# EXPOSURE DRAFT EXPLANATORY STATEMENT

## Issued by authority of the Treasurer

*Corporations Act 2001*

*Superannuation Industry (Supervision) Act 1993*

*Treasury Laws Amendment (Your Future, Your Super- Improving accountability and member outcomes) Regulations 2021*

Subsection 1364(1) of the *Corporations Act 2001* and subsection 353(1) of the *Superannuation Industry (Supervision) Act 1993* provide that the Governor-General may make regulations prescribing matters required or permitted by the Acts to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the Acts.

The *Treasury Laws Amendment (Improving Accountability and Member Outcomes in Superannuation Measures No. 1) Act 2019* (the Act) introduced measures to increase the amount and quality of information available to superannuation fund members and other stakeholders.

These included amendments to the ‘portfolio holdings disclosure’ regime to ensure that information is available to members about the portfolio holdings of superannuation funds. The Act also introduced the requirement for superannuation funds to hold ‘annual members’ meetings’, which provide a forum where the key aspects of the fund are discussed and where members may ask questions about the fund’s performance and operations. Other amendments in the Act strengthened the rules prohibiting the use of goods or services by a trustee to influence an employer’s decision to nominate a superannuation fund as their default fund, or to encourage their employees to nominate the fund as their chosen of fund.

The *Treasury Laws Amendment (Your Future, Your Super - Improving accountability and member outcomes) Regulations 2021* (the Regulations) support the above amendments.

Schedule 1 to the Regulations prescribes the manner in which information provided under the portfolio holdings disclosure regime must be organised.

Schedule 2 to the Regulations prescribes the information that must be provided with a notice for an annual members meeting.

Schedule 3 to the Regulations removes an exception to the revised prohibition influencing employers.

Details of the Regulations are set out in Attachment A.

The Regulation is a legislative instrument for the purposes of the *Legislation Act 2003*.

The Regulations commence the day after the instrument is registered.

**Draft Regulation Impact Statement**

This Draft Regulation Impact Statement relates to the amendments in Schedule 1 to the regulations.

The purpose of this document is to consult on the approach in the regulations and to seek feedback on anticipated costs of the proposed options to inform a calculation of total regulatory cost.

*What is the problem?*

A more transparent superannuation system will help people see how their contributions are invested with all market participants having access to adequate information about the overall investment market. Reforms, such as improved superannuation portfolio holdings disclosure (PHD), are needed in Australia to improve our systemic transparency.

*Why is government action needed?*

Transparency supports the efficiency and operation of a compulsory, market-based savings system. It improves understanding, awareness and engagement at various levels. Government intervention to secure a high level of transparency will allow more informed decision making and enhance confidence and competition in the superannuation system.

The Government passed legislation to establish the framework for superannuation funds to disclose portfolio holdings information via the *Superannuation Legislation Amendment (Further MySuper and Transparency Measures) Act 2012*. This framework was subsequently amended by the *Treasury Laws Amendment (Improving Accountability and Member Outcomes in Superannuation) Act 2019* and further amendments are proposed through the *Treasury Laws Amendment (Your Future, Your Super) Bill 2021*.

Regulations are required to specify the way in which portfolio holdings must be disclosed. Because the regulations had not been made, ASIC provided relief deferring the first reporting day for the purposes of the regime to 31 December 2021 in ASIC Class Order [CO 14/443].

The Government is now consulting on the approach in the regulations.

*What are the policy options?*

Both options involve reporting of all assets directly held and also those held in associated entities. Under the framework in the legislation, funds are required to report on assets held directly and by associated entities and reporting the holdings of the first non‑associated entity.

*Option 1: Uniform information disclosed across asset classes*

Under this option, the information prescribed for disclosure specified in the regulations would be uniform across all asset classes: name/kind of asset, security identifier of the asset, the number of assets held, the value of the asset and the weighing of that asset in the context of the total portfolio.

