



RESPONSE PAPER

SDT Publications and Confidentiality

July 2022

Disclaimer Text

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Contents

Executive summary	4
Chapter 1 - Background	6
Chapter 2 - Publication types and release	7
Chapter 3 - Confidentiality feedback	11
Chapter 4 - Fund type segmentation	14
Chapter 5 - Product segmentation	15
Chapter 6 - Performance, fees and costs and asset allocation (product-level)	17
Chapter 7 - Investments data (fund-level)	21
Chapter 8 - Expenses	23
Chapter 9 - Insurance	25
Chapter 10 - Performance assessments and benchmarking	28

Executive summary

Australia's superannuation industry is a large, growing and important sector within the financial system and plays a vital role supporting members in retirement. Greater transparency of the industry's data through APRA's publications will foster more informed public discussion of superannuation-related issues, promote better practices through comparability, peer review and drive accountability in the industry.

The first phase of the Superannuation Data Transformation (SDT) project included extensive formal consultation, and substantial engagement with industry through a range of forums and resulted in APRA determining 10 new superannuation reporting standards. These new standards capture data across all superannuation products, investment menus and investment options; and address the critical data gaps across RSE structure and profile, membership, investments, performance, fees and costs, insurance and expenses.

The new publications leverage the new reporting standards to improve data quality and increase the transparency of the superannuation industry, providing the following benefits:

- Informing the public: publishing more of the data APRA collects will generate greater consumer understanding and more informed public discussion of superannuation related issues; and informed decision-making for all superannuation members.
- Influencing by comparison: promote better practices through comparability and peer review, facilitating analysis and understanding of observed trends and maintaining confidence in the Australian financial system.
- Driving accountability: encourage RSE licensees to act with discipline and encourage better, more efficient market behaviour.

APRA released a Discussion Paper that outlined its publication and confidentiality proposals in February 2022. Consultation on the Discussion Paper closed on 15 April 2022. APRA hosted two industry roundtable discussions in April 2022 and received twelve public submissions to this consultation, available on [APRA's website](#).

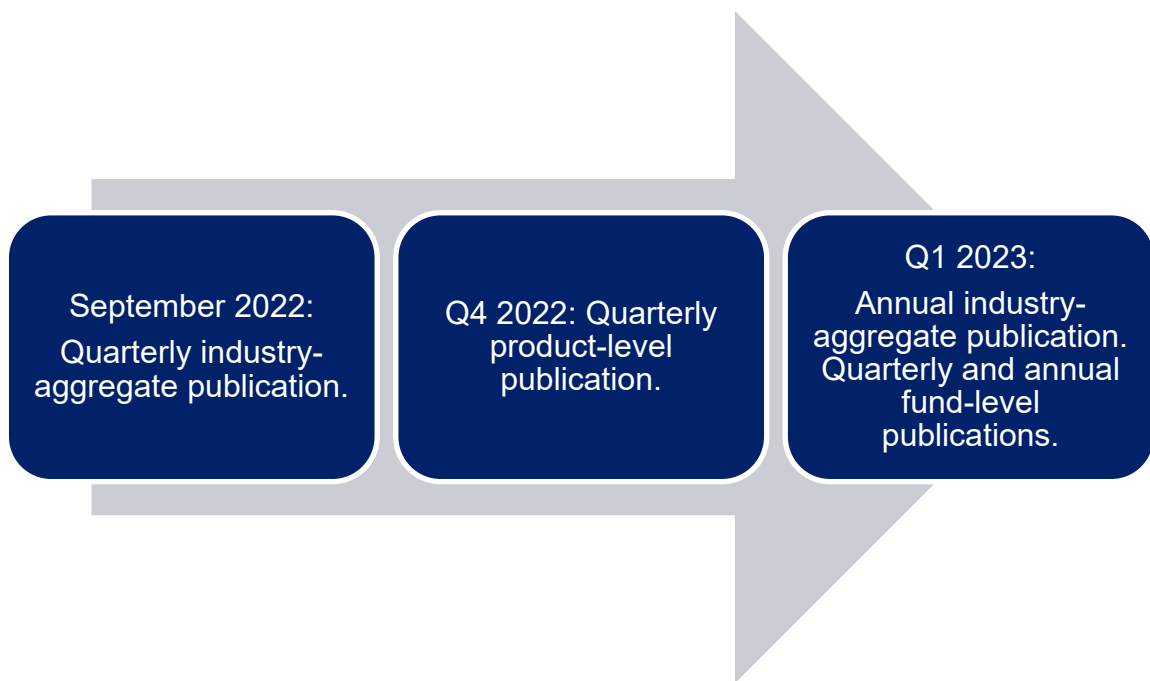
Submissions were supportive of APRA's proposals to publish much of the data reported under the new superannuation reporting standards. Some concerns were raised regarding APRA's proposals to determine that specific data items are not confidential (non-confidential) and to publish the data at the fund or product-level, mainly regarding detailed expenses, derivatives, and custom fee arrangements. APRA has considered this feedback in finalising the confidentiality proposals and publication templates that accompany this document in Attachment E.

Submissions also requested that APRA consider delaying the publication of detailed data on fund and product level investments to reduce the potential for data to be exploited by market participants and to align with Portfolio Holdings Disclosure (PHD) requirements. APRA has incorporated changes in response to these requests.

Stakeholders also provided specific feedback on the presentation, representation and calculation for some metrics. APRA has incorporated some changes in response to this feedback in the final publication presentation, metric definitions and data labels.

