments				
	Carrying amount 2025 \$'000	Fair value 2025 \$'000	Carrying amount 2024 \$'000	Fair value 2024 \$'000
Financial assets				
Other receivables	2,000	2,064	2,000	2,092
Total financial assets	2,000	2,064	2,000	2,092
Financial Liabilities				
Trade creditors and accruals	2,000	2,064	2,000	2,092
Total financial liabilities	2,000	2,064	2,000	2,092

8.1 Current/non-current distinction for assets and liabilities

8.1A : Current/non-current distinction for assets and liabilities

	2025 \$'000	2024 \$'000
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	118,670	69,667
Trade and other receivables	4,999	4,989
Prepayments	6,058	5,693
Total no more than 12 months	129,727	80,349
More than 12 months		
Property, plant and equipment	67,806	31,098
Intangibles	27,608	36,332
Prepayments	839	1,877
Total more than 12 months	96,253	69,307
Total assets	225,980	149,656
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	5,086	4,590
Other payables	5,870	5,226
Leases	5,758	8,665
Employee provisions	16,708	16,850
Other provisions	216	1,079
Total no more than 12 months	33,638	36,410
More than 12 months		
Leases	44,810	10,990
Employee provisions	29,123	28,669
Other provisions	-	8,537
Total more than 12 months	73,933	48,196
Total liabilities	107,571	84,606

8.1B : Administered - current/non-current distinction for assets and liabilities

	2025 \$'000	2024 \$'000
Assets expected to be recovered in:		
No more than 12 months		
Receivables	183	854
Total no more than 12 months	183	854
More than 12 months		
Receivables	197	197
Lloyds Security Deposit (held in trust)	2,000	2,000
Total more than 12 months	2,197	2,197
Total assets	2,380	3,051
Liabilities expected to be settled in:		
More than 12 months		
Lloyds Security Deposit (held in trust)	2,000	2,000
Total more than 12 months	2,000	2,000

List of requirements

PGPA Rule Reference	Part of Report	Description	Requirement
17AD(g)	Letter of transmittal		
17AI	Page 1	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory
17AD(h)	Aids to access		
17AJ(a)	Page 2	Table of contents	Mandatory
17AJ(b)	Page 133	Alphabetical index	Mandatory
17AJ(c)	Page 3	Glossary of abbreviations and acronyms	Mandatory
17AJ(d)	Page 126	List of requirements	Mandatory
17AJ(e)	Page 136	Details of contact officer	Mandatory
17AJ(f)	Page 136	Entity's website address	Mandatory
17AJ(g)	Page 136	Electronic address of report	Mandatory
17AD(a)	Review by accountable authority		
17AD(a)	Pages 4 - 7	A review by the accountable authority of the entity.	Mandatory
17AD(b)	Overview of the entity		
17AE(1)(a)(i)	Chapter 1	A description of the role and functions of the entity.	Mandatory
17AE(1)(a)(ii)	Chapter 1	A description of the organisational structure of the entity.	Mandatory
17AE(1)(a)(iii)	Chapter 2	A description of the outcomes and programmes administered by the entity.	Mandatory
17AE(1)(a)(iv)	Chapter 2	A description of the purposes of the entity as included in corporate plan.	Mandatory
17AE(1)(aa)(i)	Chapter 3	Name of the accountable authority or each member of the accountable authority.	Mandatory
17AE(1)(aa)(ii)	Chapter 3	Position title of the accountable authority or each member of the accountable authority.	Mandatory
17AE(1)(aa)(iii)	Chapter 1	Period as the accountable authority or member of the accountable authority within the reporting period.	Mandatory
17AE(1)(b)	N/A	An outline of the structure of the portfolio of the entity.	Portfolio departments - mandatory
17AE(2)	N/A	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory
17AD(c)	Report on the Performance of the entity		
	Annual Performance Statements		
17AD(c)(i); 16F	Chapter 2	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory
17AD(c)(ii)	Report on Financial Performance		
17AF(1)(a)	Chapter 3, 4, 5	A discussion and analysis of the entity's financial performance.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AF(1)(b)	Chapter 4	A table summarising the total resources and total payments of the entity.	Mandatory
17AF(2)	N/A	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory.
17AD(d)	Management and Accountability		
	Corporate Governance		
17AG(2)(a)	Chapter 3	Information on compliance with section 10 (fraud systems).	Mandatory
17AG(2)(b)(i)	Chapter 4	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory
17AG(2)(b)(ii)	Chapter 4	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory
17AG(2)(b)(iii)	Chapter 4	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory
17AG(2)(c)	Chapter 3	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory
17AG(2)(d) – (e)	Chapter 4	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance.	If applicable, Mandatory
	Audit Committee		
17AG(2A)(a)	Chapter 3	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory
17AG(2A)(b)	Chapter 3	The name of each member of the entity's audit committee.	Mandatory
17AG(2A)(c)	Chapter 3	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory
17AG(2A)(d)	Chapter 3	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	Chapter 3	The remuneration of each member of the entity's audit committee.	Mandatory
	External Scrutiny		
17AG(3)	Pages 4 - 7, Chapter 2, 4	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	Chapter 3	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory
17AG(3)(b)	Chapter 4	Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory
17AG(3)(c)	Chapter 4	Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory
	Management of Human Resources		