The impact of this option will be primarily on businesses. It will require public disclosure of data which superannuation funds will be responsible for compiling.

The impact on individuals will be positive through improved transparency facilitating more information for members about investment decisions of superannuation funds, noting that most members will rely on professional advisers, reports by professional investors and analysts. However, as the requirements for disclosure are not tailored to individual asset classes, this limits the ability of individuals and professional advisers to make conclusions based on the information provided.

No specific community group will be impacted by this option.

*Option 2: Tailored information disclosed for particular asset classes (reflected in the exposure draft regulations)*

This option would be the same as described in option 1 above, however the information funds are required to disclose under the regulations would be more granular and tailored to reflect the most relevant information for the particular asset class.

For most investment assets, the information required to be disclosed will be similar to option 1. However, funds will be required to disclose more tailored information in relation to derivative assets to provide a better understanding of the nature of the investment. The precise details on what is required to be disclosed is outlined in the draft regulations.

The impact of this option will be primarily on businesses. The range of assets disclosed under this option is the same as option 1; however funds may face some additional compliance burden in providing all the necessary information. Internal processes put in place by superannuation funds to comply with the requirements would be a matter for individual funds.

The impact on individuals will be positive through systemic transparency facilitating more information for members about investment decisions of superannuation funds. Most members will rely on professional advisers or reports by professional investors and analysts, which are expected to make use of data being disclosed through interpretation and communication of it more generally to the market.

No specific community group will be impacted by this option.

What is the likely net benefit of each option?

The Government seeks your feedback on the proposed methodology to quantify the costs of the reform, including the estimated quantified costs for each item, the extent to which the cost varies between option 1 and 2 and whether there are any other costs (whether ongoing or upfront) that have not been covered by the following analysis. The information obtained through this process will inform the Government’s approach to implementation and assist in meeting the requirements of the Office of Best Practice Regulation.

**Methodology**

Upfront costs

*Legal Advice*

* Upfront legal advice will be required. This advice relates to how the fund can properly follow the new regulations.
* Assume $500 per hour, 10 hours, for each fund. We expect funds will need to obtain this advice regardless of which option is adopted for the regulations.

*Investment in business practices by relevant trustees of registrable superannuation entities.*

* Establishing internal practices to process and collect the required data.
* Compiling the data into a format required by regulations through funds’ IT systems and further due diligence in ensuring compliance.
* Feedback is sought on estimates of costs of this investment and whether they would vary between option 1 and option 2.

*Training*

* Assume executive team and trustee directors and staff who will be compiling the reports will each need 1 hour to learn/understand their new obligations. Feedback is sought on the number of staff involved in this training and whether the assumed hours is appropriate. We expect funds will need to undergo this training regardless of which option is adopted for the regulations.

Ongoing costs

* Collation and publication of the data, consistent with the regulations, on a fund’s website, further updates twice annually.
* Feedback is sought on estimates of costs of this investment and whether they would vary between option 1 and option 2.

*Third party costs*

* Costs paid to third parties for access and collation of data to ensure the data is obtained consistent with the requirements under the regulations. This covers custodian fees and fees paid to fund managers.
* Feedback is sought on estimates of costs of this investment and whether they would vary between option 1 and option 2.

Individual costs

Nil - This measure is directed only at superannuation funds, and as such individuals are not affected.

**ATTACHMENT A**

**Details of the *Treasury Laws Amendment (Your Future, Your Super - Improving Accountability and Member Outcomes) Regulations 2021***

Section 1 – Name of the Regulations

This section provides that the name of the Regulations is the *Treasury Laws Amendment (Your Future, Your Super - Improving Accountability and Member Outcomes) Regulations 2021* (the Regulations).

Section 2 – Commencement

The Regulations commence on the day after the instrument is registered on the Federal Register of Legislation.

Section 3 – Authority

The Regulations are made under the *Corporations Act 2001* and the *Supervision Industry (Supervision) Act 1993* (SIS Act).