Submissions were supportive of APRA’s proposal to introduce machine readable datasets of key metrics to better facilitate users conducting analysis. Over time, APRA will also begin to introduce more granular versions of the key metrics datasets.

As with any new data collection, APRA has observed variations in the quality and consistency of reporting in the initial submissions. To ensure the quality of the new collection prior to publication, and to include historical data, APRA proposed a staged release timetable. In response to feedback on some key areas, APRA intends to release publications as follows¹:



¹ Further details on topics covered in each publication and release timings are provided in Table 1 of this paper.

Chapter 1 - Background

It is crucial that RSE licensees, government, regulatory agencies, superannuation members and other interested stakeholders have access to high quality and consistent data to assess industry performance and the outcomes delivered for superannuation members. APRA identified the need to address gaps in the coverage and quality of its superannuation data collection and commenced the SDT project in 2019, a multi-year project to upgrade the breadth, depth and quality of its superannuation data collection.

In February 2022, APRA released the [Superannuation Data Transformation - Publications and Confidentiality](#) Discussion Paper. This paper outlined APRA's proposals for the publication and the confidentiality of data reported under the new superannuation reporting standards.

APRA held two industry roundtable consultation sessions in April 2022. APRA received twelve public submissions to this consultation, these are available on [APRA's website](#).

This paper finalises APRA's response to the proposals for the publication and the confidentiality of data reported under the new superannuation reporting standards following consideration of the issues raised through the consultation process. Chapter 2 covers overarching areas of feedback raised through the consultation while subsequent chapters cover feedback on specific topic areas.

Templates of the final publications that will use data reported under the new superannuation reporting standards accompany this paper ahead of their release. The release schedule for new publications can be found in section 2.3 of this paper.

Chapter 2 - Publication types and release schedule

2.1 New superannuation publications

In the Discussion Paper released in February 2022, APRA proposed to expand coverage and increase granularity in its publications to align to the increased breadth and granularity of the new superannuation data collection. Proposals included new aggregate industry-level, fund-level and product-level publications and statistics. APRA also proposed to support the release of these new publications by determining a significant amount of new data items collected as non-confidential.

The scope of the proposed publications considered under the consultation covered the new superannuation reporting standards. Where data items in the suite of existing publications cross over with the new data collection, APRA proposed to include these data items in new publications and discontinue the inclusion of the affected data items in the current suite of publications. Unaffected tables (and data items) in existing publications which do not cross over with the new publication proposals will continue to be produced and will be reviewed under Phase 2 of SDT.

Comments received

There was broad support for greater transparency and publication of data at product and investment option level, and a desire for no reduction in data currently published by APRA.

Stakeholders also requested additional clarity on the tables or items from existing publications that would be retired and when this would take place.

Some stakeholders raised concerns with specific data items featured in product-level and fund-level publications, some examples provided included data that may be subject to commercial confidentiality arrangements or data that may be proprietary. More specific concerns are detailed further in this paper.

APRA response

APRA has provided additional clarity on changes to the existing suite of publications where there is cross over between new and old data items in Attachments A and B.

Detailed changes to proposed publications and responses to feedback that relate to particular topics are covered later in this paper. A table of changes made to the templates for the new publications since APRA's proposals were released has been included in Attachment C.

APRA will continue to explore other options to deliver data for download and interactive report-building including data visualisations and will seek to incorporate feedback from stakeholders on preferences of technical specifications in future editions of its superannuation publications.

2.2 New publication formats

In its Discussion Paper, APRA proposed to introduce machine readable dataset versions of the key metrics publications to better facilitate users conducting analysis using their own reporting as well as graphical representations of highlights from the published key metrics for the superannuation industry.

APRA also proposed to introduce more granular versions of the key metrics datasets incrementally over time.

Comments received

Stakeholders broadly agreed with APRA's proposals, also suggesting that Comma Separated Values (CSV), and OpenDocument Spreadsheet (ODS) file types are desirable, and that advance notice of potential file sizes of granular datasets would be useful.

Stakeholders also noted that interactive report builders and application programming interface (API) feeds offered by the Australian Bureau of Statistics (ABS) and data cubes such as those offered by the Australian Financial Complaints Authority (AFCA) were useful and should also be considered.

APRA response

APRA will initially deploy key metrics datasets and granular datasets via CSV and will release key metrics publications via Excel. APRA will explore alternate methods of releasing data in future periods.

Graphical representations of highlights from published key metrics will also accompany future publication releases.

2.3 Release schedule for new publications

In its Discussion Paper, APRA proposed that the initial release of new publications would include quarterly aggregate industry-level, fund-level, and product-level data. APRA also proposed that initial product-level data would be limited to MySuper and trustee-directed products (TDPs). Coverage of product-level publications would be increased over time once reporting for the full population of products and their associated investment menus and investment options commences in July 2022.

Staged implementation of new reporting standards

APRA will stage implementation of the new reporting standards in response to stakeholder feedback on challenges in implementing the new requirements.

Reporting for detailed investment characteristics and expense data is initially on a best endeavours basis. APRA proposed not to publish at an entity-level any data reported under best endeavours until the completion of the best endeavours reporting period.

Comments received

Stakeholders broadly supported the release of proposed publications in a timely manner, however some stakeholders raised concerns with specific data items featured in product-level and fund-level publications. Examples include concerns around the publication of data that may be subject to commercial confidentiality arrangements or data that may be proprietary. More specific concerns are detailed further in this paper.

