

FINANCIAL SERVICES REGULATORY UPDATE

True Oak develops and distributes a monthly overview of current and proposed regulatory changes in the Australian financial services industry and the climate regulation industry that we think might be of interest to our CAR clients and Trustee Services clients.

This issue covers the period 4 February 2026 – 10 March 2026.

GOVERNMENT

1. Treasury Consults on Strengthening Oversight of Registered Managed Investment Schemes (10 February 2026)

The Treasury has [announced](#) that it has released a consultation paper - [Enhancing oversight and governance of managed investment schemes](#) – on proposals to enhance the oversight and governance of registered managed investment schemes (MIS), against the backdrop of recent scheme failures and concerns about gaps in the existing regulatory framework.

The consultation examines whether current obligations on responsible entities provide sufficient protection for investors and appropriate supervisory tools for regulators. The paper canvasses potential reforms to improve governance standards, including clearer duties for responsible entities, stronger compliance and risk management expectations, and enhanced arrangements for scheme valuation, liquidity and conflicts management. It also considers options to bolster ASIC’s regulatory powers and oversight, including whether changes are needed to the monitoring, intervention and enforcement mechanisms for MIS.

The consultation closed on 27 February 2026.

TIP 1: The consultation is limited in its scope to registered managed investment schemes and has not direct implications for True Oak clients.

2. Government Introduces Legislation to Restructure Australia’s Financial Reporting Standard Setting Framework (12 February 2026)

The Federal Government has [introduced](#) legislation to restructure Australia’s financial reporting standard-setting framework.

The Bill would establish a new body, External Reporting Australia, as a single “one-stop shop” for accounting, auditing and assurance, and sustainability standards.

Under the proposal, the standard-setting functions of the Australian Accounting Standards Board, the Auditing and Assurance Standards Board and the Financial Reporting Council would be consolidated within External Reporting Australia. The new body would operate through technical standard-setting boards, including a dedicated board for sustainability reporting.

Existing accounting and auditing standards would continue in force until amended or replaced.

The legislation follows earlier consultation on reforms to Australia’s financial reporting architecture and is intended to provide a more streamlined and responsive governance structure, particularly in light of evolving international and sustainability reporting developments.

3. Treasury Consults on Sustainable Investment Product Labelling (13 February 2026)

The Treasury has opened [consultation](#) on the policy design of a proposed sustainable financial product labelling regime.

The consultation paper seeks responses on the following issues:

- a. Scope of Sustainable Investment Product Labelling – what products will be included?
- b. Consumer-facing disclosures.
- c. Use of thresholds for the proportion of assets in a labelling regime.

The paper canvasses the objectives of a labelling regime, potential label categories, and how labels might reflect different investment approaches, such as exclusions, stewardship or sustainability-themed strategies. It also examines how labelling would interact with existing disclosure obligations and misleading or deceptive conduct provisions, including in the context of “greenwashing”. Other issues raised include the evidentiary basis required to support a label, thresholds for when labelling obligations would be triggered, and alignment with international approaches.

The consultation is open until 13 March 2026.

4. Opposition Leader Angus Taylor Announces New Shadow Cabinet (17 February 2026)

The Shadow portfolios dealing with finance-related policy are:

- Jane Hume – Deputy Leader and Shadow Minister for Productivity and Deregulation
- Tim Wilson – Shadow Treasurer
- Claire Chandler – Shadow Finance Minister;
- Pat Conaghan – Shadow Minister for Financial Services
- Dean Smith – Shadow Assistant Minister to the Shadow Treasurer
- Simon Kennedy – Shadow Assistant Minister for Finance

The full Shadow Ministry is listed [here](#).

5. DCCEEW Releases the Reforming the ACCU Scheme Progress Report (23 February 2026)

The release of the [Reforming the ACCU Scheme Progress Report 2023-2025](#) by the Department of Climate Change, Energy, the Environment and Water, provides an update on actions undertaken to date to implement ACCU Scheme improvements in line with recommendations from the independent review.

The report outlines the progress to reform the ACCU Scheme between 2023 and 2025.

The Government has confirmed that work that is underway includes:

- Amending the scheme legislation to further strengthen governance and integrity in the scheme
- Developing new methods to support ACCU supply while maintaining integrity
- Continuing to support more participation in the scheme.

