



# Superannuation Fund Disclosure Past, Present and Future

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# 1 EXECUTIVE SUMMARY

## 1.1 Objectives

In this study we developed a disclosure index for Australian superannuation funds (superfunds) as well as an evaluation of the disclosure practices of these funds for the period between 2010 and 2016. This provided a thorough and rigorous evaluation of disclosure practice in order to best inform policy. We also investigated disclosure associated with the MySuper product, launched after the introduction of the 'Stronger Super Reform' in 2013 and targeted to be fully implemented by 1 July 2017.

## 1.2 Methodology

We developed four superfunds disclosure indexes based on a literature review of the existing superfunds disclosure regulatory framework and good practice guidelines by industry bodies in Australia and worldwide. The four categories of superfunds information are important for enabling fund members to make informed decisions. The four superfunds disclosure indexes we developed are the SuperGov Index, SuperInvest Index, SuperFee Index and SuperInfo Index. We also created an index, MySuperInfo, to gauge the implementation of MySuper product and information disclosure.

Our data were collected from the website and product disclosure statements of superfunds. These are the main sources for members to access information about their superfunds. As we collected data prior to the 2016–2017 Australian Government Federal Budget we did not include any changes to the superannuation industry introduced by this budget. Our dataset contained the information disclosed by the superfunds in 2010 and 2016. Looking at these two years, we were able to see the change in disclosure practices in the industry by analysing our four indexes taking into account the fund type and trustee board structure and fund size in terms of the value of assets under management.

## 1.3 Key Findings

Overall, we found that superfunds had succeeded in disclosing information related to their governance. Many superfunds have achieved full disclosure in the SuperGov Index. On the other hand, disclosure of fund fees and costs, and investment related information was mixed. Therefore, the level of disclosure, as measured by the SuperInvest and SuperFee Indices, remained limited for many superfunds. In addition, we also observed a fall in overall disclosure as measured by the SuperInfo Index in 2016 from its level in 2010. Industry superfunds and funds governed by not-for-profit trustee boards were the top performers in disclosing various

categories of information, including the MySuper disclosure. On average, our sample superfunds have achieved approximately 68% of the 10 categories of MySuper product information in our index. We observed that some funds have achieved 100% disclosure of MySuper while others have not disclosed any information.

## 1.4 Key Recommendations

We make the following recommendations based on our observations in this study:

1. Regulators and industry bodies should provide better clarity and a standardised framework for the disclosure of fund fees and costs, and investment related information.
2. Future research to be conducted on how trustee governance affects superfunds disclosure besides the attention paid to the structure and composition of trustee boards.

## 2 INTRODUCTION

### 2.1 Background

The Australian Government announced in its 1991 Federal Budget that the Superannuation Guarantee (SG) would be introduced. It came into full effect a year later. The SG requires all employers to make a contribution to their employees' retirement savings at least every quarter of the year. The percentage of employer contribution was initially introduced at 9%. Over time a guideline to adjust the Super Guarantee percentage saw it increased to 9.25% in 2015, currently it is at 9.50% and moving towards 12% by 2025<sup>1</sup>.

In 2005, a new law regarding the Choice of Superannuation Fund was passed by the Australian Government to award employees the right to choose the superfund their employer contributes their retirement savings towards. Since then, most working adults<sup>2</sup> in Australia have borne the decision-making of choosing their preferred superfund from five basic types of funds currently offered in the industry, namely industry funds, retail funds, public sector funds, corporate funds and self-managed superfunds. This major change highlights the importance of transparency and quality of disclosure of superfunds to their members and the general public.

According to the Association of Superannuation Funds of Australia (ASFA), as at the third quarter of 2017, superannuation assets were valued at \$2,259 billion and registered a growth rate of 8.7% in total superannuation assets over the 12-month period.<sup>3</sup> Superfunds are under increasing scrutiny to comply with detailed specifications of disclosure under an umbrella of regulations and best practice guidelines, comprising the Superannuation Industry (Supervision) Regulations (SIS Act) 1994, the *Corporations Act 2001*, Australian Securities and Investments Commission (ASIC) and Australian Prudential Regulation Authority (APRA). The 'Stronger Super Reform' in 2010 reviewed disclosure practices and recommended that reporting and communication of superfund information be transparent and improved. A number of the recommendations were accepted and implemented by the Australian Government.<sup>4</sup>

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<sup>1</sup> See Australia Taxation Office (ATO) [website](#) for Table 21: Super guarantee percentage.

<sup>2</sup> For employee's eligibility to choose a super fund, see the ATO [website on "Employees – Am I entitled to super?"](#) and Australian Securities & Investments Commission (ASIC) [website on Choice of superannuation](#).

<sup>3</sup> For updated and more detailed data see [ASFA's Superannuation Statistics](#).

<sup>4</sup> See overview of Stronger Super Reforms on the Australian Government Treasury [website](#).

## 2.2 Objectives

The objective of our study was to evaluate the extent and quality of disclosure among superfunds for the period between 2010 and 2016. In a CPA poll of its members,<sup>5</sup> 75% have deep concerns about the lack of disclosure with regard to superfund costs and underlying asset investments, trustee remuneration, senior executive remuneration and management fees paid to advisers. The poll results also highlight the need for lifting disclosure standards and practices of superfunds to the same level of listed entities.

By identifying the landscape of superfund disclosure, we have provided a standard framework to evaluate information quality and dissemination for usage by members and key stakeholders. Our framework highlights leading practices that can be shared to lift the overall standard by compliant as well as lagging superfunds. We have studied the challenges they face and recommend improvements in key areas. Specifically:

1. We surveyed Australian superfund industry current regulatory disclosure requirements as well as best practice and compared these to international best practice.
2. We developed a disclosure index based on regulation and best practices.
3. We evaluated the current level of disclosure in Australia by surveying individual fund disclosure and through the disclosure index.

The first question is related to regulations and best practice guidelines for superfunds. We provided an overview of disclosure requirements based on the domestic regulatory framework. We also explored international best practice models. We then applied these findings to the specific experience and context of the current Australian superfund landscape. This entailed revisiting ASIC's and APRA's role in the disclosure requirements for superannuation trustees.

In order to gauge the outcomes of the 'Stronger Super Reform', we compared the reform recommendations and best practice guidelines with current practice. As a result, the second question we aimed to address related to the level of disclosure currently practiced across the Australian superannuation industry. Based on the findings of our first objective, we developed a standard framework in the form of a disclosure index in order to measure the level of disclosure currently practiced by Australian superfunds. We measured current disclosure practice by extending the methodology used by Tan and Cam (2011, 2014).

Third, we used our disclosure index to identify leading performers and studied their examples to add to the best practices in the industry. We also examined the challenges and

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<sup>5</sup> See [CPA Super Reporting: Do You Get the Picture?](#)



characteristics faced by the lagging superfunds and provided recommendations on how their practices could be improved. Overall, we provided an insight into the current disclosure practices of Australian superfunds and developed a benchmark for future work.

In addition to the above objectives, we also examined the disclosure practices of superfunds with regard to their MySuper product, a product enforced by the Australian regulatory framework to provide a standardised platform for a comparison across different superfunds. MySuper has grown to be a significant segment since its introduction. ASFA estimated that MySuper has grown by 24% in the 12-month period to the third quarter of 2017 and registered total superannuation assets of \$610 billion.

## 2.3 Regulatory and Good Practice Guidelines Framework

In Australia, superannuation funds are required by the Superannuation Industry (Supervision) Regulations (SIS Act) 1994 and the *Corporations Act 2001* to lodge regular financial disclosure. Further guidelines of financial, governance and production information disclosure in various forms and channels, e.g. financial statements, product disclosure statements and online materials, are provided by the Australian Securities and Investments Commission (ASIC) and the Australian Prudential Regulation Authority (APRA). See Table 1 for the summary of disclosure standards and regulations related to superannuation funds in Australia.

**Table 1: Summary of disclosure standards and regulations related to superannuation funds in Australia.**

GUIDELINES / ACT	REGULATORY BODY	WHAT IS IT?
Corporations Amendment Regulations (No. 5) [Corporation Act] – <a href="#">Subdivision 4.2B Content of Product Disclosure Statement for superannuation product</a>	Authority of the Minister for Financial Services, Superannuation and Corporate Law	Providing regulation on the content of product disclosure statement (PDS) required to be disclosed by Australian superannuation funds.
<a href="#">Regulatory Guide 168 Disclosure: Product Disclosure Statements (and</a>	ASIC	Giving policy guidance on preparing a PDS that complies with the PDS requirements in the <i>Corporations Act 2001</i> . It sets out good disclosure principles and explains how ASIC will monitor the use of PDSs and enforce the PDS requirements.

GUIDELINES / ACT	REGULATORY BODY	WHAT IS IT?
<a href="#">other disclosure obligations)</a>		
<a href="#">Reporting Practice Guide SRPG 700 – Superannuation Disclosure Reporting</a>	APRA	Reporting Standard SRS 700.0 Product Dashboard (SRS 700.0), Reporting Standard SRS 702.0 Investment Performance (SRS 702.0) and Reporting Standard SRS 703.0 Fees Disclosed (SRS 703.0) set out APRA's requirements in relation to reporting information that is also required to be disclosed under the <i>Corporations Act 2001</i> (Corporations Act) and Corporations Regulations 2001 (Corporations Regulations). This RPG aims to assist an RSE licensee in complying with APRA's requirements.
<a href="#">Regulatory Guide 97 Disclosing fees and costs in PDSs and periodic statements</a>	ASIC	Providing guidance on the disclosure of fees and costs in PDS and periodic statements, specific to: Disclosure of costs of investing in interposed vehicles (fees and costs associated with investing through underlying investment vehicles should be disclosed) Disclosure of indirect costs (fees and costs associated with investing through underlying investment vehicles should be disclosed) Removal of doubt that double counting of some costs for superannuation products is not required, and The appropriate application of the consumer advisory warning.
<a href="#">Superannuation Industry (Supervision) Act 1993 (s29QB) &amp; Superannuation Industry (Supervision) Regulations 1994 &amp; ASIC Regulatory Guide 252</a>	ASIC	Enforcing and providing guidance on transparency of trustee governance, navigation and timeliness of information dissemination on superannuation fund websites.
<a href="#">Reporting Standards for Superannuation</a>	APRA	Providing a framework of reporting standards all superannuation funds must comply with in terms of: SRS 532.0 — Investment exposure concentrations; SRS 533.1 — Asset allocation and members' benefit flows; SRS 534.0 — Derivative financial instruments; SRS 702.0 — Investment performance; SRS 703.0 — Fees disclosed; SRS 320.0 — Statement of financial position; and SRS 330.1 — Statement of financial performance.