Section 4 – Schedules

This section provides that each instrument that is specified in the Schedules to this instrument will be amended or repealed as set out in the applicable items in the Schedules, and any other item in the Schedules to this instrument has effect according to its terms.

**Schedule 1 – Portfolio holdings disclosure**

Schedule 1 to the Regulations amends the *Corporations Regulations 2001* to prescribe the way in which portfolio holdings of a registrable superannuation entity (RSE) are to be disclosed for purposes of section 1017BB of the *Corporations Act 2001*.

Subsection 1017BB(1) in the *Corporations Act* *2001* sets out the required information that is to be collected and disclosed in respect of an investment item allocated to an investment option. An investment item is an asset or a derivative.

Subsection 1017BB(3) in the *Corporations Act 2001* requires the trustee of an RSE, with the exception of trustees exempted under 1017BB(4), to make publicly available information regarding the RSE’s portfolio holdings in accordance with regulations if regulations are made for that purpose. As such, trustees of affected RSEs are required to publish information relating to investment items on the RSE website in an area that is accessible to the public at all times.

Item 1 of Schedule 1 inserts Subdivision 2E.2 into Part 7.9 of the *Corporations Regulations 2001*. Regulation 7.9.07Z provides that the regulations contained in the new Subdivision are made for purposes of sub-section 1017BB(3) of the *Corporations Act 2001* and provides for rules around how the information must be organised.

In general, information about an investment option must be organised consistent with the tables contained in Schedule 8D to the Regulations. The tables provide for different methods for organising information depending on if the investment options are derivatives or not. Sub-regulations 7.9.07Z(2) and (3) provide that information may be displayed using a different number of columns or rows, or with the use of subsidiary tables, but at a minimum information must be displayed consistently with the tables in Schedule 8D.

Recognising the interactive nature of websites, the required information may be dispersed and disclosed in multiple subsidiary tables as opposed to one single table, particularly when large amounts of information are required, as long as the information relates to that investment option and is easily accessible from those subsidiary tables.

An example of subsidiary tables is where each kind of investment item is disclosed in a separate tab of a table, so that the viewer can access the information about a specific kind of investment item by clicking the tab containing that information rather than scrolling down a screen.

Example tables for organising information for derivatives and investment options that are not derivatives are included in **Attachment B.**

*Organising information for investment items that are not derivatives*

The first table in Schedule 8D provides for the way information is to be organised and displayed for non-derivative investment items, subject to the organisation rules in regulation 7.9.07Z.

Figures expressed in the example tables in Attachment B are purely included for example purposes and are not intended to reflect a realistic portfolio of a superannuation fund. Under section 1017BB of the *Corporations Act 2001*, trustees are only required to disclose investment items held by the RSE, an associate of the RSE or a pooled superannuation trust. It is not a full look-through model to the underlying asset.

The rows contain particular investment items and columns contain headings that provide details of: name/kind of investment item, security identifier, units held, and a summary column containing the value or current price and weighting. For fixed income investment options, there are additional columns being: maturity, face value, and coupon.

The investment items of the same kind are to be listed next to each other (i.e. grouped together) with the total amounts and percentages for that kind of investment item shown. Different currency holdings are to be listed separately in the table.

The last row of the table is to show the aggregate of the totals of each kind of investment item disclosed in the table.

Weightings for each investment item can be calculated on the basis of the value of that investment item divided by the total value of all investment items (including derivatives).

Trustees are able to use a valuation methodology that is consistent with how investment items are valued for other purposes (for example, taxation or financial reporting). To ensure consistency across the table, all values in the table should be expressed in Australian dollars.

*Organising information for derivatives*

The method of displaying information on investment options that are derivatives is contained in the second table in Schedule 8D. Similar to the investments table, figures expressed in the example table in Attachment B is purely included for example purposes and are not intended to reflect a realistic portfolio of a superannuation fund. It is recognised that some superannuation funds may not engage in all (or any) the derivative transactions outlined in the table.