Linked Article: [Renewed government commitment to ACCU Scheme reforms welcomed, focus now must turn to delivery, scalability and investment certainty](#) (Carbon Market Institute, 23 February 2026)

ASIC

Regulatory Guides, Consultation Papers and Legislative Instruments

6. ASIC Launches Educational Modules to Help Smaller Companies with Sustainability Reporting Requirements (13 February 2026)

In December 2025, ASIC partnered with the Australian Accounting Standards Board (AASB) in releasing its first set of educational materials to help smaller companies and report preparers understand and apply the foundational concepts underpinning Australia's new sustainability reporting requirements.

There are eight learning modules on the sustainability reporting framework that will be released in a couple of different formats. To date, ASIC has released PDF versions of the eight modules on its [sustainability reporting webpage](#):

- Module 1 sets out how stakeholders should engage with the materials and introduces the basics of the new sustainability reporting requirements in the Corporations Act.
- Module 2 covers the basics of climate change.
- Module 3 covers climate-related physical risks and how they may affect an entity.
- Module 4 focuses on explaining climate-related transition risks and how they may affect an entity.
- Module 5 introduces climate-related opportunities and shows how they may apply to an entity through practical examples.
- Module 6 introduces emissions accounting and provides foundational knowledge on Scope 1, 2 and 3 greenhouse gas emissions.
- Module 7 focuses on the process of climate-related scenario analysis.
- Module 8 provides an overview of how entities might integrate climate risks and opportunities into governance and risk management processes.

ASIC notes that it will provide more flexible delivery of content by offering all eight modules in an interactive format in the first quarter of 2026, and holding a series of workshops supporting the release of the educational modules. Details on the workshops will be made available in quarter 1 2026.

TIP 2: These educational modules will be helpful to any report preparer new to the sustainability reporting requirements, as well as other stakeholders in the climate reporting ecosystem.

Letters to Industry, Speeches and Reports

No relevant updates for this reporting period.

Infringement Notices and Court Proceedings

7. ASIC Penalises FIIG Securities Over Cyber Security Failures (9 February 2026)

ASIC has [announced](#) that Australian fixed-income specialist, FIIG Securities Limited (FIIG) has been ordered to pay \$2.5 million in pecuniary penalties after ASIC brought a case against the firm for failures to protect thousands of clients from cyber security threats for more than four years. This is the first time the Federal Court has imposed civil penalties for cyber security failures under the general AFS licensee obligations.

FIIG's failures worsened a 2023 cyber-attack which saw around 385 gigabytes of confidential information stolen and highly sensitive client data leaked onto the dark web – including driver's licences, passport information, bank account details and tax file numbers.

FIIG admitted that it failed to comply with its AFS licence obligations and that adequate cyber security measures – suited to a firm of its size and the sensitivity of client data held – would have enabled it to detect and respond to the data breach sooner. It also admitted that complying with its own policies and procedures could have supported earlier detection and prevented some or all of the client information from being downloaded.

ASIC Deputy Chair Sarah Court said: 'This is the first time the Federal Court has imposed civil penalties for cyber security failures under the general AFS licensee obligations, setting a clear licence-to-operate expectation for robust cyber resilience'.

FIIG's cyber security failures included examples where it did not:

- Allocate the necessary financial resources to have suitably qualified and experienced people available, or implement adequate technological resources to manage cyber security.
- Implement adequate cyber security measures, including multi-factor authentication for remote access users, strong passwords and access controls for privileged accounts, appropriate configuration of firewalls and security software, regular penetration testing and vulnerability scanning.
- Have a structured plan to ensure key software systems were being updated to address security vulnerabilities.
- Have qualified IT personnel monitoring threat alerts to identify and respond to cyber-attacks.
- Provide mandatory cyber security awareness training to staff.
- Have an appropriate cyber incident response plan that was tested at least annually.

ASIC notes that it expects AFS licensees to prioritise cyber-resilience and invest in people, systems and governance which are fit-for-purpose for entity size and the sensitivity of client information held.