Overall, the collective disclosure framework is in line with RG168.4 The Good Disclosure Principles which highlight that disclosure should be timely, relevant and complete. In addition, disclosure should include important information, such as fees, costs and returns, presented in plain language, which users can use to compare products according to their needs and understand their complexity.

Around the world, various regulatory framework and best practice guidelines are in place to govern the operation of pension funds. While the [OECD Guidelines for Pension Fund Governance](#) stresses that disclosure of pension plan information must be “clear, accurate and timely”, it states the important role of a relevant governing body in providing effective reporting and disclosure and ensuring compliance by all operators in the industry. Furthermore, the governing body is accountable and may be disciplined for any mismanagement of the members of pension plans. Fund governance is linked to superannuation fund performance (Tan and Cam, 2014). This brings serious attention to the issue of pension fund governance in relation to the disclosure of fund information. Hence, it is as important to be transparent with fund governance information as with fund information in terms of asset allocation, fees, costs and returns.

The United Kingdom Pensions Regulator echoes the OECD guidelines and updated its [Codes of Practice No. 13: Governance and administration of occupational trust-based schemes providing money purchase benefits](#) in 2016 that stresses the roles and accountability of trustees in setting investment objectives, administration, reporting, risk management, internal control, conflict of interest, members communication and investment options. The [Investment Governance Group](#) in the UK provides an industry-led framework that is in line with the [Pensions Regulator](#) and [Myners Principles](#). It points to the importance of fund governance and effective monitoring and disclosure of investment performance to aid members’ decision-making.

In the Netherlands, huge public interests are vested in the governance of pension funds. The Pension Fund Governance Reinforcement Act together with the Pension Fund Code of Governance provide a mandatory framework that all pension funds in the country must comply with. If compliance is not met, funds must explain why. For example, The [Royal Dutch Shell PLC](#) demonstrates how its pension funds ensure adequate stakeholder representation and organise the duties in the fund structure by adopting the prescriptive framework, in specific:

1. having two retiree representatives appointed to the board governing the pension fund;

2. forming a new Accountability Council by merging the Members' Council and Accountability Council;
3. the new council is made up of 14 members, namely eight representing the pension beneficiaries, four representing the active participants and two representing the employing companies.
4. Allocating several formal authorities to the Board of Supervisors which has taken over the role of the Internal Supervision Committee.

In addition, the Federation of the Dutch Pension Funds has drawn up the [Code of the Dutch Pension Funds](#) as part of the regulatory and good pension fund governance principles and guidelines framework to ensure pension fund performance and operations are more transparent to the stakeholders, with attention to three key areas: management control, supervision and reporting, in order to focus on generating long-term value.

In Canada, the Pension Benefits Standards Act, 1985 (PBSA) dictates the administration of pension funds. In addition, the pension funds industry forms part of the investment securities market and therefore is governed by the Canadian Securities Administrator (CSA). The CSA comprises of securities regulators from 10 provinces and three territories in the country. The CSA members jointly develop a regulatory framework and good practice principles that contain provisions of governance and disclosure for pension funds. Trust law, in turn, ensures and monitors that the fiduciary duties of a fund governing body are undertaken. Furthermore, the Office of the Superintendent of Financial Institutions oversees the implementation of the [Guideline for Governance of Federally Regulated Pension Plans](#). In specific, stated on the guideline's website, pension funds should have:

- clearly stated objectives;
- independence of the governing body from the plan sponsor(s);
- separation of governance from operations, clearly defined roles and responsibilities;
- accountability and internal controls;
- adequate knowledge and skill sets;
- due diligence in decisions and supervision of delegated work;
- controls for expenses and protection from conflicts of interest; and
- transparency and full disclosure.

The examination of regulatory and good practice guidelines framework shows that the Australian regulatory policies, though not prescriptive in all parts, are in line with international standards and guidelines. First, existing regulations and guidelines highlight the crucial role of

pension fund governance in ensuring value creation to the members and stakeholders. Second, the structure, composition and accountability of a pension fund governing body, often operated through a trust, and internal controls implemented by it are being scrutinised by regulators and industry bodies. Third, an emphasis is placed on the transparency and disclosure of important fund information, e.g. fund governance, investment strategies and the underlying assets, costs, fees and returns, which can assist members and stakeholders in evaluating fund performance and making informed decisions. Our findings from this section have informed the methodology used to develop our disclosure index and the evaluation of fund information transparency in the following sections.

### 3 METHODOLOGY

We followed Sanchez et al. (2011) and Tan and Cam (2013) to guide our methodology in developing disclosure measures and ranking of Australian superannuation funds in our sample. We gauged the level of individual fund disclosure by surveying funds' published annual reports, product disclosure statements and internet presence. In order to generate an appropriate quantitative metric, we constructed more detailed indices to measure the different types of disclosed/undisclosed information, their disclosure level and accessibility of the information.

We investigated the level of disclosure of superannuation fund information by collecting fund information in terms of superannuation fund product types, asset managers, fees and costs, and trustee boards from various sources, e.g. annual reports, product disclosure statements and websites. Following this, we constructed 13 categories of information that are crucial to members in their decision-making of fund and product selection as well as to the market and analysts in terms of how a fund is governed. In specific, we developed three families of disclosure measures, namely trustee governance disclosure (SuperGovernance Index), investment options and agents (SuperInvest Index), and fee and costs information (SuperFee Index). We also created an overall superfund disclosure index (SuperInfo Index) that measures the overall transparency of information for individual funds.

In addition to this, we also construct a disclosure index to measure the information transparency and informativeness of the MySuper product (MySuperInfo Index), which is the standardised default investment option that all superannuation funds are required to offer to their members having been introduced in 2013 after the 'Stronger Super Reform'. This product replaces the default option in superfunds and is presented with a number of simple features so that members can easily compare MySuper products across different funds regardless of

who the provider is. The Australian Government had set out a timeline that all balances in the default option of all superfunds must be transferred to their MySuper product respectively by 1 July 2017. This timeframe provided us with a unique opportunity to compare disclosure and transparency levels between different superfunds using a standardised product in addition to our SuperInfo Index.

### 3.1 Disclosure Index Design

Our Disclosure Index design was based on Sanchez et al. (2011) and Tan and Cam (2013). Four unweighted disclosure indices were constructed using binary variables (Yes/No) to indicate if a class of information was disclosed/undisclosed by a super fund.

The first of the four was the **SuperGovernance Index**, which measured the disclosure of information regarding the trust, its composition and the overall structure of a superfund. We allocated a point to each class of information if it was disclosed, with a total of 4 points to be allocated. The worst performer with no disclosure of any governance information received 0 points while the most transparent firm which disclosed every class of information received a maximum of 4 points. Using the same method, we constructed the second index, namely the **SuperInvest Index**, which measured the disclosure of fund managers and asset consultant, investment allocation and options by a superfund. There were four classes of information to be measured by this index. Following this, we constructed the **SuperFee Index**, which indicated the level of disclosure of administrative cost, investment management fee, performance fee, withdrawal fee, and investment switching fee, which summed up to a maximum of five points for the best performer. The final index was the **SuperInfo Index**. This index was a consolidation of other indices and as such measured the extent of disclosure of superfund governance, investment and agents, and fees and costs. Therefore, it measured the overall disclosure performance of the fund, with a maximum point of 13 to be allocated if there was full disclosure of all classes of information. The details of each index are shown in Table 2 below.

**Table 2: Disclosure Index Design and Definitions**

VARIABLE	DEFINITIONS
SuperGovernance Index	The sum of the following, where the highest score is 4 points: 1 = trustee information is disclosed; 0 otherwise. 1 = trustee committee information is disclosed; 0 otherwise. 1 = directors' names are disclosed; 0 otherwise. 1 = nominator information is disclosed; 0 otherwise.
SuperInvestment Index	The sum of the following, where the highest score is 4 points: 1 = fund manager information is disclosed; 0 otherwise. 1 = asset consultant information is disclosed; 0 otherwise. 1 = investment allocation information is disclosed; 0 otherwise. 1 = investment option information is disclosed; 0 otherwise.
SuperFee Index	The sum of the following, where the highest score is 5 points: 1 = administrative cost information is disclosed; 0 otherwise. 1 = investment management fee information is disclosed; 0 otherwise. 1 = performance fee information is disclosed; 0 otherwise. 1 = withdrawal fee information is disclosed; 0 otherwise. 1 = investment switching fee information is disclosed; 0 otherwise.
SuperInfo Index	The sum of <i>SuperGovernance Index</i> , <i>SuperInvestment Index</i> , <i>SuperFee Index</i> : $ODI = \text{SuperGovernance Index} + \text{SuperInvestment Index} + \text{SuperFee Index}$ Where the highest score is 13 points

### 3.2 Sample

Our superannuation fund sample was drawn from APRA Annual Fund-level Superannuation Statistics series issued from 2010 to 2018. APRA's list of funds includes all APRA-regulated superannuation funds with more than four members. It excludes pooled superannuation funds, as well as exempted public-sector superannuation schemes. The data used for this report were collected in 2011 (2010 Sample) and 2017 (2016 Sample). Our sample did not include all the funds listed by APRA. Table 3 below shows the number of funds, the sum of assets under management and the total number of members' accounts managed by the funds in each sample. This helps in understanding our sample and how it compared to the APRA sample.

**Table 3: 2010 and 2016 Funds Samples**

	2010 APRA	2010 SAMPLE	2016 APRA	2016 SAMPLE
<b>Industry Funds</b>				
Count of Fund type	61	57	41	36
Sum of total assets at end of period (\$'000)	225,674,508	210,479,920	466,351,298	442,557,892
Sum of # of member accounts	11,505,950	11,178,347	11,117,691	10,533,508
<b>Public Sector Funds</b>				
Count of Fund type	20	16	19	9
Sum of Total Assets at end of period (\$'000)	98,268,110	36,213,849	223,938,998	174,284,121
Sum of # of member accounts	2,157,594	836,269	2,607,988	1,934,937
<b>Corporate Funds</b>				
Count of Fund type	97	-	28	1
Sum of Total Assets at the end of period (\$'000)	48,452,652	-	53,886,298	3,879,184
Sum of # of member accounts	535,501	-	336,395	31,912
<b>Retail Funds</b>				
Count of Fund type	125	3	132	35
Sum of Total Assets at end of period (\$'000)	331,582,582	1,858,636	543,985,925	403,871,110
Sum of # of member accounts	16,051,828	133,947	12,966,434	10,323,770
<b>Total Count of Fund type</b>	<b>303</b>	<b>76</b>	<b>220</b>	<b>81</b>
<b>Total Sum of Total Assets at end of period (\$'000)</b>	<b>703,977,852</b>	<b>248,552,405</b>	<b>1,288,162,519</b>	<b>1,024,592,307</b>
<b>Total Sum of # of member accounts</b>	<b>30,250,873</b>	<b>12,148,563</b>	<b>27,028,508</b>	<b>22,824,127</b>

In our 2010 sample, we excluded funds that did not disclosed their financial information as well as funds with less than three years of data; this led to the removal of most retail funds. We also excluded corporate funds as these funds were beyond the scope of our first project in 2010. This initial sample held 76 funds mainly belonging to industry and public sectors. Our 2016 sample, collected in 2017, held 81 funds and included all types of funds. Based on the funds' total assets under management and number of members' accounts, this sample covered most of the Australian superannuation industry.