Additional information is required to be disclosed for derivatives to enable users of the table to obtain an increased understanding of these, more complex, derivative instruments. To the extent that the information in a particular column heading is not applicable to a particular instrument, the table can be filled in with an ‘NA’.

Similar to the investments table, weightings for each derivative can be calculated on the basis of the value of that derivative divided by the total value of all investment items (including derivatives). Trustees are able to use a valuation methodology that is consistent with how derivative items are valued for other purposes (for example, taxation or financial reporting). To ensure consistency across the table, all values in the table should be expressed in Australian dollars.

The amendments in Schedule 1 apply to the first reporting day either on or after 31 December 2021 or the first reporting day after the commencement of the Regulations, whichever occurs later. ASIC has deferred the first reporting day for portfolio holding disclosures in relation to reporting days that occur before 31 December 2021 in ASIC Class Order [CO14/433].

**Schedule 2—Annual Members Meeting Notice Requirements**

Section 29P of the SIS Act requires that the RSE licensee of a registerable superannuation entity hold an annual meeting of members for each year of income of the entity. RSE licensees are also required to give notice of the meeting to all members of the registerable superannuation entity, and provide any information prescribed in regulations with the notice of the meeting.

Annual Members’ Meetings allow discussion of the key aspects of the fund and provide members with a forum to ask questions about all areas of the fund’s performance and operations.

These requirements do not apply to a superannuation fund with less than five members, an excluded approved deposit fund, a pooled superannuation trust, or an eligible rollover fund.

Part 1 of Schedule 2 to the Regulations amends the *Superannuation Industry (Supervision) Regulations 1994* (SIS Regulations)to prescribe the information that must be included with the notice of the meeting. This information must be provided by the RSE licensees for all RSEs that are required to hold an annual members’ meeting.

The amendments apply prospectively to any notices that relate to a year of income that ends on or after the amendments commence (being the day after the Regulations are registered).

*Information that must be provided with notice of annual members’ meetings*

The amendments insert Division 2.2 into Part 2 of the SIS Regulations, which sets out the requirements for information that must be provided with a notice of an annual members’ meeting. Providing this information with the notice of an annual members’ meeting empowers members by ensuring they are sufficiently informed and equipped to ask questions about all areas of the fund’s performance and operations at the annual members’ meeting. This is consistent with the Government’s broader objective of increasing transparency and accountability across the superannuation system, to ensure better member outcomes for all Australians.

The information that trustees must provide to each member includes the periodic statements that are already required to be given to the member, details of certain information that is already required to be made publicly available under the SIS Regulations, and other information relating to expenditure by the fund.

The amendments also allow for details to be provided about where information can be accessed by members as an alternative to separately providing the information.

The information that must be included with the annual members’ meeting notice and is already required to be made publicly available under the SIS Regulations is:

* a summary of each significant event or material change notice (if any) given within the previous 2 years;
* remuneration details of executive officers;
* the annual report of the superannuation entity (where such a report is required to be produced);
* the most recent annual outcomes determination for the superannuation entity.

The other information relating to the expenditure of the fund that must be included with the annual members meeting notice relates to:

* marketing expenses;
* political donations;
* payments to industry bodies or trade associations; and
* payments to related parties.

Further details about the types of information that must be provided are provided below.

Providing details about publicly available expenditure information

The amendments allow for details to be provided about where information can be accessed by members as an alternative to separately providing the information.

This would include information that is already publicly available (either because it is required to be published under another provision, or is voluntarily published by the RSE licensee), as well as information that is only accessible by members (for example through a member portal where the information can be accessed).

Allowing RSE licensees to provide these details instead of providing the information in full with a notice of an annual members’ meeting ensures that RSE licensees have appropriate flexibility in providing information to members in a user-friendly and cost effective manner.

Short-form summary of certain aggregate amounts

To assist members in understanding the information that is provided to them, RSE licensees must also provide members with a short-form summary of certain information that is to be included with the notice.