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(4)(a)	Chapter 3	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory
17AG(4)(aa)	Chapter 3	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: (a) statistics on full-time employees; (b) statistics on part-time employees; (c) statistics on gender; (d) statistics on staff location.	Mandatory
17AG(4)(b)	Chapter 3	Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following: <input type="checkbox"/> Statistics on staffing classification level; <input type="checkbox"/> Statistics on full-time employees; <input type="checkbox"/> Statistics on part-time employees; <input type="checkbox"/> Statistics on gender; <input type="checkbox"/> Statistics on staff location; <input type="checkbox"/> Statistics on employees who identify as Indigenous.	Mandatory
17AG(4)(c)	Chapter 3	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> .	Mandatory
17AG(4)(c)(i)	Chapter 3	Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory
17AG(4)(c)(ii)	Chapter 3	The salary ranges available for APS employees by classification level.	Mandatory
17AG(4)(c)(iii)	Chapter 3	A description of non-salary benefits provided to employees.	Mandatory
17AG(4)(d)(i)	N/A	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory
17AG(4)(d)(ii)	N/A	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory
17AG(4)(d)(iii)	N/A	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory
17AG(4)(d)(iv)	N/A	Information on aggregate amount of performance payments.	If applicable, Mandatory
	Assets Management		
17AG(5)	N/A	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities.	If applicable, mandatory
	Purchasing		
17AG(6)	Chapter 3	An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> .	Mandatory
	Reportable consultancy contracts		
17AG(7)(a)	Chapter 3	A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7)(b)	Chapter 3	A statement that " <i>During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]</i> ".	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(7)(c)	Chapter 3	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory
17AG(7)(d)	Chapter 3	A statement that “ <i>Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.</i> ”	Mandatory
	Reportable non-consultancy contracts		
17AG(7A)(a)	Chapter 3	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7A)(b)	Chapter 3	A statement that “ <i>Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.</i> ”	Mandatory
17AD(daa)	Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts		
17AGA	Chapter 3	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory
	Australian National Audit Office Access Clauses		
17AG(8)	N/A	If an entity entered into a contract with a value of more than \$100 000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor’s premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory
	Exempt contracts		
17AG(9)	N/A	If an entity entered into a contract or there is a standing offer with a value greater than \$10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory
	Small business		
17AG(10)(a)	Chapter 3	A statement that “[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance’s website.”	Mandatory
17AG(10)(b)	Chapter 3	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory
17AG(10)(c)	N/A	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website.”	If applicable, Mandatory
	Financial Statements		

PGPA Rule Reference	Part of Report	Description	Requirement
17AD(e)	Chapter 5	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory
	Executive Remuneration		
17AD(da)	Chapter 3	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the Rule.	Mandatory
17AD(f)	Other Mandatory Information		
17AH(1)(a)(i)	N/A	If the entity conducted advertising campaigns, a statement that <i>"During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity's website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance's website."</i>	If applicable, Mandatory
17AH(1)(a)(ii)	Chapter 3	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory
17AH(1)(b)	Chapter 4	A statement that <i>"Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity's website]."</i>	If applicable, Mandatory
17AH(1)(c)	Chapter 3	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	Chapter 4	Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory
17AH(1)(e)	N/A	Correction of material errors in previous annual report	If applicable, mandatory
17AH(2)	Chapter 4	Information required by other legislation	Mandatory

Commonwealth Climate Disclosure Index

Governance

Core Requirement	Overview	Disclosed
G1(a)	ID Accountable Authority	APRA Chair
G1(a)i	Responsibilities of Accountable Authority	Corporate Governance section, Chapter 3; Our approach to climate governance section, Chapter 4; Our Climate Risk Governance Structure, Chapter 4
G1(a)ii	Skills and Competencies	Climate risk capability section, Chapter 4
G1(b)iii	Informing accountable authority	Climate Statement Table, Chapter 4 APRA Chair informed on risks through quarterly ARC meetings with serious risks escalated on an as needs basis
G1(a)iv	Strategy and Risk Management	Our approach to climate governance section, Chapter 4
G1(a)v	Setting Targets	Our approach to climate governance, Chapter 4; Emissions Reduction Plan, available online at

