EQUIFAX

EQUIFAX FRONTIERS
AML/CTF SUMMIT
JUNE 17 • 2026

Keynote Briefing:

AUSTRAC CEO Brendan Thomas on AML/CTF Operational Excellence

Introduction

AUSTRAC CEO Brendan Thomas delivered the keynote address at the Equifax Frontiers AML/CTF 2026 Summit, sharing critical insights on evolving financial crime threats, regulatory expectations and the operational benchmarks that define leading institutional practice.

> Static check-box compliance is insufficient in a dynamic threat environment… Risk is non-static, fast-moving, and embedded in legitimate activity. It is difficult to detect through single transactions or institutions.
> *Brendan Thomas*

Key money laundering risks and emerging threats

Traditional check-box compliance is insufficient against today's dynamic threat environment, where criminal systems are highly adaptive, connected, and embedded within legitimate commercial activity. Rather than attempting to bypass the domestic financial system, criminal networks actively target trusted, efficient channels to obscure their illicit footprints.

Core Risks to Watch

- **Terrorism Financing:** Terrorism remains a pervasive threat, with Australia's national threat level holding at 'Probable'.
- **Illicit Narcotics:** Drug offences remain the single largest source of money laundering across the nation.
- **High-Growth Crime Sectors:** Rapidly escalating risks include tax and revenue crime, government program fraud, complex global scams, pure cybercrime, and identity theft.
- **The Illicit Tobacco Market:** This underground sector is conservatively estimated to be worth between $4.1 to $6.9 billion annually in Australia[1].

Evolving Threats

- Interconnected networks are moving funds swiftly across platforms, sectors, and borders by leveraging trade patterns, remittance corridors, and informal value transfers.
- Organised crime groups (Crime-as-a-Service) are outsourcing operational elements - such as account creation and money mule recruitment - via social media and encrypted messaging applications.
- Criminal networks are actively targeting, manipulating or coercing internal employees to gain system access, compromise sensitive information and bypass conventional controls.

[1] https://minister.homeaffairs.gov.au/JulianHill/Pages/speech-national-illicit-tobacco-symposium-19032026.aspx

AUSTRAC expectations for what 'good' looks like

Businesses must shift away from rigid compliance templates and transition toward an active, living risk framework.

Operational Domain	Minimal Compliance (Insufficient)	Leading Practice (AUSTRAC Standard)
Risk Frameworks	A static document left on a shelf or a generic template.	Tailored to specific business models, unique customer bases, delivery channels, and operating jurisdictions.
Controls	Retrofitting compliance mechanisms after a risk materialises.	Embedding comprehensive AML/CTF controls directly into initial product design and business decision-making.
Reporting Standards	Defensive, high-volume reporting that offers low analytical value.	Timely, intelligent Suspicious Matter Reports (SMRs) that deliver a coherent narrative to aid active disruption.
Risk Response	Passive transaction tracking and standard reporting.	Taking strategic operational action, such as altering service models when critical exposures are identified.

How Boards Can Manage Risk

Boards must treat financial crime as a core business risk, not an isolated compliance obligation. Effective governance requires boards to:

- Regularly evaluate and challenge internal AML/CTF reports and transactional reporting data.
- Test compliance systems via robust quality assurance, independent audits, and direct lines of questioning with compliance leaders.
- Appoint a dedicated board member who extends their education beyond baseline compliance to act as an internal 'critical friend'.
- Practice complete candour with the regulator, flag issues early, and execute transparent remediation timelines.

Under the updated legislative framework, the Chief Money Laundering Officer (CMLO)* is now a statutory position. AUSTRAC emphasises that senior executives must ensure the CMLO is fully resourced, possesses independent decision-making authority, and holds a seat at the appropriate strategic tables to influence broader business actions.

* Under the new Act – the role is officially AML/CTF Compliance Officer.

The importance of Public-Private Partnerships

Effective disruption relies on identifying fragmented patterns that no single institution can detect alone. AUSTRAC's public-private data initiatives demonstrate the massive impact of real-time intelligence sharing.

Disrupting Micro-Money Laundering

Criminal networks frequently execute rapid, small cash deposits under the $10,000 threshold across multiple institutions to evade transactional monitoring systems. Through the Fintel Alliance, the Big 4 banks pooled 56 million transactions over a single week, exposing highly complex, cross-institutional laundering structures that were previously invisible.

Shattering Shell Networks

Sophisticated syndicates use professional facilitators to hide asset ownership. In one recent investigation, law enforcement tracked an illicit tobacco operation where a single post box in a Sydney suburb was used to register 800 separate front companies.

Contextual Risk Identification

Operational managers must maintain a deep understanding of standard business metrics. In another case, an observant manager flagged a furniture import business whose revenue doubled rapidly, yet its warehouse costs, insurance premiums, equipment investments, and employee holiday patterns remained completely flat - ultimately exposing a massive laundering operation.

Collaborative Intelligence in Action

A practical example of this real-time intelligence sharing approach is the Equifax Known Fraud Exchange, which enables members to share intelligence on confirmed fraud events. In 2025, members prevented over $1.57 billion of fraudulent activities before they occurred, emphasising the operational value of collaborative intelligence-sharing.

Key Takeaways for Risk and Compliance Leaders

1. **Maintain Current Controls:** Avoid compromising or dropping your current operational AML/CTF controls to chase future implementation deadlines. Current marketplace risks must remain actively managed.
2. **Board-Approved Implementation Plans:** Consider establishing a clear, comprehensive transition plan that contains explicit deliverables and transparent timeframes. These roadmaps must be fully reviewed and approved at the board level.
3. **Prepare for Direct Regulatory Engagement:** Move away from basic administrative compliance checklists to instead focus on actionable crime disruption and risk mitigation strategies. AUSTRAC will actively engage with businesses to audit these transition plans.

> When we are talking to you, we won't be talking to you about compliance. We'll be talking to you about crime and what you're doing about it.
> *Brendan Thomas*

Ready to Strengthen Your Risk Framework?

Aligning your operational controls with AUSTRAC's updated expectations requires complete visibility across your entire network. Equifax delivers comprehensive, data-driven identity and fraud solutions across the complete AML lifecycle:

- **Know Your Customer (KYC):** Streamlined identity verification designed to isolate risk without disrupting legitimate transactions.
- **Know Your Business (KYB):** Deep entity and beneficial ownership checks to uncover complex corporate webs and shell structures.
- **Know Your Personnel (KYP):** Robust vetting and ongoing monitoring to mitigate insider threats across the identity lifecycle.

Speak to an Equifax specialist