This summary is to include the aggregate amounts of certain categories of information that are to be disclosed to members with the notice. These categories cover the remuneration details of executive officers, as well as the other categories of expenditure of the fund. Each amount is the aggregate amount relating to that disclosure item for the income year to which the annual members meeting relates.

To assist with readability, the summary must be presented on a single page and be the only information that is presented on that page.

Notices of significant events or material changes

Subsection 1017B(1A) in the *Corporations Act 2001* requires issuers of a financial product to notify the holder of the financial product of any significant event or a material change to the matters specified in a Product Disclosure Statement for the product. A summary of each significant event or material change notice that is given to product holders within the previous 2 years must be made publicly available on the website of the relevant RSE pursuant to regulations made under subsection 29QB(1) of the SIS Act.

The details of where such summaries are made publicly available must be included with the annual members’ meeting notice provided to members.

Remuneration details for executive officers of an RSE trustee

The information provided with an annual members’ meeting notice must specify where the remuneration details for the RSE licensee’s executives are made publicly available as at the time of the notice is given.

Regulation 2.37 of the SIS Regulations sets out the requirements for reporting remuneration details for RSE licensee executive officers and individual trustees on RSE websites, including salary, bonuses, non‑monetary benefits, superannuation benefits, termination payments and other non‑monetary benefits as required under paragraph 29QB(1)(a) of the SIS Act.

This information is consistent with the remuneration details that must be published in relation to the key management personnel of an ASX listed company. However, in contrast to key management personnel the remuneration details in regulation 2.37 apply to all executive officers.

This information must also be provided as an aggregate figure in the short-form summary document explained above.

Annual Report

If the trustee or trustees of a RSE produces an annual report for the entity, the RSE licensee must provide the details of where the report is made publicly available.

This requirement reflects the fact that the production of annual reports is not mandatory for all RSEs. However, to the extent they are produced, annual reports are publicly accessible.

Annual outcomes assessments

The *Treasury Laws Amendment (Improving Accountability and Member Outcomes in Superannuation Measures No. 1) Act 2019* imposed a requirement, through the covenants in section 52 of the SIS Act, on the trustees of a regulated superannuation fund to make annual determinations for each MySuper product and choice product offered by a regulated superannuation fund.

Such determinations must be published on the fund’s website within 28 days of the time they are made.

The Regulations require details of where such determinations are or will be published to be provided to members.

If a determination has been made but not yet published when the notice is issued, but is to be published before the meeting, the RSE licensee must provide information about where the determination will be made publicly available. This takes into account that the determination may be published in the time between the notice being issued and the meeting itself.

If the most recent determination will not be published before the meeting is held, RSE licensees are required to provide members with details of how to access the previous annual determination. This takes into account that the timing of the meeting may not align with the timing of the annual determination.

Trustees may choose to align the publication of their determinations so that they can be discussed at an annual members’ meeting.

Periodic statements

Section 1017D of the *Corporations Act 2001* requires the issuer of a certain financial products, including superannuation products, to provide periodic statements to the holders of those products. Section 1017DA of the *Corporations Act 2001* allows for further requirements about providing information to the holders of a superannuation product through periodic statements.

The information provided with a notice must include either a copy of the most recent periodic statements given to the member under these provisions, or details about where those statements can be accessed by the member.

Marketing and sponsorship expenses

The information provided with a notice must include an itemised list of all payments made in relation to promotion, marketing and sponsorship expenditure.

Marketing expenditure can include sponsorships, expenditure on public facing materials to promote the entity or promote a particular view on behalf of the entity, promotions to attract new members to the entity and advertisements on the investment options a fund offers or the investment strategy of a fund.

Disclosure will enable members to ask questions about the purpose and value of this expenditure.

Political donations

The information provided with a notice must include an itemised list of all gifts (within the meaning of the *Commonwealth Electoral Act 1918*) made by the trustee to political entities and/or those registered under s 287L of that Act.