Linked Article: [First ASIC penalty for cybersecurity failures: Federal Court imposes \\$2.5m penalty on FIIG](#) (Herbert, Smith, Freehills, Kramer (16 February 2026))

ACTION TAKEN AND PLANNED: The findings of this case place an onus on True Oak, as the AFS Licensee, to have appropriate cyber-resilient policies in place that are fit for purpose for its size. True Oak is aware, however, that sensitive customer information is unlikely to be held by True Oak directly, but is often held by its CAR clients. To this end, True Oak is in the process of identifying what an appropriate regime of cyber security measures that recognises the obligation of both the AFS Licensee and the CARs, could look like. More information will be provided in due course.

8. ASIC Cancels AFSL for Serious and Sustained Breaches of Duties (13 February 2026)

ASIC has [announced](#) that it has cancelled the AFS licence of securities dealer Pulse Markets Pty Ltd (Pulse Markets), effective from 11 February 2026.

The licence was cancelled after ASIC found Pulse Markets had serious and sustained breaches of its duties under s912A of the Corporations Act 2001. These included Pulse's failure to adequately supervise its corporate authorised representatives (CARs) providing financial services under its AFS licence, increasing the risk they will not comply with financial services laws and put clients at risk of financial loss.

ASIC found that Pulse Markets failed to comply with its obligations, including failure to:

- Maintain the competence required to provide the financial services it offered.
- Take reasonable steps to ensure that its representatives comply with the financial services laws by failing to:
 - Undertake appropriate due diligence prior to the appointment of its CARs

- Take adequate steps to monitor the websites and marketing of its CARs
- Maintain adequate compliance, breach and incident registers, and
- Maintain compliance manuals with accurate information about AFS licence authorisations
- Ensure adequate resources, including staffing, to provide the financial services covered by the licence and to carry out supervisory arrangements.
- Prepare and lodge financial statements (being a balance sheet and a profit and loss statement) for financial years 2024 and 2025.
- Obtain an opinion by a registered company auditor regarding Pulse Market's compliance with the financial conditions on their licence for financial years 2024 and 2025.
- Pay its Industry Funding Levy for the 2023-2024 financial year.

ACTION TAKEN: Following the publication of the cancellation of this AFS Licence on the basis of sustained breaches of duty, True Oak took the opportunity to review its own processes. We confirm that we are comfortable with the processes that we have in place to ensure that our CARs (and their Sub-Authorised Representatives) comply with the financial services laws. In particular, we note that we collect and review Quarterly Compliance Attestations and undertake an annual Compliance Review of the websites and social media platforms of our CARs. We also monitor the amount and type of professional development being undertaken by each of the Sub-Authorised Representatives.

We further confirm that we are comfortable that we have adequate resources, including staffing, to carry out these supervisory arrangements, and that we maintain a Compliance Calendar to ensure that we meet each of our reporting and payment obligations.

9. ASIC Issues Infringement Notice for Making Misleading Representations (18 February 2026)

ASIC has [announced](#) that Fundhost Limited (Fundhost) has paid \$19,800 to comply with an infringement notice issued by ASIC in which ASIC alleged Fundhost, as responsible entity of the Polen Capital Global Growth Fund (Fund), made false or misleading representations about the performance of the Fund.

Between 15 March 2021 and 20 February 2025, a performance chart appeared on the website of Fundhost's agent and the investment manager of the Fund, Montgomery Investment Management Pty Ltd. The performance chart depicted the performance of the Polen Capital Focus Growth Strategy Fund (the Strategy) and the Fund against the MSCI ACWI Net Total Return Index (the Index) since 31 December 2014, based on data that was updated monthly by Fundhost.

The Performance Chart [combined](#) the performance of the Strategy and Fund, as a result showing the Fund outperformed the Index since its inception on 15 March 2021, when in fact this was not the case.

Under section 12GX of the *Australian Securities and Investments Commission Act 2001* (Cth), ASIC may give an infringement notice to a person if ASIC believes on reasonable grounds that the person has contravened an infringement notice provision. Issuing infringement notices provides a proportionate and prompt regulatory response to the alleged contravention and is likely to deter responsible entities and their investment managers from engaging in similar conduct in the future.

TIP 1: If you are conducting an advertising campaign or would like to undertake a review of your promotional materials, ASIC's Regulatory Guide [RG 234](#) provides helpful guidelines for financial product providers to avoid making false or misleading statements. Please also ensure that all performance calculations undergo an appropriate review process before they are published.

CLEAN ENERGY COUNCIL

No specific updates for this report.

AUSTRAC

No specific updates for this report.