APRA response

The first release of quarterly aggregate industry-level publication will occur in September 2022. Subsequent releases of this publication will occur on a quarterly basis following the submission of underlying data via APRAConnect.

The first edition of the quarterly product-level publication will be released in Q4 2022 and will contain data for all choice accumulation investment pathways to multi-sector investment options. The population of investment pathways will be expanded on a staged basis for future editions.

In response to industry feedback, APRA has included some tables which were proposed to be released in the annual fund-level publication in a quarterly fund-level publication to enable more frequent publication in line with the increased frequency of reporting. APRA will release the first edition of this publication in Q1 2023.

A detailed list of the new publications and the timing of release for each table is provided in Attachment A. The table below summarises the release schedule:

Table 1. Release schedule for new publications

Publication	Topics covered	Release timing
Quarterly industry-aggregate publication and key metrics dataset	<ul style="list-style-type: none">• Industry structure and profile• Member demographics• Investments (MySuper products from September 2022, RSEs from Q1 2023)• Derivatives (from Q1 2023)	September 2022
Quarterly Product-Level Publication and key metrics dataset	<ul style="list-style-type: none">• Investment Performance• Asset allocation• Fees and costs• Insurance (from Q1 2023)	Q4 2022 for MySuper and Multi-sector choice accumulation options. From Q1 2023, expansions will commence to include other multi sector segments and single sector options.
Quarterly fund-level publication and key metrics dataset	<ul style="list-style-type: none">• RSE structure and profile• Member demographics• Investments	Q1 2023
Annual industry-aggregate publication	<ul style="list-style-type: none">• Industry structure and profile	Q1 2023

Publication	Topics covered	Release timing
and key metrics dataset	<ul style="list-style-type: none"> • Member demographics • Insurance • Expenses 	
Annual fund-level publication and key metrics dataset	<ul style="list-style-type: none"> • RSE structure and profile • Insurance • Expenses (pending close of best endeavours reporting) • Investments 	Q1 2023
Further granular datasets	<ul style="list-style-type: none"> • Datasets that more closely resemble the data as reported to APRA 	Q1 2023

Chapter 3 - Confidentiality feedback

In the Discussion Paper, APRA included its proposals for data collected under the new superannuation reporting standards to be determined as non-confidential.

Under section 56 of the *Australian Prudential Regulation Authority Act 1998* (APRA Act), data reported to APRA under the *Financial Sector (Collection of Data) Act 2001* (FSCODA) is protected information and generally cannot be disclosed at an entity-level, unless APRA determines the data to be non-confidential. Section 57 of the APRA Act permits APRA to make a determination that data provided in a particular reporting document, which has been submitted in accordance with a reporting standard made under FSCODA, is non-confidential.

APRA is generally able to publish aggregate industry-level data without restriction. To achieve the objectives of the enhanced superannuation data collection, which includes improved accountability and more informed analysis and assessment of the performance of the superannuation industry by stakeholders, it will be necessary to publish granular data at individual fund-level and product-level as proposed in the Discussion Paper.

Comments received

Feedback was broadly supportive of the clear need to publish the new superannuation data although there were concerns regarding some specific data items (mainly for data that may be the subject of commercial arrangements, such as expenses data and custom fee arrangements) and the potential commercial detriment that may occur if APRA were to make those specific data items publicly available. Areas of specific concern are addressed further in this paper under the relevant topic.

Stakeholders also requested more information on the principles that APRA would use to reach its final positions on confidentiality.

APRA response

In order to enable the publication of data proposed in the Discussion Paper, APRA must consider the confidentiality status of data collected under the new superannuation reporting standards. During prior consultation, APRA proposed that most of the new data collected under these reporting standards would be determined to be non-confidential and publicly accessible.

APRA makes data and insights available, subject to privacy obligations, when it considers that the public benefit outweighs any detriment to the commercial interests of entities and individuals that it supervises.

Across all its regulated industries, APRA's general approach is to maximise the amount of data determined as non-confidential and released publicly. Determining more of the data collected through the new superannuation reporting standards to be non-confidential will increase industry transparency, enabling meaningful insights and comparisons as well as fostering confidence in the industry and its performance in delivering to its members.

Before APRA determines data in a reporting document to be non-confidential, it is obliged to give interested parties a reasonable opportunity to make representations as to whether or not the reporting document contains confidential information.

APRA may then determine data in a reporting document to be non-confidential if, after taking into account representations by interested parties, it considers that the benefit to the public from the disclosure of the data in the reporting document, outweighs any detriment to commercial interests that the disclosure may cause.

The assessment of public benefit includes an assessment of the ability of publicly released data to inform stakeholders of developments within the industry, promote better industry practices, maintain confidence in the superannuation system and drive accountability.

The assessment of commercial or member detriment involves assessing the ability of the data to promote instability or commercial detriment if released.

APRA has reviewed and considered submissions and feedback in developing its final position on confidentiality of data collected under the new reporting standards. APRA's final confidentiality positions are detailed at Attachment D. Feedback and APRA's responses to areas of specific concern are included under the relevant topic section in this paper. Templates of the new publications are included in Attachment E.

3.1 Privacy of members

When published, data which APRA determines to be non-confidential may identify individual entities but will not breach the privacy of individual members. APRA will comply with its obligations under the *Privacy Act 1988* (Privacy Act) in the development of publications, requiring some items to be masked or released in aggregate form only.

