

NEWS ALERT 03.09.20

ASIC NOW LOOKING BEYOND THE PANDEMIC

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A renewed focus on ASIC's 'why not litigate' approach to enforcement, protecting vulnerable consumers, and taking enforcement action against the most harmful misconduct, are some of the strategic priorities revealed in **ASIC's Corporate Plan for 2020-24** published earlier this week.

SHORT-TERM FOCUS

Amongst other updates to ASIC's areas of focus during the pandemic (as outlined in **ASIC's Interim Corporate Plan**) the Plan reveals ASIC will particularly target—

- failures to disclose material negative information
- opportunistic and misleading market announcements made to the ASX, and
- egregious governance failure within corporations, schemes, and superannuation funds.

LONG-TERM FOCUS

The Plan also outlines ASIC's strategic priorities beyond the pandemic to address longer-term threats and harms. ASIC is committed to addressing the issues faced by the financial system by focusing on changing poor behaviours, acting against misconduct, promoting strong and innovative developments in the financial system, and helping Australians to be in control of their financial lives.

ASIC's focus areas will include—

- promoting confident participation in the financial system to support long-term economic recovery
- deterring poor behaviour and misconduct through its 'why not litigate' discipline and driving cultural change
- improving entities' management of key risks to prevent and mitigate harms to consumers and promote a healthy financial system and economic growth

- reducing poor product design and restricting mis-selling, and
- reducing misconduct by company directors and professional service providers.

BUSINESS AS USUAL

The Plan indicates a return to 'business as usual' for the corporate regulator, with projects initially disrupted by the pandemic now being progressed, and a commitment to promoting positive behaviour over the longer-term to support the recovery of the Australian economy.