OVERVIEW OF AUSTRALIA'S BANKING SECTOR*

ML/TF risk is not evenly distributed across the banking sector. Criminal exploitation and inherent ML/TF vulnerability is largely proportional to the size of each subsector. Each subsector is also impacted by the types of customers it services, its global reach and the type of products it provides.

SNAPSHOT OF RISK RATINGS

	NO. OF BANKS	NO. OF CUSTOMERS	TOTAL ASSETS
MAJOR BANKS — Risk rating: HIGH	4	(large group of customer icons)	$$$$$$$$$$ $$$$$$$$$$ $$$$$$$$$$ $$$$$$$$$$ $$$$
OTHER DOMESTIC BANKS — Risk rating: HIGH	12	(customer icons)	$$$$$
FOREIGN SUBSIDIARY BANKS — Risk rating: MEDIUM	7	(customer icons)	$$
FOREIGN BANK BRANCHES — Risk rating: MEDIUM	48	(1 customer icon)	$$$$$

Snapshot of risk ratings (LOW — MEDIUM — HIGH)

MAJOR BANKS
- Overall ML/TF risk rating
- Criminal threat environment
- Inherent vulnerabilities
- Consequences

OTHER DOMESTIC BANKS
- Overall ML/TF risk rating
- Criminal threat environment
- Inherent vulnerabilities
- Consequences

FOREIGN SUBSIDIARY BANKS
- Overall ML/TF risk rating
- Criminal threat environment
- Inherent vulnerabilities
- Consequences

FOREIGN BANK BRANCHES
- Overall ML/TF risk rating
- Criminal threat environment
- Inherent vulnerabilities
- Consequences

Legend: 🔴 HIGH 🟠 MEDIUM 🏛 = 1 BANK 👤 = 1 MILLION $ = 100 BILLION

*The Australian financial services sector is one of the largest contributors to the national GDP annually, with the banking sector employing almost 200,000 Australians. The sector is led by four major banks, who service approximately 47 million customers and control 73% of all assets held by authorised deposit-taking institutions. These four banks offer thousands of products and services to a diverse range of retail and commercial customers and process the majority of international transactions. ML/TF risk ratings should be considered in the context of the size and scale of Australia's banking sector and the four major banks.