APRA's obligations under the Privacy Act have been observed in the development of the confidentiality proposals provided in the Discussion Paper. The Privacy Act restricts APRA, where it has possession or control of a record that contains personal information about an individual, from disclosing that personal information (other than to the individual concerned) except under specific circumstances. APRA will continue to comply with its obligations under the Privacy Act and currently ensures the privacy of members in entity-level publications by ensuring that data published does not identify individual members.

As the new superannuation data set covers all products and investment options for the first time, presenting data at the most granular level in Excel publications (with all possible combinations of data classifications) will not be possible due to size constraints in Excel. Where the most granular combinations of classifications would have the potential to identify information about an individual member, APRA will not publish this information.

In the Discussion Paper, APRA noted that it will continue to protect the privacy of members in its publications and will aggregate or mask data items where individual member data may be identified or derived. For example, in publications and datasets on member demographics, APRA proposed to aggregate fund-level and product-level data for sex and individual ages to minimise data loss.

In line with the approach in APRA's current fund-level publications, for superannuation funds with a small cohort of members APRA will continue not to publish fund-level data beyond the name and characteristics for these funds.

APRA also proposed to publish data for investment options with a small cohort of members as this data does not identify information about any individual member.

Comments received

Stakeholders noted APRA's responsibilities to protect individual member privacy and the capacity of some data items to likely identify individual members, such as information on insurance claims if published at policy level.

APRA response

APRA notes stakeholder feedback on member privacy and will continue to apply privacy masking in line with APRA's current practices.

Chapter 4 - Fund type segmentation

In its Discussion Paper, APRA proposed not to include fund type segmentation in the new publications. As the SDT data collection is more granular and focused on product and investment pathway performance, this type of segmentation is less relevant than segmentations based around product and investment option type. With continued consolidation in the superannuation industry, the current classifications of corporate funds, industry funds, public sector funds and retail funds are less distinct. APRA outlined that it does not consider that retaining segmentation based on fund type is useful to the objectives of holding all RSE licensees to account for acting in the best financial interests for their members.

APRA proposed that segmentation in the pre-existing suite of publications would remain unchanged, until APRA consults on updates to these under Phase 2 of SDT.

Comments received

Industry feedback on this proposal was mixed and weighted towards the ongoing value in fund type segmentation. Use of the data in industry includes trends based on these classifications to represent differences in the business models of RSE licensees, therefore stakeholders proposed that fund type segmentation should not be ceased after such a long history. Some stakeholders asserted that fund type segmentation would assist in informing member decision making and improve transparency.

APRA response

APRA has considered stakeholder feedback and will continue to include fund type segmentations in aggregate industry-level publications to enable stakeholders to continue use of long-term industry trend data. APRA will also include the fund type classifications in the dataset version of the fund-level publications to enable continuation of industry analysis based on fund type. Fund type segmentation will not be included for product-level publications, as these are focused on product-level performance. APRA is firmly of the view that analysis of product performance should be focused on product and investment option type segmentations rather than fund type segmentation derived at RSE licensee or RSE level.

Chapter 5 - Product segmentation

The extension of APRA's data collections to include choice products, combined with the myriad of investment pathways and fee arrangements that exist in the industry, creates a challenge for publishing statistics in a manner that facilitates meaningful comparison. Adding further complexity is the fact that unlike MySuper products, choice products do not have a standardised return measure, return objective, risk measure, representative member or fee structure.

APRA proposed to segment product level publications into different product segments as follows:

- * MySuper segmented by Lifecycle and single-investment strategy;
- * TDP segmented by Lifecycle and single-investment strategy;
- * Other multi-sector investment options segmented by accumulation and retirement phase, by Lifecycle and single-investment strategy; and the estimated allocation to growth assets to facilitate comparison; and
- * Single sector investment options segmented by asset class.

Comments received

Stakeholders reported broad acceptance of APRA's product level segmentation proposals, with some additional suggestions to consider passive vs active investment management and to separate platform products.

Feedback on the growth assets estimate was mixed, with some noting that the growth assets estimate would be useful but not to publish the bands until current work in the industry to define growth assets is completed. Others noted the introduction of growth asset categories is likely to create further complexity and confusion given there are already a number of bands being communicated, while others emphasised the need for consistency in how growth/defensive splits are determined.

APRA response

APRA will not segment TDP separately from other accumulation phase investment pathways to multi sector options at this time. APRA will include platform / non platform segmentation in addition to accumulation / retirement, single sector by asset class and multi sector by growth asset range.

APRA will incorporate the feedback on growth asset ranges. In the short-term, APRA will adopt the methodology for calculating growth/ defensive in APRA's Choice Heatmap. APRA will consider further enhancements to reporting on growth asset metrics, as well as active vs passive characteristics at the investment option level in Phase 2 of SDT.