Between 2010 and 2016, the Australian Superannuation industry experienced major changes characterised by consolidation and fund closures. While superannuation asset almost doubled, a third of the superfunds closed down. Table 4 below details the number of funds in our samples that closed or went through a merger, between 2010 and 2018. A large proportion of our surveyed funds experienced a merger, with some funds merging multiple times over the eight-year period.

**Table 4: Fund wind-ups and consolidations between 2010 and 2018 – Surveyed Samples**

FUND TYPE	2010 SAMPLE # OF		2016 SAMPLE # OF		SAMPLE TOTAL # OF	
	FUND CLOSURE	MERGED FUNDS	FUND CLOSURE	MERGED FUNDS	FUND CLOSURE	MERGED FUNDS
Industry	15	21	0	8	15	29
Public Sector	4	3	1	3	5	6
Corporate	-	-	0	0	0	0
Retail	2	1	0	11	2	12
<b>Grand Total</b>	<b>21</b>	<b>25</b>	<b>1</b>	<b>22</b>	<b>22</b>	<b>47</b>

## 4 ANALYSIS

### 4.1 Overall Disclosure

There was a total of 113 unique superfunds in our sample; 44 funds were found in both the 2010 and the 2016 samples. Overall, superfunds achieved a rating of 73% of disclosure, meaning that on average, a superfund made 73% of its information available to the public as measured by the categories of information that our indexes identified. Superfunds performed best in terms of disclosing governance information (84%), followed by fees and costs (71%) and lastly assets allocation and investment strategies (63%). The standard deviation for all indices was quite substantial, noting that there was a wide range of disclosure performance among superfunds. The highest amount of variability is observed in the governance information index (26%).

Surprisingly, we observed a deterioration from 2010 to 2016. The overall disclosure index, the SuperInfo Index, dropped from 81% in 2010 to 65% in 2016. The greatest fall in disclosure rating was in the SuperGov Index, falling from 96% in 2010 to 74% in 2016. This was followed by the SuperFee Index, falling by 17 percentage points, and the SuperInvest Index, falling by 4 percentage points.

On the other hand, superfunds size measured in terms of the mean value of total assets under management and the number of members had grown over the period, see Table 5 below.

**Table 5: Descriptive statistics of variables**

	MEAN	MINIMUM	MAXIMUM	STD. DEV.	OBSERVATIONS
<b>Overall</b>					
SuperGovIndex	84%	0%	100%	26%	157
SuperInvestIndex	63%	0%	100%	25%	157
SuperFeeIndex	71%	0%	100%	23%	157
SuperInfoIndex	73%	0%	100%	20%	157
<b>2010</b>					
SuperGovIndex	96%	50%	100%	13%	76
SuperInvestIndex	67%	0%	100%	25%	76
SuperFeeIndex	80%	0%	100%	24%	76
SuperInfoIndex	81%	15%	100%	17%	76
<b>2016</b>					
SuperGovIndex	74%	0%	100%	30%	81
SuperInvestIndex	59%	0%	100%	25%	81
SuperFeeIndex	63%	0%	100%	19%	81
SuperInfoIndex	65%	0%	100%	19%	81
<b>Overall</b>					
Total Assets (\$'000)	8,161,184	8,509	103,696,676	15,612,506	156
No of Members	225,630	657	2,135,939	408,103	155
<b>2010</b>					
Total Assets (\$'000)	3,276,924	8,509	32,676,012	5,657,440	76
No of Members	162,350	657	1,932,429	332,208	75
<b>2016</b>					
Total Assets (\$'000)	12,801,231	93,535	103,696,676	20,077,492	80
No of Members	284,956	1,189	2,135,939	462,515	80

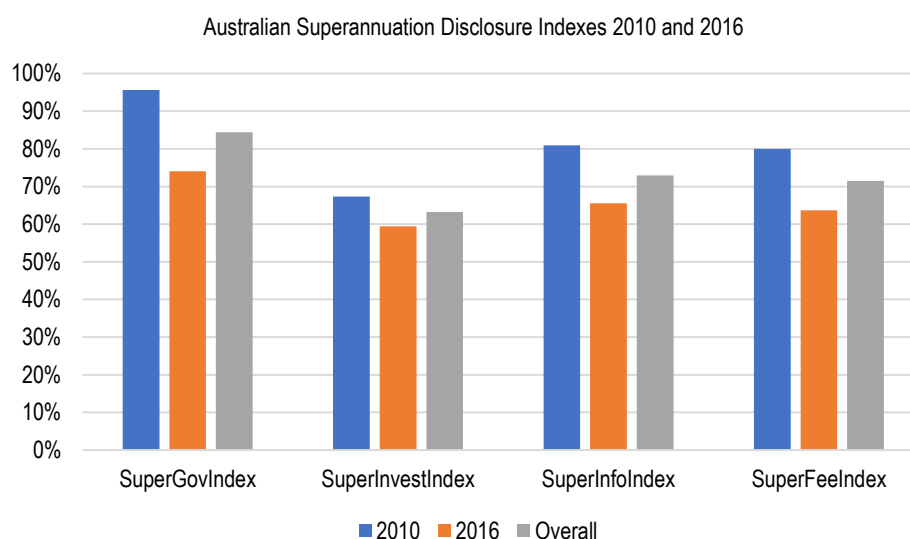
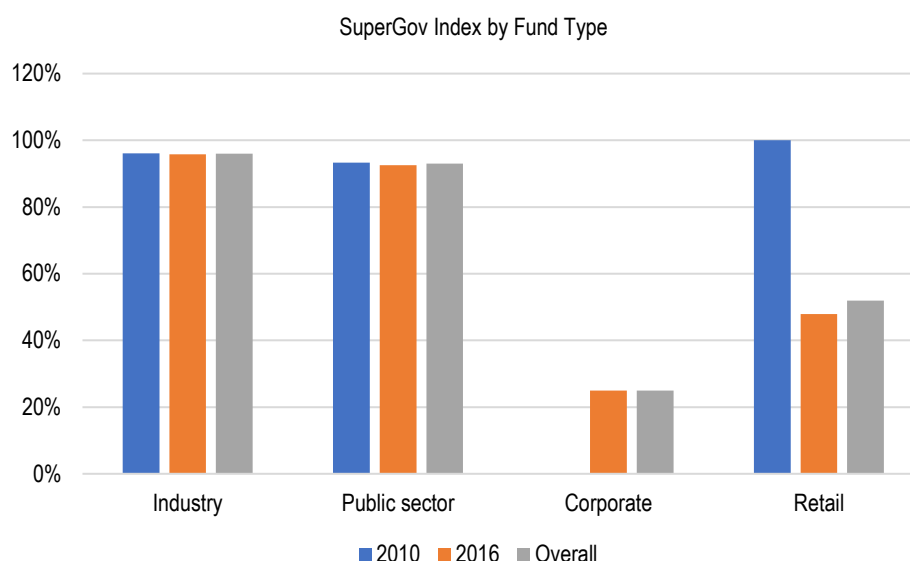
**Figure 1: Disclosure indices for Australian superfunds, 2010 and 2016**

Figure 1 shows the four disclosure indexes for our sample of Australian superannuation funds for the year 2010 and 2016. Overall, superfunds performed better in 2010 compared to 2016 as measured by the SuperInfo Index. The SuperGov Index which measures the extent of disclosure about governance information by superfunds has the greatest deterioration from 2010 to 2016. This is followed by the SuperFee Index and SuperInvest Index. This is rather peculiar as more attention and efforts have been put into enhancing transparency and improving disclosure practices among superfunds by various parties, e.g. regulators, industry bodies and academics. We conducted further investigation into the association of superfund characteristics with each disclosure index to obtain a more detailed picture in the following sections.

## 4.2 SuperGov Index

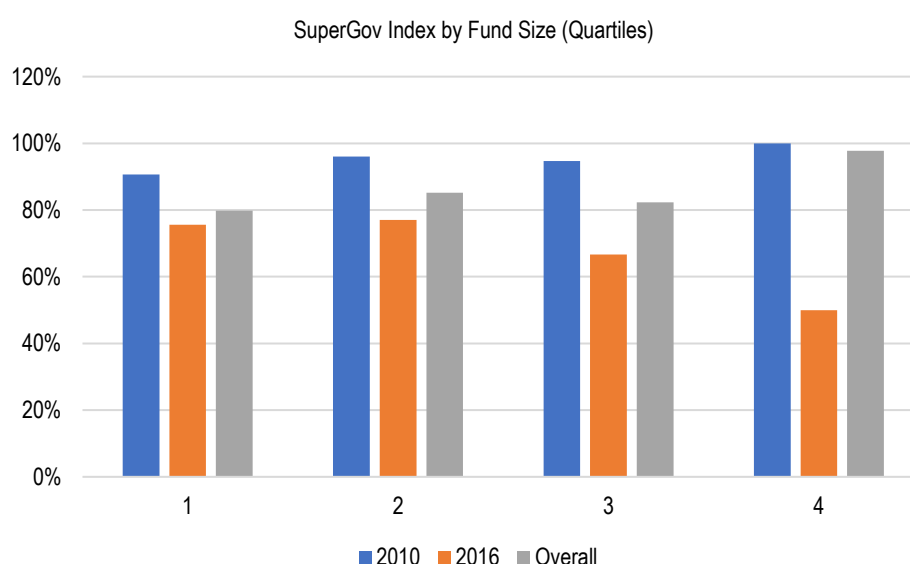
As we observed in the previous section, the SuperGov Index had the largest fall in disclosure ratings over the period. In this section and the following we provide a detailed examination using a number of fund characteristics. First, we examined the SuperGov Index by the type of funds, namely industry superfunds, public sector superfunds, corporate funds and retail funds. Figure 2 below shows that the disclosure of governance information (SuperGov Index) by industry and public sector funds had little change, if not a slight improvement, between the period of 2010 and 2016. The only significant change our data show was that retail superfunds' disclosure worsened. The rating of disclosure by retail superfunds in 2016 was almost half of the level of disclosure in 2010. We also noted that retail funds were the best performing group in the SuperGov Index in 2010.