Core Requirement	Overview	Disclosed
		https://www.infrastructure.gov.au/department/media/publications/emissions-reduction-plan-2024
G1(a)vi	Risk Oversight	Enterprise Risk Management section, Chapter 4; Our approach to climate governance section, Chapter 4
G1(b)	Controls and procedures	Enterprise Risk Management section, Chapter 4; Our approach to climate governance section, Chapter 4
G2(a)	Regard to CROMP Approach	Governance section, Chapter 4
G2(b)	Alignment with other policies	Governance section, Chapter 4

Risk Management

Core Requirement	Overview	Disclosed
R1(a)	Processes and related policies	Included under 'Risk management'
R1(a)i	Inputs and parameters used	Included under 'Risk management'
R1(a)ii	How climate risks are assessed	APRA's identified climate-related risks were assessed using the likelihood and consequence evaluation criteria from our existing ERMF
R1(a)iii	How climate risks are prioritised	All risks, including climate-related risks, are prioritised based on their residual risk rating against APRA's ERMF
R1(a)iv	How climate risks are managed	Included under 'Risk management'
R1(a)v	How climate risks are monitored	Included under 'Risk management'
R1(a)vi	Any changes to the processes used	No changes to processes anticipated. However, this is the first year APRA is reporting this disclosure and where improvement opportunities are identified, these will be incorporated.
R1(b)	The processes used	Included under 'Risk management'
R1(c)	How the processes are integrated	Included under 'Risk management'
R2(a)	Alignment with CROMP	Included under 'Risk management'. APRA will commence its first climate risk and opportunity assessment in the next reporting period.

Strategy

Requirement	Disclosed
S1(a)-S1(b)	Achieved through S2-S4
S2(a)	We are unable to complete a disclosure against this criterion this year. A full disclosure will be included in the next reporting period once our climate risk and opportunity assessment is complete.
S2(b)	
S2(c)	

Requirement	Disclosed
S2(d)	To align with the recommendations in the CROMP Organisation Application Guide we are using the short term as 2030, the medium term as 2050 and the long term as 2090.
S3	We are using the CROMP methodology for climate risk and opportunity assessments in full.
S4(a)	We are unable to complete a disclosure against this criterion this year. A full disclosure will be included in the next reporting period once our climate risk and opportunity assessment is complete.
S4(b)	

Metrics and Targets

Criteria	Requirement summary	Response and cross-reference
M0	Objective of category	Achieved through M1
M1(b)	Information on greenhouse gases in accordance with M3	Achieved through M3
M1(c)	Information on targets and progress towards targets in accordance with M5-9.	As per the APS Net Zero Factsheet on the Department of Finance's website. on the Department of Finance's website.
M3(a)	Greenhouse gas emissions generated in tonnes CO ₂ e	As per the Emissions Reporting section in Chapter 4 – Statutory reporting requirements
M3(b)	Greenhouse gas emissions approach, inputs, assumptions and methodologies.	As per the Australian Public Service Net Zero Emissions Reporting Framework on the Department of Finance website
M3(e)	Scope 2 and 3 greenhouse gas emissions using location-based and market-based for electricity-related greenhouse gas emissions.	As per the Emissions Reporting section in Chapter 4 – Statutory reporting requirements
M3(f)	Confirmation of the scope 3 emissions categories <i>included</i> .	As per the Australian Public Service Net Zero Emissions Reporting Framework on the Department of Finance website
M5	Quantitative and qualitative climate-related targets it has set to monitor progress towards these targets	As per the APS Net Zero Factsheet on the Department of Finance's website and our publicly available Emissions Reduction Plan.
M6	Information about its approach to setting and reviewing each target identified in M5	As per the APS Net Zero Factsheet on the Department of Finance's website. on the Department of Finance's website.
M8	Scope of target including greenhouse gases included, scope of emissions sources included	As per the APS Net Zero Factsheet on the Department of Finance's website.
M9	In preparing M5-8 disclosures, disclose information on the APS Net Zero 2030 target and sub-targets	As per the APS Net Zero Factsheet on the Department of Finance's website. The targets and measures relevant to our entity as part of the Net Zero in Government Operations Strategy are set out in our publicly available Emissions Reduction Plan.

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