Table 4. Summary of proposed product segmentations

Segmentation type	Use	Segments
Product type	To distinguish superannuation products by type. APRA did not propose to publish data for defined benefit products in product level publications.	MySuper products; Choice products
Product phases	Outcomes for members will differ according to the tax treatment applied in the accumulation phase or retirement phase. APRA proposes to segment all choice products and the associated investment menus and investment options using the reported product phase	Accumulation; TTR; and Retirement
Strategy type	In its existing publications, APRA has segmented MySuper products into single and lifecycle strategy, APRA considers that these segments remain relevant and will continue their use.	Single strategy; and Lifecycle strategy
Choice or Choice - platform	To enable comparability of metrics and to distinguish between Choice and Choice-platform investment pathways which may have different fee and tax treatments.	Choice and Choice-platform
Choice product: investment option type	To distinguish the level of diversification in investment options for choice products. APRA did not propose publication of product-level data for direct investment options as part of this consultation.	Single Sector; Multi Sector
Growth asset bands	Unlike MySuper products which are intended to be comparable default products, the investment strategy for a choice multi-sector investment option can vary significantly from very conservative to high growth. These segments use an estimated allocation to growth investments as a percentage of total investments derived from the benchmark strategic asset allocation.	Growth asset bands of 0-20 %, 21-40%, 41-60 %, 61-75 %, 76-90 %, 91-100 %
Single-Sector investment options	Segmentation for single sector investment options based on the predominant asset class reported in the strategic asset allocation for each single sector investment option.	Cash, Fixed Income, Equity, Property, Infrastructure, Alternatives and Commodities.

Chapter 6 - Performance, fees and costs and asset allocation (product-level)

6.1 Publication of product-level performance, fees and costs and asset allocation and confidentiality proposals

Publications of the product-level key metrics is key to APRA's objectives for Phase 1 of SDT and addresses one of the most significant gaps in APRA's publication suite, particularly for choice products and investment options.

In its Discussion Paper, APRA proposed that the product-level key metrics publications would use two representative members at \$50k and \$100k balances to aid comparison of the data.

Comments received

Stakeholders were supportive of APRA's proposal to publish and determine non-confidential the product level data, noting the many benefits of making the data publicly available. The one exception was varied feedback on the publication of custom fee arrangements, detailed in section 6.3.

Stakeholders broadly agreed with APRA's proposed representative approach, suggesting an additional representative member with a \$250k balance would be representative for some products, particularly where minimum balances may apply.

APRA response

APRA will include an additional \$250k representative member in the product-level key metrics publication.

6.2 Multiple investment pathways

Members invested in a single investment option through different combinations of products and investment menus (investment pathways) may experience differences in outcomes due to fee structures.

In its Discussion Paper, APRA proposed to include one investment pathway for each investment option in the key metrics publication i.e. the investment pathway with the highest fee experience for the representative member. To illustrate how representative this figure is for members invested in that option, APRA also proposed to include the proportion of members and assets to which that net return applies, and where multiple investment pathways exist for that segment, the net return which applies to the lowest fee pathway.

Comments received

Among stakeholders there was broad industry acceptance of APRA's proposal. However some stakeholders suggested publishing the most populous investment pathway in addition to the pathway with the highest fee experience. Stakeholders also suggested consideration of publishing the asset-weighted fees and costs for each investment option. Stakeholders also noted the value of publishing the investment pathway for all products.

APRA response

Where there is a variation to outcomes for members in an investment option through different investment pathways for each segment; APRA will publish each investment pathway (e.g. for each combination of product type, product phase and for platform and non-platform).

6.3 Custom fee arrangements

In its Discussion Paper, APRA proposed only the fees and costs reported for the standard fee arrangement for each combination of product, investment menu and investment option be included in the key metrics publication. APRA did not propose to apply a representative member model to the fees and costs disclosed.

In the granular dataset, for Fees and Costs disclosed, APRA proposed to expand any reporting of 'all' to apply to all combinations of product, investment menu and investment option combinations reported under *Superannuation Reporting Standard 606.0 RSE Profile* (SRS 606.0), which would allow sophisticated users to create their own representative member scenarios.

APRA proposed that details about which members or employer sponsors these arrangements apply to would not be published or made non-confidential.

Comments received

Some feedback asserted that specific employer sponsors with custom fee arrangements should be identified in publications, noting that increased transparency may foster competition and empower employers in negotiations with funds and that members should be aware of all custom arrangements at their fund.

Other stakeholders were of the view that publishing all custom fees and arrangement data may breach confidentiality contracts, even when published on a de-identified basis, as the number of members may identify individual employers. Stakeholders outlined that the publication of these fee arrangements would cause member detriment by reducing the likelihood of RSE licensees offering custom fee discounts and that a number of these arrangements were closed to new members.

APRA response

APRA has considered feedback received and, in the initial publications, APRA will publish performance and fees and costs for the standard fee arrangements only, aside from MySuper products.

APRA will consider consulting on collecting further information about custom fee arrangements to inform the assessment of public benefit and detriment to publishing this data in the future. This may include the number of members and assets under custom fee arrangements for each investment pathway, and the type of fee arrangement (large employer, individual member or grandfathered fee / legacy arrangements).

6.4 Risk measures

In its Discussion Paper, APRA proposed the use of the Sharpe ratio and investment option return volatility in its product level publications.

Comments received

Some stakeholders supported the proposals; others warned that the Sharpe ratio can oversimplify the risks associated with an investment product, particularly without a corresponding measure of liquidity due to differences in volatility for assets that are not marked to market daily (such as unlisted property and infrastructure). There was also a recommendation that APRA undertake a review of risk-related metrics, including alternatives to the Sharpe Ratio and the Standard Risk Measure.

APRA response

In the short term, APRA will publish the 10-year volatility, but will not publish the Sharpe Ratio as users of the publications can calculate this using the published data and a risk-free rate should they wish to utilise a Sharpe Ratio to analyse risk adjusted returns.

As part of the SDT program of work, APRA will consult further on risk measures and labels in Phase 2.