ATO

10. ATO Releases Payday Super Video (10 February 2026)

If you haven't had time to read up on Payday Super yet, watch the ATO's video [here](#).

You can find Payday Super fact sheets, checklists and videos on the ATO's [Payday Super resources page](#).

AFCA

No specific updates for this report.

CARBON MARKET INSTITUTE

No specific updates for this report.

IGCC

11. IGCC Releases Annual Report and Strategy to 2030 (19 February 2026)

The IGCC has announced that it has released:

- [IGCC's Annual Report 2025](#), outlining what we delivered with and on behalf of members last year.
- [Our Strategy to 2030](#), setting the direction for the next phase of investor-led climate action.

OFFICE OF THE AUSTRALIAN INFORMATION COMMISSIONER (OAIC)

No specific updates for this report.

Australian Communications and Media Authority (ACMA)

12. ACMA Shares Important Update About Pending Change to SMS Arrangements

The ACMA have shared this [important update](#) about upcoming changes to SMS arrangements, so you can avoid any disruption to your customer communications. As part of the Australian Government's Fighting Scams initiative, ACMA is introducing the SMS Sender ID Register. This register is designed to protect both Australians and brands from scam texts that pretend to be legitimate organisations. If your organisation uses SMS to communicate with customers, you'll need to register all your sender IDs by 1 July 2026.

ACTION RECOMMENDED: If you use SMS to communicate with your customers or clients, you will need to complete this registration process by 1 July 2026.

PROFESSIONAL DEVELOPMENT OPPORTUNITIES

Sophie Grace Compliance Videos

Consultancy [Sophie Grace](#) has released a number of compliance-based videos that can be purchased separately. Consider, in particular, [AFSL Wholesale Client Qualification](#) and [What Things Must Not Be On Your Website](#).

Carbon Market Institute Courses

- a. **Carbon Market Fundamentals Training:** e-learning course provides participants with an overview of the scientific and economic basis for carbon markets. More info [here](#).
- b. **Carbon Farming Banker Training:** This finance sector-focused module builds capacity and knowledge of carbon farming in Australia from the perspective of bankers and agri-lenders. More info [here](#).
- c. **Net Zero Transition Planning Program:** This transition planning education program introduces key concepts for organisations seeking to understand the role of net zero transition planning in private sector climate leadership. More info [here](#).

FINSIA Micro-Learning Courses

FINSIA provides a range of micro-learning courses, which you can investigate [here](#).

March 2026

- a. IGCC - **Road to COP31: The Australia-Pacific Opportunity** (Webinar – 11 March) – more info [here](#).
- b. ACSI – **2026 ACSI Conference** (Sydney – 17 March) – more info [here](#).
- c. Carbon Market Institute – **Carbon Project Showcase Series: Tasmanian Forestry Carbon Projects** (Hobart – 18-20 March) – more info [here](#).
- d. Clean Energy Council – **WA Clean Energy Summit** (Perth – 24 March) – more info [here](#).
- e. Australian Investment Council – **Principles of ESG** (Sydney – 31 March) – more info [here](#).

May 2026

- a. Markets Group – **ALTSOZ26** (Melbourne – 7 May) – more info [here](#).
- b. Australian Investment Council – **Foundations of Directorship** (Sydney, 8, 15 & 22 May) – more info [here](#).
- c. Asia Investor Group on Climate Change – **Summit: Climate Investment in Asia** (Singapore – 18 May) – more info [here](#).
- d. Carbon Market Institute – **Carbon Farming Industry Forum 2026** (Fremantle – 20-21 May) – more info [here](#).
- e. Australian Investment Council – **Australian Venture Summit** (Sydney – 28 May) – more info to come.

July 2026

- a. Clean Energy Council – **Australian Clean Energy Summit** (Sydney – 28-29 July) – more info [here](#).

September 2026

- a. Clean Energy Council – **Queensland Clean Energy Summit** (Brisbane – 9 September) – more info [here](#).

November 2026

- a. Investor Group on Climate Change – **Annual Summit** (Sydney – 24-25 November) – more info to come.

INTERESTING READS

Links to interesting blogs and articles I've recently read:

- a. [2025 regulatory enforcement trends and what they mean for the year ahead](#) (Allens, 20 February 2026)

Sorry all, it has been a busy start to the year, with limited opportunity to delve into interesting reads.

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