**Figure 2: Superfund governance disclosure index by fund type**



We then turned our attention to the size of funds as measured in terms of the value of total assets (A\$). We divided the superfunds into four groups by quartiles, from Group 1 being the smallest funds to Group 4 being the largest. The results are presented in Figure 3 below. We observed that fund size did not have any strong association with the level of disclosure in 2010 and 2016. Overall, the SuperGov Index rating fell from 2010 to 2016 and this was consistent across all groups of fund size.<sup>6</sup> The results are tabulated in Appendix 1 and 2.

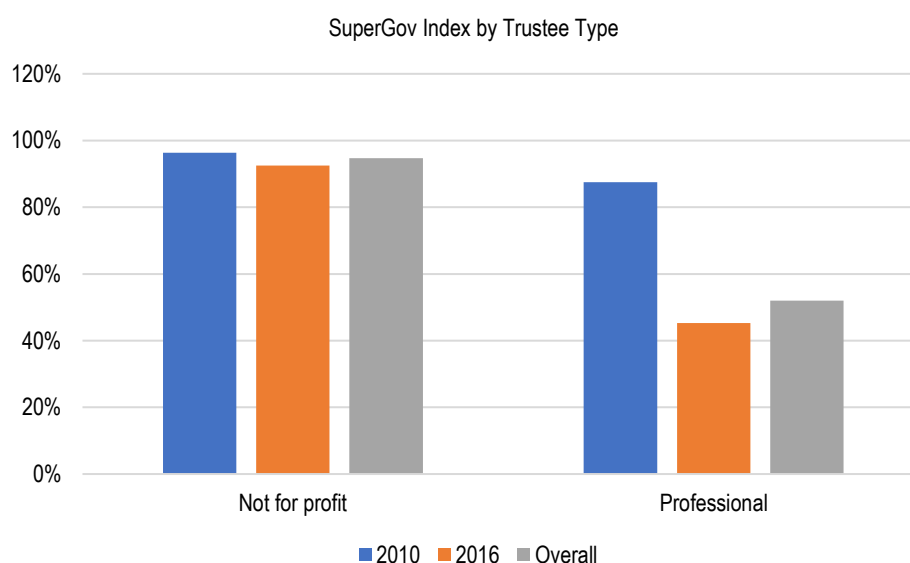
**Figure 3: Superfund governance index by fund size by (total assets)**



<sup>6</sup> We also investigated fund size by the number of members and found comparable findings.

Lastly, we turned our attention to the type of trustee structure that provides governance to superfunds. We identified two main types of trustee structure: namely, a not-for-profit trustee board, which is made up by nominated individuals who are representative of the employer, employee and independent trustees and the alternative – by appointing a professional trustee company to serve a superfunds organisation. In Figure 4, superfunds governed by a not-for-profit trustee board showed a slightly poorer disclosure in 2016 compared to 2010. On the other hand, the SuperGov Index dropped by half in 2016 from 2010 in superfunds governed by a professional trustee company. This observation highlighted the potential for multi-layer agency conflict in outsourcing governance roles and responsibilities to a private service provider. The double layer of agency conflicts between a professional trustee company and a superfund organisation may lead to lower efficiency and efficacy of the trustee board. In addition, a professional trustee company's relationship with superfunds members is at arm's length as compared to a not-for-profit trustee board that consists of representatives of superfund members. This may result in a misalignment of interests between superfund members and trustee directors of a professional service provider.

**Figure 4: Superfund governance disclosure index by trustee type**



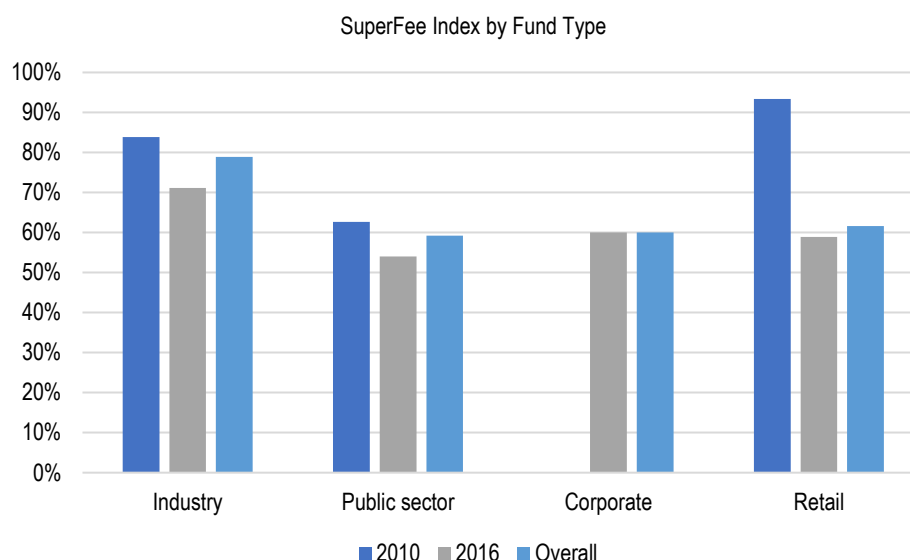
In the next section, we analysed the SuperFee Index.

### 4.3 SuperFee Index

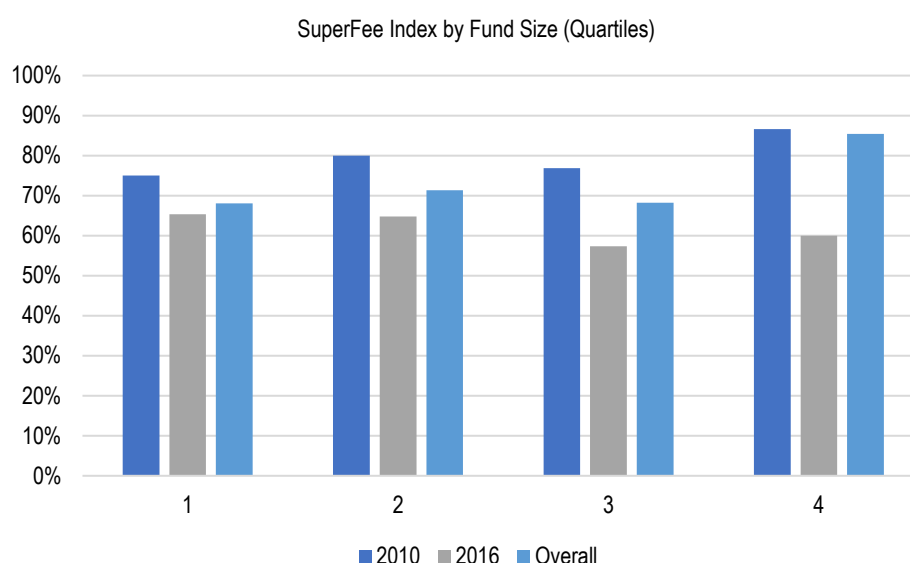
The SuperFee Index measures five categories of various superfund fees and costs that are disclosed to superfund members. In Figure 5, we observed that the not-for-profit superfunds including industry and public sector funds experienced a slight drop in the disclosure of fees and costs between 2010 and 2016. Corporate funds showed no change in this category of

disclosure. However, in 2016, retail superfunds registered almost half the level of disclosure compared with 2010. This is consistent with the observation in the SuperGov Index and its association with the types of superfunds in the previous section.

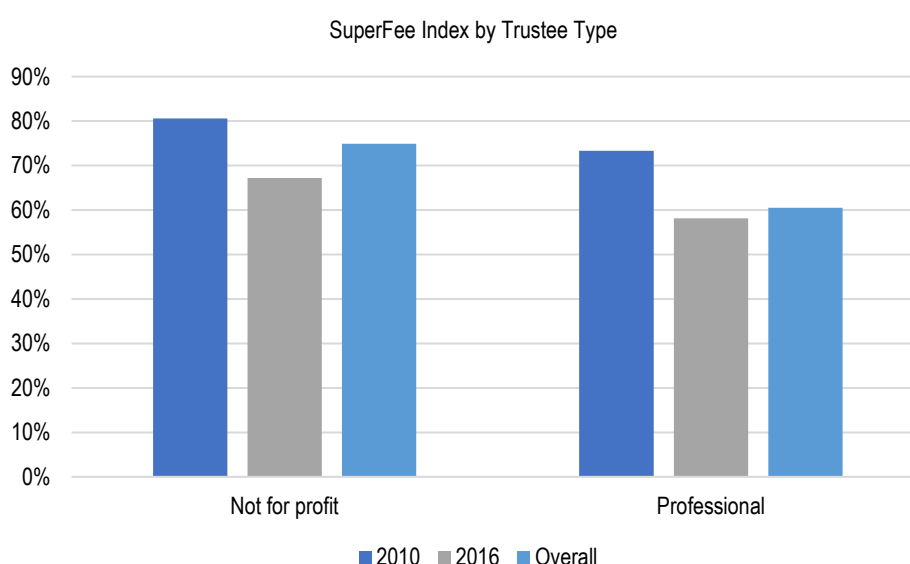
**Figure 5: Superfund fee disclosure index by fund type**



In 2016, industry superfunds provided the best disclosure of information related to fees. This sector surpassed retail superfunds which was the leading sector in 2010. Unlike the SuperGov Index, the disclosure of superfund fees and costs, which is important information for members to make informed decisions, has fallen in quality over time. In terms of fund size (four quartiles of total assets value in A\$), the level of disclosure of fees and costs changed quite dramatically between 2010 and 2016. The group of largest funds was the best performer in 2010 but became one of the worse performing groups in 2016. In Figure 6, we observed that smaller funds performed better in the SuperFee Index in 2016 as compared to their larger counterparts. Overall we saw a deterioration of the disclosure of fees and costs for all superfunds between 2010 and 2016, regardless of size.

**Figure 6: Superfund fee disclosure index by fund size (total assets)**

Similar to the SuperGov Index, the disclosure of fund fees and costs measured by the SuperFee Index fell over time, as shown in Figure 7. In both years, not-for-profit trustee boards outperformed professional trustee boards in disclosing fund fees and costs. Both types of trustee boards were associated with poorer disclosure performance in terms of the SuperFee Index. However, the extent of deterioration was marginally higher among not-for-profit superfund trustee boards compared to professional trustee boards.