This information must also be provided as an aggregate figure in the short-form summary document explained above.

Payments to industry bodies or trade associations

The information provided with a notice must include an itemised list of all payments made to industry bodies or trade associations, which are required to be registered under section 26 of the *Fair Work (Registered Organisations) Act 2009*.

This information must also be provided as an aggregate figure in the short-form summary document explained above.

Payments to related parties

The information provided with a notice must include an itemised list of all payments made to certain related parties.

This information must also be provided as an aggregate figure in the summary document explained above.

*Requirement for giving notice of annual members’ meetings*

Paragraph 29P(3)(c) of the SIS Act allows the regulations to prescribe the manner in which an RSE licensee should provide a notice of an annual members’ meeting and other accompanying information to members.

RSE licensees are generally required to provide information to members about the management, financial condition and investment performance of the fund under paragraph 1017DA(1)(a) of the *Corporations Act 2001*. Regulation 7.9.75A of the *Corporations Regulations 2001* requires that the information provided under paragraph 1017DA(1)(a) be provided in writing, electronically or in a manner agreed by the member or member’s agent. This could include, for example, information being published on a funds’ website.

If an RSE licensee is required to provide information under paragraph 1017DA(1)(a) in a particular manner to members, they must also provide notice of an annual members’ meeting and the accompanying information in the same way. For example, if the RSE provides this information via email, they must also provide the annual members’ meeting notice via email. If the member has agreed a specific method of receiving information provided under paragraph 1017DA(1)(a), the annual members’ meeting notice and accompanying information must also be provided in that manner.

This ensures that RSE licensees have consistent obligations for providing information to members, and members do not need to enter into separate arrangements for providing such information.

Where information provided under 1017DA(1)(a) is made available on a website, regulation 7.9.75BA of the *Corporations Regulations 2001* provide that the trustee must ensure the information is readily accessible on that website and explain to the member how to access the information.

Where an RSE licensee does not have to provide information under paragraph 1017DA(1)(a), then the notice of an annual members’ meeting and the accompanying information must be provided in writing.

In addition to providing information to members directly, the Regulations also require RSE licensees to make the notice of the annual members meeting publicly available, and readily accessible by members, on the registerable superannuation entity’s website. Where the RSE chooses to provide the required information to members via linking to a webpage, that webpage must be active and viewable at and from the time the annual members’ meeting notice is sent to members.

*Consequential amendments*

The amendments expand existing regulation 2.04 of theSIS Regulations to include new Division 2.2. This ensures that RSE licensees are taken to have satisfied the requirements to provide information with notice of an annual members’ meeting if they have made reasonable steps to provide the information to members.

This treatment is consistent with the existing arrangements for information that is required to be given for each reporting period under Division 2.4 and information on request under Division 2.5.

## Schedule 3 – Use of goods or services to influence employers

Schedule 3 to the Regulations amends the SIS Regulations to remove an exemption from section 68A of the SIS Act.

The general rule in section 68A of the SIS Actoriginally prohibited the trustee or associate of the trustee of a regulated superannuation fund from offering or refusing to supply a good or service to an employer on the condition that their employees must become members of the fund.

Regulation 13.18A of the SIS Regulations prescribes exemptions from section 68A, including paragraph 13.18A(1)(d) that allows a trustee, or associate of the trustee to supply a good or service to an employer. However, the supply or offer must be available to all of the employer’s employees who are members of the fund and the terms of the supply or offer to each employee must be no less than the terms offered to the employer.

These rules in section 68A of the SIS Actwere strengthened through Schedule 9 of the Act. The amendments replaced the previous prohibition on actual conditions on becoming a member with a lower standard about an offer being ‘reasonably expected to influence’ an employer’s choice to nominate the superannuation fund as the default fund, or encourage their employees to nominate the fund as their choice of fund.