6.5 Return objectives

In its Discussion Paper, APRA proposed to publish return objectives (i.e. return measurement, return objective, return margin and investment horizon) at the investment option level. APRA also proposed not to publish the 'Return Objective Target Return' at this stage.

Comments received

Stakeholders noted that publication of the return objective would be useful, while others noted that having multiple measures which seek to describe similar underlying constructs is likely to cause confusion among users of the data and particularly among members if they view this information.

Stakeholders generally agreed that it would be difficult to determine the 'Return Objective Target Return' non-confidential and publish this item as this data is commonly sourced from proprietary data under confidential terms.

APRA response

As proposed in the Discussion Paper, the 'Return Objective Target Return' will not be published or determined non-confidential at this stage except for MySuper products which are already published in APRA's existing quarterly MySuper report.

Chapter 7 - Investments data (fund-level)

7.1 Publication of investment exposures data and confidentiality proposals

In its Discussion Paper, APRA proposed to publish the principal value and net market value for all combinations of counterparty types, counterparty rating grade, derivative exposure type, and derivative contract type, at an aggregate industry-level.

APRA proposed to determine as non-confidential derivatives data collected on Tables 1 and 2 of *Reporting Form SRF 550.2 Derivatives and Counterparties* (SRF 550.2), except for items that would identify counterparties.

Comments received

Industry feedback centred around risks that publishing SRF 550.2 data at an entity-level would reveal to market participants how an RSE is engaging with the market. Publishing this data would cause member detriment as it can allow banks to work out when funds may approach them to trade.

APRA response

APRA has considered the feedback and will not seek to determine most derivative data on SRF 550.2 as non-confidential. APRA will publish this data at an aggregate industry-level only. APRA will determine the Derivative Contract Type and Derivative Net Market Value Amount of SRF 550.2 (Table 1) as non-confidential. This is consistent with disclosure requirements under PHD, and APRA does not consider that making the Net Market Value aggregated by Derivative Contract Type non-confidential and publishing this data at the fund level would result in commercial detriment.

7.2 Timing of the APRA's publication of investments data

In its Discussion Paper, APRA proposed to publish the total dollar value of investments and proportion of total investments held under a series of enhanced asset allocation categories enabled by data reported on *Reporting Form SRF 550.1 Investments and Currency Exposure* (SRF 550.1) Table 1, at an aggregate industry-level.

APRA also proposed to publish information about the strategic asset allocation at the product-level for each investment option. APRA proposed to publish quarterly information about the actual investment holdings asset allocation classification at the product-level and at an aggregate industry-level.

APRA proposed to release actual asset allocation data on a quarterly basis at an aggregated-industry level as well as in its quarterly product level publication.

Comments received

Stakeholder feedback was generally positive on APRA's proposals in this area. One submission suggested that APRA insert a delay of at least 90 days between the end of each reporting period and the publication of detailed holdings for investments data, as this would provide transparent data to interested members; but minimise the risk of the datasets being used and exploited by market participants in a time sensitive way. It was also noted that this 90-day timeframe is consistent with PHD obligations.

APRA response

APRA has considered this feedback and will delay the publication of product-level and fund-level investments holdings data by one quarter. This timeframe is consistent with PHD and provides a logical alignment.

APRA will publish data at least 90 days after the end of each reporting period for actual investment holdings data at product and fund-level. This delay will not apply to aggregated industry level publications, or to product-level strategic asset allocation data.

Chapter 8 - Expenses

8.1 Publication of expenses with service providers and confidentiality proposals

In its Discussion Paper, APRA proposed that publication of fund-level and industry-aggregate expenses data would be delayed until the end of the best endeavours reporting period.

Following the lifting of best endeavours reporting, APRA proposed that individual service provider information would not be made non-confidential, and fund-level expenses data would be aggregated for each combination of expense type and expense group type.

At an aggregate industry-level, APRA proposed to publish administration and other expenses for each expense group and expense type and investment management expenses for each combination of investment service type and asset class, segmented by service provider status.

Comments received

Feedback on this area was mixed. Some noted the value in disclosing costs associated with individual service providers, as these costs have a significant impact on outcomes provided to members and transparency in this area will help identify inappropriate expenditure out of step with member needs.

Other stakeholders emphasised commercial and member detriment arising from the release of commercially sensitive data that may be subject to confidentiality agreements. Stakeholders argued that this would be of detriment to members as service providers may not want to provide services to superannuation funds if their confidential pricing data would be made public. Some stakeholders argued that additional fields should remain confidential, or that APRA should specify that only the combination of expense type and expense group type would be made non-confidential.

For investment management expenses, some stakeholders asserted that the publication of the investment asset class sector type could allow users to cross-reference the data published by APRA with already publicly available information about funds' investment managers to determine the cost of individual service arrangements.

APRA response

Publication of industry-aggregate and fund-level expenses data will be delayed until the end of the best endeavours reporting period which has been extended to include the 30 June 2022 annual reporting period.

In assessing the feedback received, APRA notes that it already publishes fund-level expenses for expense categories (such as administration, custody, and investment expenses) in its existing annual fund-level publication. Consistent with stakeholder feedback on the desire for no loss of data, APRA will, at a minimum publish the fund-level expenses for each expense group type category. Additionally, many of the expense categories relate to the

overall running of the funds and APRA considers it would be appropriate to publish some more granular categories of expenses.

Prior to the publication of fund-level expenses data, APRA will further consult on the confidentiality and publication of expense data at the same time as consulting on enhancements and clarifications to reporting requirements on expenses (expected September 2022).