**Figure 7: Superfund fee disclosure index by trustee type**

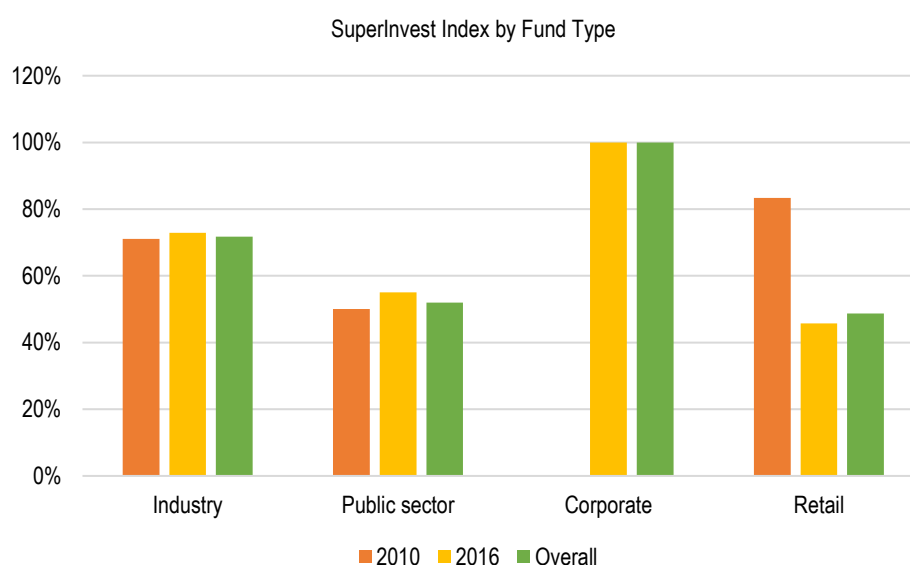
Next, we investigated the disclosure of asset allocation and investment in terms of the SuperInvest Index by the various superfund characteristics.

## 4.4 SuperInvest Index

The SuperInvest Index measures the disclosure of four categories of information in relation to fund manager, asset consultant, investment allocation and option. Our observations of disclosure using the SuperInvest Index showed some differences from the results of the two previous indexes.

In Figure 8, we investigated the superfund types and disclosure of investment related information. Similar to results shown in previous sections, retail superfunds have seen their disclosure of investment related information fall by half in 2016 compared to 2010. However, the not-for-profit superfunds, namely, industry and public sector superfunds have shown improvements in this category of information disclosure. While industry superfunds showed better disclosure in SuperInvest Index for both years compared to public sector superfunds, the latter showed a greater (if small) improvement in 2016. This is in line with the greater attention paid to the disclosure of investment related information in the superfund industry in recent years, although disclosure requirements are still yet to be standardised.

**Figure 8: Superfund investment disclosure index by fund type**

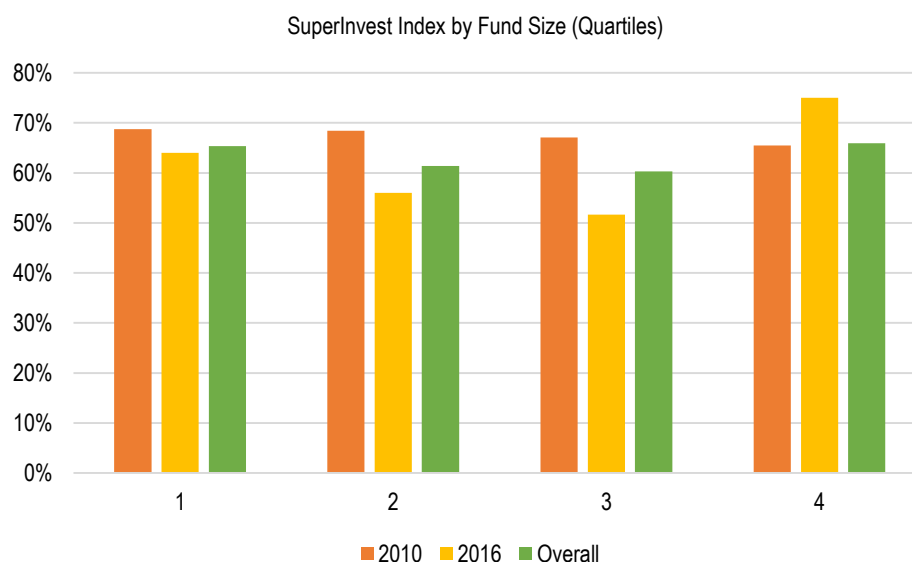


Next, we looked at fund size (four quartiles of total assets value in A\$). Figure 9 shows mixed performance in the SuperInvest Index across the different size of superfunds. The first, second and third quartile of superfunds provided lower disclosure in 2016 compared to 2010. The fourth quartile (largest funds) was the only group of funds that improved its level of disclosure. Consistent with previous observations, retail funds were the worst performer and showed the greatest drop in the disclosure standard as measured by the SuperInvest Index. Overall, our



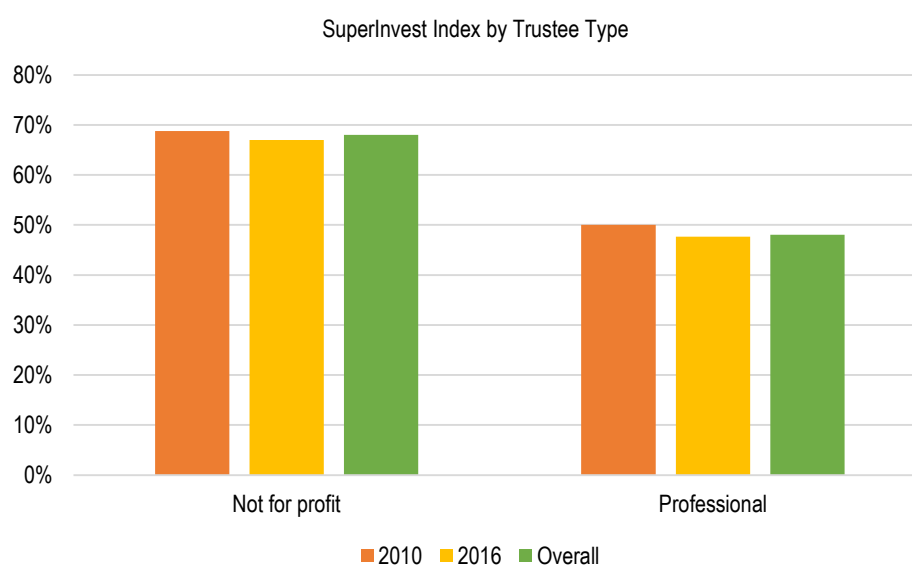
observations indicated that smaller funds underperform larger funds in the disclosure of investment related information.

**Figure 9: Superfund investment disclosure index by fund size (total assets)**



In terms of the type of trustee board, Figure 10 shows the trend of disclosure to be consistent between both types. Both not-for-profit and professional trustee boards were associated with a fall in the SuperInvest Index while not-for-profit superfund trustee boards remained a better performer than their professional counterparts. Overall, we observed that not-for-profit trustee boards have better disclosure performance in all indexes, i.e. the SuperGov, SuperFee and SuperInvest Indices.

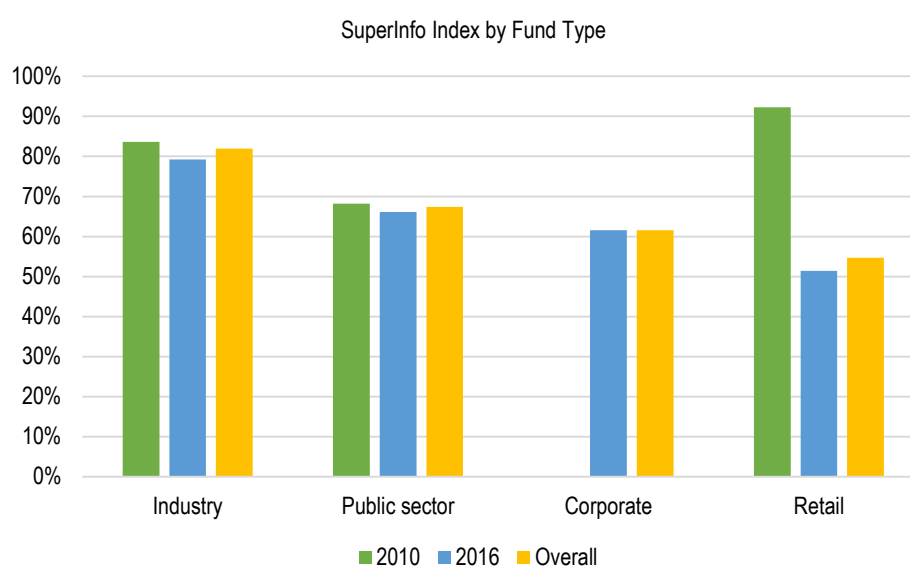
**Figure 10: Superfund investment disclosure index by trustee type**



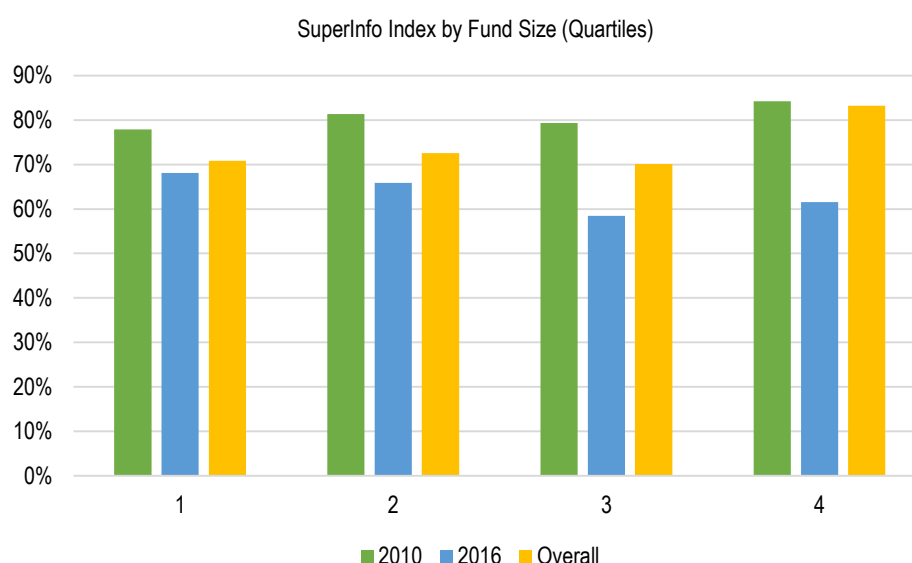
## 4.5 SuperInfo Index

The SuperInfo Index is a consolidated measure of the three indices discussed previously. It shows the overall performance of disclosure of each superfund. Although we observed significant deterioration in the disclosure of various categories of information previously, Figure 11 shows not-for-profit superfunds have not exhibited any significant changes to overall disclosure between 2010 and 2016. The major negative change to overall disclosure was observed only in the case of retail superfunds.