Item 2 of Schedule 3 repeals paragraph 13.18A(1)(d), as it is not considered appropriate in the context of the new rules. The exception was based on the assumption that there are no issues with an employer receiving a supply if it is equally available to their employees who are members of the fund.

The amendments to the Act lowered the threshold from an actual condition for employees to become fund members, to a likelihood of a supply influencing an employer to select their fund as a default fund for their employees. This made the exemption in paragraph 13.18A(1)(d) inappropriate.

For example, a fund may provide discounted computers or offer a low cost insurance to an employer with an intent of influencing an employer’s decision to nominate the fund as a default fund for employees. This is not relevant to the fact that these benefits are also extended to employees who are member of the superannuation fund. The Regulations will remove the exemption and disallow the ability of an RSE trustee to influence an employer through the use of goods and services.

Item 3 of Schedule 3 prescribes that the amendments made by this Schedule apply in relation to the provision of goods or services, or the refusal to provide goods or services that occur on or after the commencement of the Regulations.

**ATTACHMENT B**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Portfolio Holdings Information for Growth Fund A Summary** | | | | | | | | | | | | | | | |
| **Name/kind of investment item** | **Security Identifier** | | **Units held** | | |  |  |  | |  | |  | | **Value** | **Weighting** |
| **Cash** |  | |  | |  | |  | | |  | |  | |  |  |
| Australian Dollar | AUD | | 20,000,000.00 | |  | |  |  | |  | | |  | $20,000,000.00 | % |
| New Zealand Dollar | NZD | | 10,000,000.00 | |  | |  |  | |  | | |  | $10,000,000.00 | % |
| **Total** |  | |  | |  | |  | | |  | | |  | **$30,000,000.00** | **%** |
| **Name/kind of investment item** | **Security Identifier** | | **Units held** | | **Maturity** | | **Face value** | | **Coupon** | |  | |  | **Value** | **Weighting** |
| **Fixed Income** | | | |  |  | |  | |  | | |  | |  |  |
| Australian Government Bond | AU0000145 45,300 | | | | Aug 1, 2021 | | 45,300,000 | | 1.50%, 6 months | |  | |  | $45,149,000 | % |
| New Zealand Government Bond | NZ0000150 | | | 22,875 | Sep 30, 2022 | | 22,875,000 | | 1.75% 6 months | |  | |  | $29,819,000 | % |
| XYZ Bank of Australian Bond | AU0000170 | | | 59,216 | Dec 1, 2048 | | 59,216,000 | | 2.75% 6 months | |  | |  | $72,561,000 | % |
| **Total** |  | | |  |  | |  | |  | |  | |  | **$147,529,000.00** | **%** |
| **Name/kind of investment item** | **Security Identifier** | | | **Units held** |  | |  | | |  | | |  | **Value** | **Weighting** |
| **Equity** | | | |  |  | |  | | |  | |  | |  |  |
| Capella | CPL.AW | | | 100,000 |  | |  | | |  | | |  | $1,000,000.00 | % |
| Menkalinan | MNK.LN | | | 50,000 |  | |  | | |  | | |  | $1,000,000.00 | % |
| **Total** |  | | |  |  | |  | | |  | | |  | **$2,000,000.00** | **%** |
| **Name/kind of investment item** | **Security Identifier** | | | **Units held** |  | |  | | |  | | |  | **Value** | **Weighting** |
| **Property** | | | |  |  | |  | | |  | |  | |  |  |
| XYZ Office | **-** | | | 1 |  | |  | | |  | | |  | $1,000,000.00 | % |
| **Total** |  | | |  |  | |  | | |  | | |  | **$1,000,000.00** | **%** |