8.2 Expense categories

In its Discussion Paper, APRA proposed to publish the administration and other expenses for each expense group and expense type, segmented by service provider status (insourced, outsourced related party, outsourced non-related party), at an aggregate industry-level.

Comments received

Feedback from stakeholders asserted that expenses categories need to be changed to avoid providing information that could mislead or be misconstrued by readers. For example, including advice fees under the marketing and distribution category would artificially inflate marketing expenses. Some stakeholders also raised concerns relating to the label of 'Payments Or Donations' in relation to expenses with Industry Bodies; Political Parties; and Trade Bodies, as this may be misleading where no donations are involved with these expenses.

APRA response

As noted in the section above, APRA will incorporate this feedback into the consultation on proposed enhancements and clarifications to reporting requirements on expenses . APRA will also consult further on the proposals for publication of expense categories.

Chapter 9 - Insurance

9.1 Publication of insurance data and confidentiality proposals

The new insurance data collected under *Superannuation Reporting Standard 251.0 Insurance* (SRS 251.0) is a step change in the breadth and granularity of data on insurance arrangements.

In its Discussion Paper, APRA proposed to publish aggregate industry-level and fund-level data on insurance policies including membership coverage, premiums and claims for all insurance cover types.

In its existing publications, APRA currently releases insurance premium and cover data for individual MySuper products. The new breadth and scope of the SDT data collection enables more comparable and granular data to be published for individual superannuation products.

Comments received

Feedback was mixed, with some stakeholders supporting APRA's proposals and others asserting that new insurance data should not be released due to concerns around the comparability of insurance products offered to members due to structural differences such as features, policy terms, occupations covered and definitions.

Some stakeholders also asserted that any release of insurance data should be delayed, allowing for further consultation as the publication proposals mainly focus on costs rather than other factors that represent value – such as claims ratio, acceptance rates and claims handling experience.

Some stakeholders also noted the potential for claims data, if published at a granular level, to expose individual member data that should remain private.

APRA response

APRA has considered feedback received in this area and has assessed that the public benefit of publishing data on default insurance outweighs any detriment arising from the concerns raised. New publications on this topic build on existing APRA statistical publications of default insurance cover design (Quarterly MySuper Statistics), as well as premiums and claims (Annual Superannuation Bulletin). Publication of new SDT insurance data will uplift the level of available data on insurance in super within the industry, empower RSE licensees to better compare the outcomes provided to members for insurance and better inform discussion within the industry on the outcomes provided to members holding insurance cover.

APRA will consider consulting on further enhancements to reporting requirements on insurance data under Phase 2 and 3 of the SDT, however APRA does not consider that there is a need to delay publication of insurance data.

To protect member privacy, APRA's proposal to aggregate data on claims at the fund-level for each insurance cover type (life, TPD or IP) will be sufficient to protect member privacy in most cases. Where there are few claims in the aggregated data, APRA will also mask fund-level data to protect member privacy.

9.2 Comparison between premiums collected and premiums paid

In its Discussion Paper, APRA proposed the use of a metric calculated as the difference between premiums collected and premiums paid.

Comments received

Feedback in this area was mixed, some agreed with the proposal, but noted that information on long tail claims should be included for clarity. Other stakeholder views asserted that a metric comparing premiums collected against premiums paid should not be used as this may be misleading due to timing mismatch, that APRA should consider the impact of premium rebates and that this metric should not be used as a proxy for insurance fees.

APRA response

In the short term, APRA will remove this metric from its publications, noting that each of the components will remain. APRA will consider collecting fund-level information on retained insurance fees in Phase 2 of SDT.

9.3 Cost of default cover

In its Discussion Paper, APRA proposed to publish data on default insurance cover, including costs of cover for all default insurance arrangements.

Comments received

APRA received mixed feedback on these proposals. Some stakeholders noted that the proposal did not include other factors that represent value when considering insurance such as measures of claims experience. Some stakeholders also noted that comparability of cost of cover could be subject to misinterpretation if differences in the amount of cover are not considered by users of the publications. Concerns were also raised that the full complexity of membership occupation or inclusions and exclusions with insurance products offered to members were not represented.

Other views strongly supported the publication of this data and noted the lack of data available on insurance products and the difficulty in collating data to draw comparisons.

APRA response

APRA has considered the feedback received and accepts there is a large degree of complexity when comparing insurance products. APRA also notes that the proposed data is limited to default insurance products, which means that many members rely on the RSE licensee to design the insurance product with appropriate terms and conditions. The proposals for publishing data on default insurance are similar to data published in the current Quarterly MySuper Statistics, with improved coverage, granularity and comparability.

In response to the feedback, APRA will include a claims admittance rate for the total policy by type of insurance in the key metrics publication as a simple measure of claims experience. APRA will also include a cost per \$10,000 of cover metric to ensure the total cost of cover is assessed on a more comparable basis. Further, APRA will include information on the assessment criteria used for TPD claims (Activities of Daily Life, Any Occupation, Own Occupation or Other) which is collected under SRS 251.2 Table 5.

APRA will consider consulting on further enhancements to reporting requirements including requiring further information on inclusions or exclusions, the URL to the PDS insurance information, and the number of members under each occupation category under Phase 2 of the SDT, however APRA does not consider that there is a need to delay publication of disclosed insurance design.