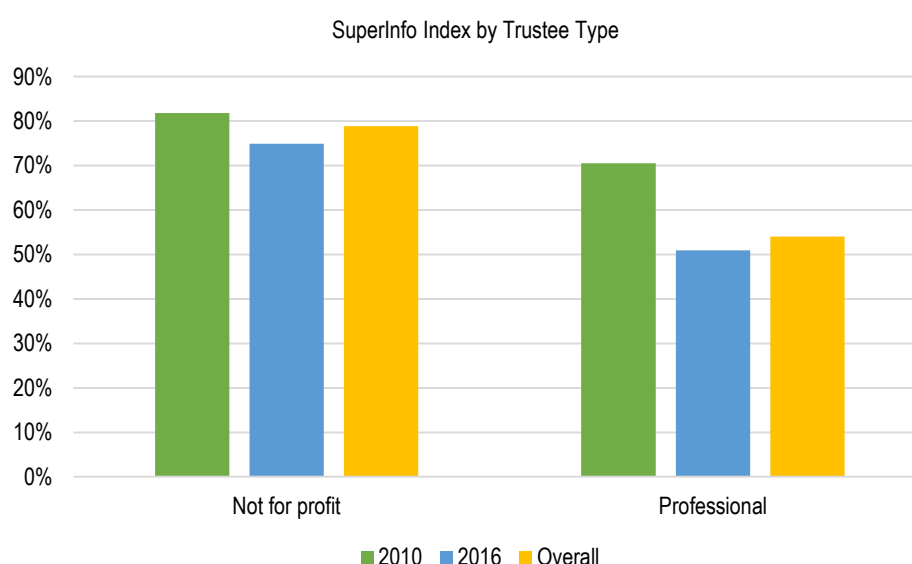
**Figure 11: Overall disclosure index by fund type**



On the other hand, we observed that overall disclosure had deteriorated across superfunds of all sizes in Figure 12. The group with the largest fund size was the best performer in overall disclosure in 2010, but became the second-worst performer in 2016.

**Figure 12: Overall disclosure index by fund size (total assets)**

The association between the type of trustee board and overall disclosure is shown in Figure 13. Superfunds governed by not-for-profit trustee boards outperformed superfunds governed by professional trustee boards in both years as measured by the SuperInfo Index. However, both types of funds showed worse disclosure performance over the period. The deterioration in disclosure overall was due to the worsening disclosure of governance and fund fees and costs, shown in previous sections.

**Figure 13: Overall disclosure index by trustee type**

## 5 CHANGES IN DISCLOSURE

There are 44 funds in our sample that feature in both 2010 and 2016, which allowed us to examine the changes in disclosure over the period. Table 6 below lists the funds and the changes in total assets, the number of members and the four disclosure indexes. Almost all funds experienced high growth rates in terms of the value of total assets and the number of members. We did not find any significant number of funds that changed the type of trustee structure between the two periods.

Only eight funds in this sub-sample showed overall improvement as measured by the SuperInfo Index. Kinetics (formally the professional Association fund) experienced a significant increase in its level of disclosure. In 2010, the fund provided almost no information to members, but by 2016 the fund had a level of disclosure comparable to its peers. Concept One and Non Government School Superannuation fund also improved their levels of disclosure. In 2011, Non Government School Superannuation merged with Cuesuper and NGS and the consolidation may have contributed to the improvement of the fund disclosure practice. LUCRF, Combined Super, Hostplus and REI superfunds all showed an increase of 10 percentage points in the SuperInfo Index. However, their disclosure performance changed in different ways.

Eight funds had no change in their level of overall disclosure. Twenty-seven funds had a lower level of disclosure in 2016 compared to 2010.

Australian Super performed worse in disclosing fund fees and costs, with a drop of 20 percentage points, while performing better in disclosing information related to investment, with a rise of 50 percentage points. Club Super, on the other hand, registered a 20 percentage points improvement in the SuperFee Index.

LESF, Tasplan and VicSuper were the funds that experienced the greatest fall in their disclosure indexes. LESF's SuperInfo Index dropped by 50%, its provision of governance information fell 75%. The assets managed by the fund rose by 163% over the same period.

**Table 6: The changes in disclosure index for superfunds between 2010 and 2016.**

FUND	FUND ABN	SUPER GOVINDEX	SUPER INVESTINDEX	SUPER FEEINDEX	SUPER INFOINDEX	TOTAL ASSET
Kinetics	78984178687	100%	75%	60%	<b>400%</b>	117%
Concept One	21059451252	100%	100%	0%	<b>57%</b>	176%

FUND	FUND ABN	SUPER GOVINDEX	SUPER INVESTINDEX	SUPER FEEINDEX	SUPER INFOINDEX	TOTAL ASSET
Non Gov Schools.	73549180515	0%	33%	25%	<b>18%</b>	130%
L.U.C.R.F.	26382680883	0%	50%	0%	<b>11%</b>	106%
Combined	46921400504	0%	50%	0%	<b>10%</b>	70%
Host-Plus Limited	68657495890	0%	200%	-20%	<b>10%</b>	159%
REI	76641658449	0%	0%	33%	<b>10%</b>	86%
N.C.S.F. Limited	50237896957	0%	50%	0%	<b>9%</b>	152%
AvSuper	15549636673	0%	50%	-25%	<b>0%</b>	96%
EISSE	22277243559	0%	0%	0%	<b>0%</b>	181%
LGSS	23053121564	0%	0%	0%	<b>0%</b>	-100%
MTA	24496637884	0%	33%	-20%	<b>0%</b>	67%
NSW Electrical	72229227691	0%	-25%	33%	<b>0%</b>	91%
QIEC Super	74559365913	33%	-25%	0%	<b>0%</b>	129%
Queensland Local Govt	74925979278	0%	0%	0%	<b>0%</b>	157%
Vision Super	84421446069	0%	50%	-25%	<b>0%</b>	100%
Retail Employees	62653671394	0%	-25%	0%	<b>-8%</b>	136%
AUSCOAL	16457520308	0%	50%	-40%	<b>-9%</b>	92%
Equipsuper	33813823017	0%	50%	-40%	<b>-9%</b>	76%
H.E.S.T. Australia	64971749321	0%	50%	-40%	<b>-9%</b>	132%
Stevedoring	77455663441	0%	0%	-25%	<b>-9%</b>	67%
Unisuper	91385943850	0%	0%	-25%	<b>-9%</b>	122%
WA Local Gov	18159499614	0%	0%	-33%	<b>-11%</b>	103%
Club Plus QLD	12737334298	0%	-25%	-20%	<b>-15%</b>	81%
Printing Industry	42574421650	0%	-25%	-20%	<b>-15%</b>	74%
Australian Meat Industry	17317520544	-25%	0%	-20%	<b>-17%</b>	117%
ESIS (QLD)	24680629023	0%	0%	-40%	<b>-17%</b>	121%
Farm Plan Limited	28342064803	0%	-25%	-25%	<b>-17%</b>	306%
Industry Fund	33761363685	-25%	0%	-20%	<b>-17%</b>	99%

FUND	FUND ABN	SUPER GOVINDEX	SUPER INVESTINDEX	SUPER FEEINDEX	SUPER INFOINDEX	TOTAL ASSET
Legal Super	37024873660	0%	0%	-40%	-17%	118%
Meat Industry Employees	54145196298	-25%	-50%	25%	-17%	45%
SCS Super	56286625181	0%	-33%	-20%	-17%	91%
Statewide	60346078879	0%	-33%	-20%	-17%	206%
TISS	60562335823	0%	0%	-40%	-17%	63%
V.I.S. Nominees	65704511371	0%	-25%	-25%	-17%	48%
United Super	75493363262	-25%	0%	-25%	-18%	142%
Guild Trustee Services	22599554834	0%	-33%	-20%	-20%	141%
AustralianSuper	65714394898	0%	-25%	-40%	-23%	217%
Sunsuper	98503137921	0%	-50%	-20%	-23%	150%
T W U Fund	77343563307	0%	-33%	-40%	-25%	89%
T.I.S.	68564370287	-25%	-33%	-25%	-27%	52%
VicSuper	85977964496	-50%	0%	-33%	-30%	131%
Tasplan	14602032302	-25%	-25%	-40%	-31%	168%
LESF	13704288646	-75%	-33%	-40%	-50%	163%
<b>Average change</b>		<b>-1%</b>	<b>7%</b>	<b>-16%</b>	<b>0%</b>	<b>115%</b>

A substantial number of superfunds lagged behind their disclosure performance in 2010. The majority of the fall in the SuperInfo Index for these superfunds was due to a drop in the SuperFee and SuperGov Indices. Compared to 2010 levels, these funds showed less information regarding their fees and costs and the governance of the fund in 2016. Yet overall there was a noticeable improvement of the disclosure of information related to fund investment practices and products.

## 6 BEST AND WORST PERFORMERS

Using the four disclosure indices, we investigated the best and worst performers in 2016. Table 7 shows the superfunds' names and their trustees. The rating of the index is expressed in numbers, with 1.00 representing 100% disclosure.

The top five performers in 2016 were NGS Super, MyLifeMyMoney, MTAA, Media Super and NESS Super. NGS Super had full scores in all categories of disclosures. All funds achieved full disclosure in relation to trustee governance. Three out of the five funds achieved at least

75% of disclosure requirements based on the SuperInvest Index and the SuperFee Index. Note that 10 funds achieved the fifth place in the ranking.

On the other hand, among the worst performers, three out of five superfunds have zero disclosure about their governance, investment and fees and costs information. These funds are AMP Superannuation Savings Trust, AMP Retirement Trust and ASGARD Independence Plan Division Two. The remaining two superfunds have achieved some disclosure with regard to their governance and only one of them has a low disclosure about their investment information.