| **Name/kind of investment item** | **Security Identifier** | | | **Units held** |  | |  | | |  | | |  | **Value** | **Weighting** |
| **Infrastructure** | | | |  |  | |  | | |  | |  | |  |  |
| XYZ Port | **-** | | | 1 |  | |  | | |  | | |  | $1,000,000.00 | % |
| **Total** |  | | |  |  | |  | | |  | | |  | **$1,000,000.00** | **%** |
| **Name/kind of investment item** | **Security Identifier** | | | **Units held** |  | |  | | |  | | |  | **Value** | **Weighting** |
| **Commodities** | | | |  |  | |  | | |  | |  | |  |  |
| Gold Bullion | **-** | | | 10 |  | |  | | |  | | |  | $1,000,000.00 | % |
| **Total** |  | | |  |  | |  | | |  | | |  | **$1,000,000.00** | **%** |
| **Name/kind of investment item** |  | | |  |  | |  | | |  | | |  | **Value** | **Weighting** |
| **Other** |  | | |  |  | |  | | |  | | |  | **$-** | **%** |
| **Total** | |  | |  |  | |  | | |  | | |  | **$-** | **%** |
| **Total Investment Items** | |  | |  |  | |  | | |  | | |  | **$182,529,000** | **%** |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Portfolio Holdings Information for Growth Fund A - Derivatives | | | | |  |  |  |  |  |  |  | |
| Name/kind of investment item | **Bought/Sold Position** | **Number of Contracts** | **Amount per Contract** | | **Price in Contract (Underlying)** | **Notional Amount** | **Maturity Date** | **Currency of Contract** |  | **Value** | **Weighting** | |
| Future Contracts Underlying Asset |  |  |  | |  |  |  |  |  |  |  | |
| Gold | Bought | 10 | 10oz | | $2,000 | $200,000 | 30/06/2021 | AUD |  | $X | % | |
| USD | Bought | 10 | US$100,000 | | $1.31 | $1,307,190 | 30/06/2021 | AUD |  | $X | % | |
| Total |  |  |  | |  |  |  |  |  | $X | % | |
| Name/kind of investment item | **Bought/Sold position** | **Amount** | **Price in contract (underlying)** | | **Notional Amount** | **Maturity Date** | **Currency of Contract** | **Counterparty** | **Counterparty Credit Rating** | **Value** | **Weighting** | |
| Forward Contracts |  |  |  | |  |  |  |  |  |  |  | |
| Gold | Bought | 100 oz | $2,000 | | $200,000 | 30/06/2021 | AUD | ABC | AA- | $X | % | |
| USD | Bought | US$1 million | $1.31 | | $1,307,190 | 30/06/2021 | AUD | ABC | AA- | $X | % | |
| Total |  |  |  | |  |  |  |  |  | $X | % | |
| Name/Kind of investment item | **Bought/Sold position** | **Option Type** | **Number of contracts** | **Currency of Contract** | **Notional Amount** | **Exercise Price** | **Expiry Date** | **Counterparty** | **Counterparty Credit Rating** | **Value** | **Weighting** |
| Options  Asset |  |  |  | |  |  |  |  |  |  |  |
| Gold | Bought | Call | 10 | AUD | $200,000 | $2,000 per oz | 30/02/2021 | ABC | AA- | $X | % |
| Total |  |  |  | |  |  |  |  |  | $X | % |
| Name/kind of investment item | **Amount** | **Price in Contract** | **Floating Benchmark (if applicable)** | | **Notional Amount** | **Maturity Date** | **Currency of Contract** | **Counterparty** | **Counterparty Credit Rating** | **Value** | **Weighting** |
| Currency Swap  USD for AUD | US$1 million | $1.31 | NA | | $1,307,190 | 30/06/2023 | AUD | ABC | AA- | $X | % |
| Interest Rate Swap  Fixed for floating | US$1 million | 0.25bps | 6mBBSW | | $25,000 | 30/06/2023 | AUD | ABC | AA- | $X | % | |
| Total |  |  |  | |  |  |  |  |  | $X | % |
| Other |  |  |  | |  |  |  |  |  | - | - |
| Total |  |  |  | |  |  |  |  |  | - | - |
| Total Derivative Items |  |  |  | |  |  |  |  |  | $X | % |