Chapter 10 - Performance assessments and benchmarking

APRA is required to conduct an annual performance test for MySuper products. The performance test, in conjunction with the Australian Taxation Office's YourSuper comparison tool, is intended to hold RSE licensees to account for underperformance through greater transparency and increased consequences.²

APRA also publishes superannuation heatmaps to increase the transparency and scrutiny of performance delivered by superannuation product offerings. APRA has signalled its intent to use data reported under the new reporting standards for future editions of the choice product heatmap.

The new product-level publications contain metrics relevant to the heatmaps and the performance test. This being the case, APRA proposed that the product level publications would be updated to align with any subsequent regulation relating to performance test methodology.

APRA currently collects strategic asset allocation, investment performance and representative member fees and costs data under reporting standards; *Superannuation Reporting Standard 533.0 Asset Allocation* (SRS 533.0) and *Superannuation Reporting Standard 702.0 Investment Performance* (SRS 702.0), which have been in place since 2012 and are only applicable to MySuper products.

In Phase 1 of SDT, APRA introduced enhanced strategic asset allocation, fees and costs and investment performance reporting under *Superannuation Reporting Standard 550.0 Asset Allocation* (SRS 550.0), *Superannuation Reporting Standard 705.0 Components of net return* (SRS 705.0) and *Superannuation Reporting Standard 705.1 Investment Performance and Objectives* (SRS 705.1).

In early 2022, APRA collected historical strategic asset allocation and investment performance data under SRS 550.0 and SRS 705.1 for both MySuper and TDPs. Historical data for other investment options will be reported later in 2022. The historical collection was undertaken to enable APRA and other stakeholders to assess performance of these products and investment options without the need to wait until long-term performance data is built up over time.

² On 7 July 2022, the Government announced a review of the Your Future, Your Super laws and a deferral of the performance test extension beyond MySuper products for 12 months.

Comments received

Stakeholders emphasised the importance of APRA publishing the historical quarterly data for strategic asset allocation and net investment returns to enable users of the data, including RSE licensees, to recreate and model outcomes of heatmaps and the performance test.

APRA Response

APRA will publish historical quarterly data for strategic asset allocation and net investment returns to enable users of the data, including RSE licensees, to recreate and model outcomes of the performance test. APRA will publish the historical quarterly data for these key metrics in the dataset version only.

APRA will include an explanation of potential differences in the reported strategic asset allocation under reporting standard SRS 533.0 compared to reporting under the new reporting standard SRS 550.0 in the explanatory notes of the new quarterly product-level publication.

APRA will not segment investment pathway or investment option data by TPD status and will not publish the TPD indicator for investment pathways at this time.

Attachment A: New superannuation publications

Attachments are available on the APRA website at: [Consultation on APRA's Superannuation Data Transformation](#).

Attachment B: Existing publications

Attachments are available on the APRA website at: [Consultation on APRA's Superannuation Data Transformation](#).

Attachment C: Changes to publications

Attachments are available on the APRA website at: [Consultation on APRA's Superannuation Data Transformation](#).

Attachment D: Final confidentiality positions

Attachments are available on the APRA website at: [Consultation on APRA's Superannuation Data Transformation](#).

Superannuation reporting form	Table	Columns
SRF_251_0	Table 1	1 2 3 4 5 6 7 8 9 10 11
SRF_251_1	Table 1	1 2 3 4 5 6 7 8
SRF_251_1	Table 2	1 2 3 4 5 6
SRF_251_2	Table 1	1 2 3 4 5 6 7
SRF_251_2	Table 2	1 2 3 4 5 6
SRF_251_2	Table 3	1 2 3 4 5 6 7
SRF_251_2	Table 4	1 2 3 4 5 6 7 8 9 10 11
SRF_251_2	Table 5	1 2 3 4 5 6
SRF_251_3	Table 1	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15
SRF_251_3	Table 2	1 2 3 4 5 6 7 8 9 10 11
SRF_332_0	Table 1	1 2 3 4 5 6 7 8 9 10
SRF_332_0	Table 2	1 2 3 4 5 6 7 8 9 10 11
SRF_332_0	Table 3	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15
SRF_550_0	Table 1	1 2 3 4 5 6 7 8 9 10 11 12 13
SRF_550_0	Table 2	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17
SRF_550_1	Table 1	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15
SRF_550_1	Table 2	1 2
SRF_550_2	Table 1	1 2 3 4 5 6 7 8 9 10 11 12 13
SRF_550_2	Table 2	1 2 3 4
SRF_605_0	Table 1	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19
SRF_605_0	Table 2	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16
SRF_605_0	Table 3	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19
SRF_605_0	Table 4	1 2 3 4 5 6 7 8 9 10 11 12
SRF_606_0	Table 1	1
SRF_606_0	Table 2	1 2
SRF_606_0	Table 3	1 2 3
SRF_606_0	Table 4	1 2 3 4 5
SRF_611_0	Table 1	1 2 3 4 5 6
SRF_611_0	Table 2	1 2 3 4 5 6 7
SRF_705_0	Table 1	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20
SRF_705_1	Table 1	1 2 3 4 5 6 7 8
SRF_705_1	Table 2	1 2 3 4 5 6 7 8 9 10 11 12
SRF_706_0	Table 1	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24

	To be determined non confidential
	One or more classifications in the list for this column to be determined non confidential
	Not proposed to be determined non confidential
	Not proposed to be determined non confidential, further consultation at a later stage
	Non confidential for MySuper products only

Attachment E: Publication templates

Attachments are available on the APRA website at: [Consultation on APRA's Superannuation Data Transformation](#).



APRA