**Table 7: Best and Worst Disclosure Performers**

FUND NAME	FUND TRUSTEE	SUPERGOV INDEX	SUPERINVEST INDEX	SUPERFEE INDEX	SUPERINFO INDEX
<b>5 Best Performers</b>					
NGS Super	NGS Super Pty	1.00	1.00	1.00	1.00
MyLifeMyMoney	CSF Pty	1.00	0.75	1.00	0.92
MTAA	Motor Trades Association of Australia Superannuation Fund Pty	1.00	1.00	0.80	0.92
Media Super	Media Super Limited	1.00	0.75	0.80	0.85
NESS Super	NESS Super Pty Ltd	1.00	0.75	0.80	0.85
<b>5 Worst performers</b>					
SuperTrace	Colonial Mutual Superannuation Pty	0.50	0.00	0.60	0.38
State Public Sector Scheme	Board of Trustees of the State Public Sector Superannuation Scheme	1.00	0.00	0.00	0.31
AMP Superannuation Savings	AMP Superannuation	0.00	0.00	0.00	0.00
AMP Retirement	AMP Superannuation	0.00	0.00	0.00	0.00
ASGARD Independence Plan	BT Funds Management	0.00	0.00	0.00	0.00

## 7 MYSUPERINFO INDEX

Following the introduction of MySuper products after the ‘Stronger Super Reform’ in 2013, much attention is being paid to the development of these products and to the effectiveness of disclosure and transparency across different superfunds. Since the targeted implementation of MySuper was by 1 July 2017, we have had an opportunity to examine the disclosure of MySuper across different superfunds in this study.

We collected the MySuper data of our sample superfunds from their websites and product disclosure statements (PDS). In cases where we were not able to directly access the information from a superfund website, we used the Google Search engine to locate the information. Our team of researchers was the same team who collected the data for the four disclosure indexes, so were well trained in gleaning superfunds information through the MySuper disclosure guidelines issued by regulators and industry bodies.

Based on existing regulatory framework and good practice guidelines, we listed 20 criteria for our MySuperInfo Index. Some of these criteria are shown in Table 8 below.

**Table 8: MySuperInfo Index Disclosure Criteria**

DISCLOSURE CRITERIA	
1	Does the main page of a superfund website mention MySuper?
2	Is a description of MySuper mentioned on the superfund website or PDS?
3	Is MySuper return target mentioned on the superfund website or PDS?
4	Is MySuper rate of return mentioned on the superfund website or PDS?
5	Is MySuper investment risk mentioned on the superfund website or PDS?
6	Are MySuper fees and costs mentioned on the superfund website or PDS?
7	Is a description of MySuper fees and costs mentioned on the superfund website or PDS?
8	Is MySuper advice fee mentioned on the superfund website or PDS?
9	Is MySuper indirect cost ratio (ICR) mentioned on the superfund website or PDS?
10	Is a breakdown of the MySuper ICR fees mentioned on the superfund website or PDS?

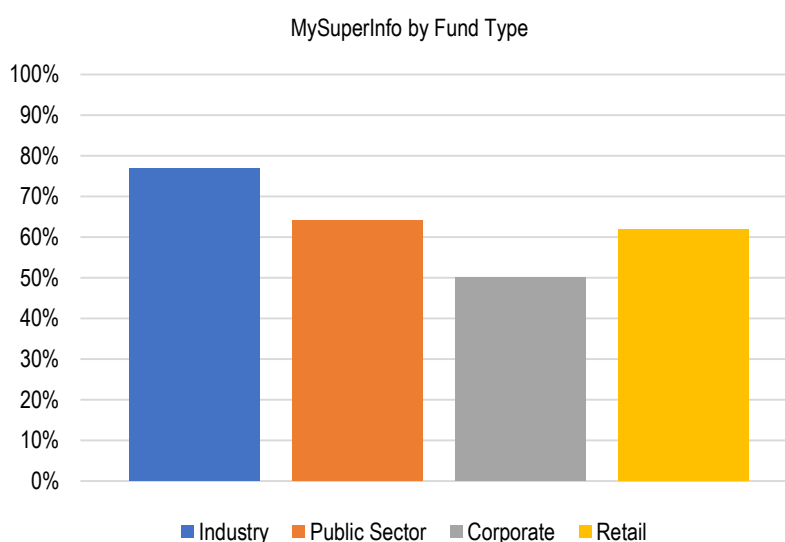
Based on the criteria described above we found the superannuation funds in our 2016 sample disclosed on average (median) 68% (70%) of the information regarding their MySuper product. There were some superfunds that did not disclose any information on their MySuper products and others who provided full disclosure. In general, we observed that superfunds were in the development stage in the implementation of the MySuper product and disclosure (see Table 9 below).



**Table 9: Descriptive statistics of MySuperInfo Index**

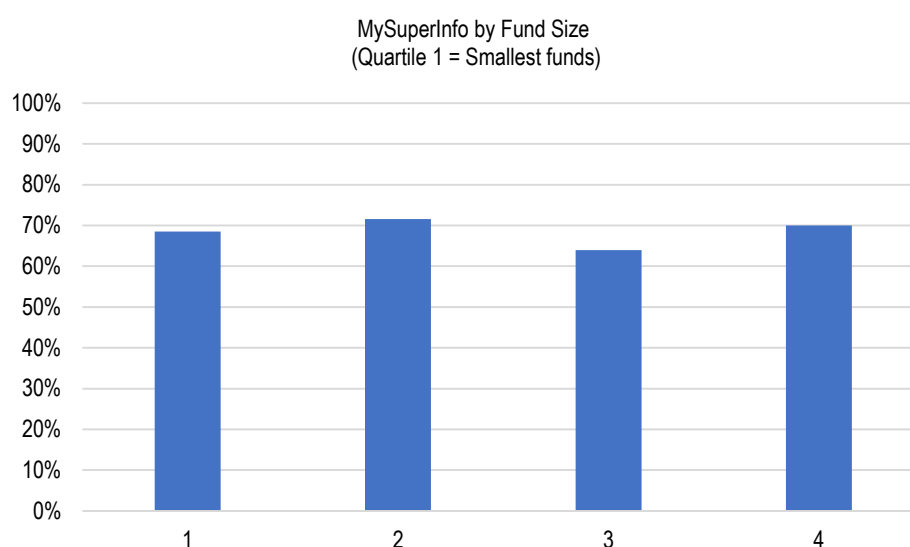
AVERAGE LEVEL OF DISCLOSURE	MEDIAN LEVEL OF DISCLOSURE	STANDARD OF DEVIATION	LOWEST LEVEL OF DISCLOSURE	HIGHEST LEVEL OF DISCLOSURE
68%	70%	20%	0%	100%

We examined MySuperInfo Index by the types of funds in Figure 14. Industry superfunds were the best performers in disclosing information with regard to their MySuper product. On average, they achieved almost 80% of the disclosure requirements of MySuperInfo Index listed above. Corporate superfunds were lagging behind all other funds in MySuperInfo Index. Public sector and retail funds performed almost identically at a level below industry but above the corporate level.

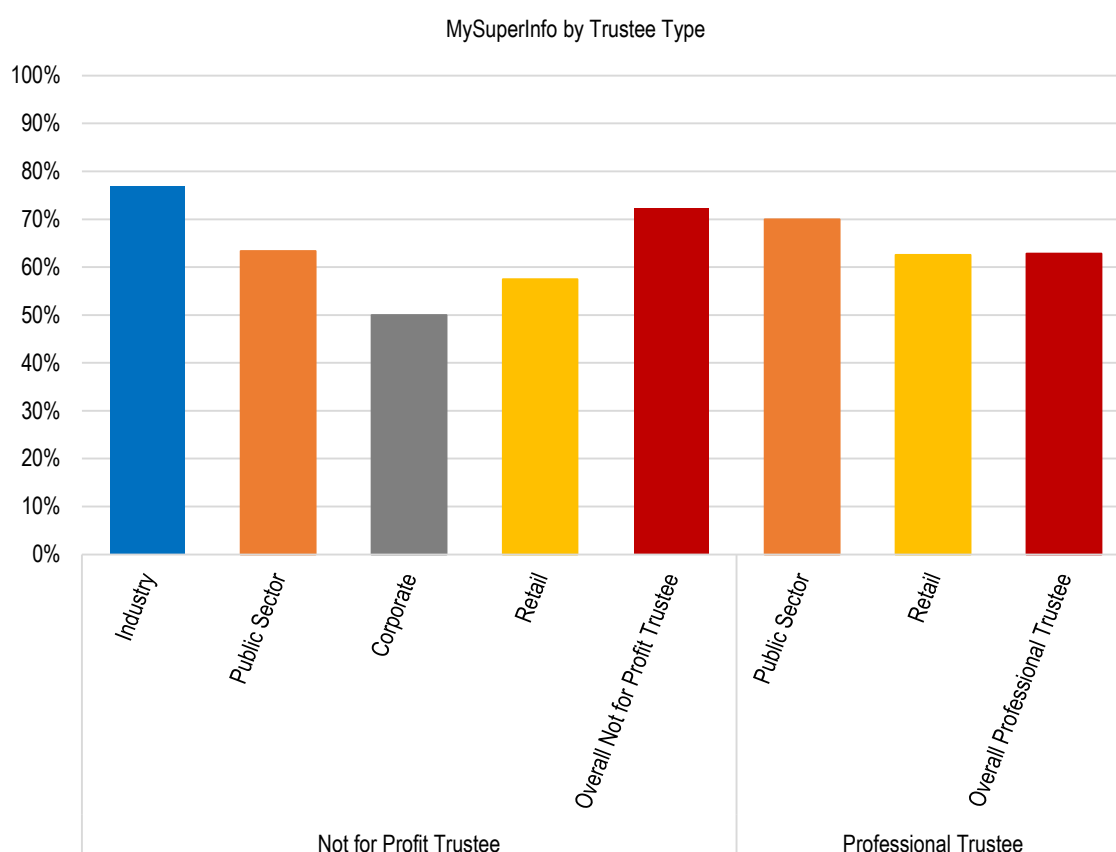
**Figure 14: MySuper product disclosure index by fund type**

In Figure 15, we observed the performance of MySuperInfo Index by fund size. We divided our sample superfunds into four groups by four quartiles of the value of total assets. Group 1 consisted of the smallest superfunds while group 4 was made up of the largest funds. We observed that the second quartile funds were the most transparent group with their MySuper product information, achieving about 71% of the MySuperInfo Index. The first and third quartile group of superfunds were the worst performers. Overall, the difference in the disclosure of MySuper production information between the four groups appeared to be marginal.

