

REGULATORY RUMBLINGS – QUARTERLY UPDATE OCTOBER 2024

ASIC ENFORCEMENT NEWS AND INSIGHTS FOR BUSY PEOPLE

Your quarterly round-up of the key enforcement developments and updates that ASIC-regulated entities and individuals need to know about, packaged up in a five-minute read and brought to you by our Disputes and Investigations team.



Elizabeth Hilliard
Special Counsel

T +61 3 8656 3440
M +61 411 710 255
E EHilliard@gtlaw.com.au



Paddy O'Sullivan
Lawyer

T +61 3 8656 3397
M +61 401 052 302
E POsullivan@gtlaw.com.au

KEY THEMES OF THE QUARTER – AUGUST TO OCTOBER 2024

There has been **loads** going on at ASIC this quarter. The recently released [Annual Report](#) revealed a fairly full slate of enforcement outcomes in 2023–24: civil actions resulted in over **\$90 million** in court ordered penalties, investigations led to **18 criminal convictions** and a total of **\$936,000 in fines** were ordered by the courts.

In the same period, ASIC commenced around **170 formal investigations** (an increase of about 25% on the previous year) and filed **32 new civil proceedings** in the Federal Court – so buckle up; we can expect loads more to come.

ASIC's [Enforcement and Regulatory update](#) for the period January to June 2024 published in August 2024 indicated that focus areas for enforcement would include **superannuation** and **greenwashing** – both clear themes we have identified this quarter, with notably 11 financial services enforcement litigation matters in progress with respect to superannuation misconduct.

ASIC also gives us a bit more insight over what might lay in store with the release of ASIC's [2024-25 Corporate Plan](#), identifying its top five strategic priorities for 2024-2028. This expanded the regulator's strategic priorities to include **Australia's public and private markets and emerging financial products**. Strategic priorities retained from previous Corporate Plans include improving consumer outcomes and progressing digital and data resilience and safety measures. **Climate change risk** is a top priority as well as a significant area of ongoing focus, and remains one of the **key three themes** we have identified for this quarter, as summarised on the right.

Climate-related financial disclosure is here and greenwashing remains (even more of) a concern: the scene has been set for Australia's framework for climate-related financial disclosures to take effect from January 2025 and ASIC secured its biggest pecuniary penalty of \$12.9 million against Vanguard for greenwashing. [Read more...](#)

Superannuation: has been held out as a key focus area for ASIC with the sector being put on notice to do more to protect members from practices which put consumers at risk. [Read more...](#)

New Banking Code: ASIC approved an updated ABA Banking Code of Practice, which will commence in February 2025 – meaning participating banks need to start designing and implementing the changes necessary to ensure they can meet the enhanced obligations. [Read more...](#)

What else did I miss? Continuous disclosure obligations remained in the spotlight with a \$5 million penalty being imposed on Nouni and the dismissal of ANZ's appeal against a judgment that it had breached continuous disclosure laws; the focus on combatting cybercrime continued; and the Australian Institute of Company Directors issued a landmark legal opinion and practice statement on directors' duties, which is highly topical given ASIC's current focus on this area. [Read more...](#)

Look out for our next issue of Regulatory Rumbings at the end of January 2025. Otherwise, please do get in touch if you have any questions or need advice.