**Figure 15: MySuper product disclosure index by fund size (total assets)**



Lastly, we investigated MySuperInfo Index by the type of trustee, namely 0 = not-for-profit trustee board and 1 = professional trustee board. As shown in Figure 16, overall the superfunds governed by a not-for-profit board outperformed superfunds that were governed by a professional trustee board in terms of the disclosure of MySuper product. On average, not-for-profit trustee boards were associated with approximately 70% of MySuperInfo Index while professional boards achieved only around 60%. This highlighted the important role of trustee governance in superfunds transparency and disclosure.

**Figure 16: MySuper product disclosure by fund and trustee type**

## 8 SUMMARY

From our observations in this study, we found a large gap remained between different superfunds in terms of the quality of their disclosure practices. We also observed that the best and worst performers consisted of both large and small superfunds as well as mixed fund types. We also noted that most funds that had high disclosure scores achieved full disclosure of governance information. This may be due to a clear framework of disclosure regarding governance matters. Such a framework is readily available to the funds and is promoted by regulators and industry bodies. Good practice guidelines from the corporate sector also provide clear benchmarks and targets to be achieved by superfunds operators. On the other hand, disclosure with regard to superfund fees and costs, as well as investment related information is yet to be standardised. As a result, the design of information and its dissemination and communication are developed and managed at the discretion of individual superfunds and their management – therefore, it is not surprising that the disclosure measured in terms of the SuperInvest and SuperFee Indices lags behind the SuperGov Index.

The data suggest that the level of disclosure of information related to MySuper is relatively low. While the information to be presented by the fund to the public regarding MySuper has been clearly defined by the regulator, these pieces of information can be difficult to locate. For some funds MySuper may still be in the development stage. We recommend that continuous research should be conducted to follow the progress of MySuper from this early stage, to ensure that informed learning and targeted outcomes are achieved.

## APPENDICES

### Appendix 1: Disclosure by Fund Type

INDEX AND FUND TYPE	SUB-SAMPLE			SUB-SAMPLE		
	2010 ONLY	2010-2016 FUNDS	ALL FUNDS	2016 ONLY	2010-2016 FUNDS	ALL FUNDS
<b>SuperGovIndex</b>						
Industry	98%	95%	96%	100%	96%	96%
Public Sector	88%	100%	93%	92%	93%	93%
Corporate				25%		25%
Retail	100%	100%	100%	48%	38%	48%
<b>SuperInvestIndex</b>						
Industry	67%	74%	71%	75%	73%	73%
Public Sector	44%	57%	50%	33%	64%	55%
Corporate				100%		100%
Retail	75%	100%	83%	45%	50%	46%
<b>SuperInfoIndex</b>						
Industry	81%	85%	84%	77%	79%	79%
Public Sector	63%	75%	68%	56%	70%	66%
Corporate				62%		62%
Retail	88%	100%	92%	51%	54%	51%
<b>SuperFeelIndex</b>						
Industry	79%	87%	84%	60%	71%	71%
Public Sector	58%	69%	63%	47%	57%	54%
Corporate				60%		60%
Retail	90%	100%	93%	58%	70%	59%
<b>Overall SuperGovIndex</b>	<b>95%</b>	<b>96%</b>	<b>96%</b>	<b>53%</b>	<b>93%</b>	<b>74%</b>
<b>Overall SuperInvestIndex</b>	<b>61%</b>	<b>72%</b>	<b>67%</b>	<b>47%</b>	<b>70%</b>	<b>59%</b>
<b>Overall SuperInfoIndex</b>	<b>77%</b>	<b>84%</b>	<b>81%</b>	<b>53%</b>	<b>77%</b>	<b>66%</b>
<b>Overall SuperFeelIndex</b>	<b>74%</b>	<b>84%</b>	<b>80%</b>	<b>57%</b>	<b>69%</b>	<b>64%</b>

## Appendix 2: Disclosure by Fund Size (Total Assets)

INDEX AND FUND SIZE (QUARTILE)	SUB-SAMPLE			SUB-SAMPLE		
	2010 ONLY	2010-2016 FUNDS	ALL FUNDS	2016 ONLY	2010-2016 FUNDS	ALL FUNDS
<b>SuperGovIndex</b>						
1	95%	83%	91%	48%	91%	76%
2	100%	93%	96%	58%	94%	77%
3	88%	100%	95%	53%	95%	67%
4	100%	100%	100%	50%		50%
<b>SuperInvestIndex</b>						
1	63%	79%	69%	55%	69%	64%
2	66%	70%	68%	38%	73%	56%
3	59%	73%	67%	43%	70%	52%
4	55%	69%	65%	75%		75%
<b>SuperInfoIndex</b>						
1	75%	82%	78%	56%	75%	68%
2	84%	80%	81%	52%	79%	66%
3	72%	85%	79%	48%	80%	58%
4	75%	87%	84%	62%		62%
<b>SuperFeelIndex</b>						
1	70%	83%	75%	63%	67%	65%
2	85%	76%	80%	58%	71%	65%
3	70%	82%	77%	48%	76%	57%
4	72%	91%	87%	60%		60%

**Appendix 3: Disclosure by Trustee Type**

INDEX AND FUND SIZE (QUARTILE)	SUB-SAMPLE			SUB-SAMPLE		
	2010 ONLY	2010-2016 FUNDS	ALL FUNDS	2016 ONLY	2010-2016 FUNDS	ALL FUNDS
<b>SuperGovIndex</b>						
Not-for-profit Trustee	95%	97%	96%	78%	95%	93%
Professional Trustee	92%	83%	88%	46%	38%	45%
<b>SuperInvestIndex</b>						
Not-for-profit Trustee	63%	73%	69%	44%	71%	67%
Professional Trustee	42%	58%	50%	48%	50%	48%
<b>SuperInfoIndex</b>						
Not-for-profit Trustee	78%	84%	82%	60%	78%	75%
Professional Trustee	62%	79%	71%	51%	54%	51%
<b>SuperFeeIndex</b>						
Not-for-profit Trustee	76%	83%	81%	58%	69%	67%
Professional Trustee	53%	93%	73%	57%	70%	58%

**Appendix 4: Disclosure of MySuper**

MYSUPERINFO INDEX FUND SIZE (1=SMALLEST)	FUND TYPE				
	CORPORATE	INDUSTRY	PUBLIC SECTOR	RETAIL	OVERALL
1	50%	74%	70%	62%	<b>69%</b>
2		80%	73%	61%	<b>72%</b>
3		80%	0%	62%	<b>64%</b>
4				70%	<b>70%</b>
<b>Overall</b>	<b>50%</b>	<b>77%</b>	<b>64%</b>	<b>62%</b>	<b>69%</b>

## Superfund Disclosure Ranking List

Category 1 = SuperGov Index

Category 2 = SuperInvest Index

Category 3 = SuperFee Index

Category 4 = SuperInfo Index

Ranking based on SuperInfo

YEAR	FUND NAME	ABN	1	2	3	4
2010	AustralianSuper	65714394898	100%	100%	100%	100%
2010	Club Super	12737334298	100%	100%	100%	100%
2010	Media Super	42574421650	100%	100%	100%	100%
2010	Sunsuper Superannuation Fund	98503137921	100%	100%	100%	100%
2010	Tasplan Superannuation Fund*	14602032302	100%	100%	100%	100%
2010	Meat Industry Employees Superannuation Fund	17317520544	100%	100%	80%	92%
2010	Prime Superannuation Fund	60562335823	100%	100%	80%	92%
2010	Retail Employees Superannuation Trust	62653671394	100%	100%	80%	92%
2010	The Victorian Independent Schools Superannuation Fund*	37024873660	100%	100%	80%	92%
2010	Australian Meat Industry Superannuation Trust	28342064803	100%	75%	100%	92%
2010	Catholic Superannuation and Retirement Fund	24680629023	100%	75%	100%	92%
2010	Energy Super	33761363685	100%	75%	100%	92%
2010	First Super	56286625181	100%	75%	100%	92%
2010	Intrust Super Fund	65704511371	100%	75%	100%	92%
2010	Law Employees Superannuation Fund	13704288646	100%	75%	100%	92%
2010	Legalsuper	60346078879	100%	75%	100%	92%
2010	MTAA Superannuation Fund	74559365913	100%	75%	100%	92%
2010	Statewide Superannuation Trust	54145196298	100%	75%	100%	92%
2010	TWU Superannuation Fund	77343563307	100%	75%	100%	92%
2010	New South Wales Electrical Superannuation Scheme	72229227691	100%	100%	60%	85%
2010	Queensland Independent Education & Care Superannuation Trust	15549636673	75%	100%	80%	85%
2010	Construction & Building Unions Superannuation	75493363262	100%	75%	80%	85%
2010	LG Super	23053121564	100%	75%	80%	85%
2010	Maritime Super	77455663441	100%	75%	80%	85%



YEAR	FUND NAME	ABN	1	2	3	4
2010	Non Government Schools Superannuation Fund – NGSSF	73549180515	100%	75%	80%	85%
2010	The Transport Industry Superannuation Fund	68564370287	100%	75%	80%	85%
2010	Unisuper	91385943850	100%	75%	80%	85%
2010	Auscoal Superannuation Fund	16457520308	100%	50%	100%	85%
2010	Equisuper	33813823017	100%	50%	100%	85%
2010	Health Employees Superannuation Trust Australia	64971749321	100%	50%	100%	85%
2010	NCSF. Limited	50237896957	100%	50%	100%	85%
2010	Australian Child Care Super Fund	22599554834	50%	75%	100%	77%
2010	VicSuper Pty Ltd	85977964496	100%	75%	60%	77%
2010	AvSuper Fund	84421446069	100%	50%	80%	77%
2010	Combined Fund	46921400504	100%	50%	80%	77%
2010	Local Authorities Superannuation Fund	24496637884	100%	50%	80%	77%
2010	HOSTPLUS Superannuation Fund	68657495890	100%	25%	100%	77%
2010	Energy Industries Superannuation Scheme-Pool A	22277243559	100%	50%	60%	69%
2010	Labour Union Co-Operative Retirement Fund	26382680883	100%	50%	60%	69%
2010	Local Government Superannuation Scheme - Pool A	74925979278	100%	50%	60%	69%
2010	WA Local Government Superannuation Plan	18159499614	100%	50%	60%	69%
2010	Concept One Superannuation Plan	21059451252	50%	50%	60%	54%
2010	Professional Associations Superannuation Fund	78984178687	50%	0%	0%	15%
2016	NGS Super	73549180515	100%	100%	100%	100%
2016	MTAA Superannuation Fund	74559365913	100%	100%	80%	92%
2016	MyLifeMyMoney Superannuation Fund	50237896957	100%	75%	100%	92%
2016	Concept One The Industry Superannuation Fund	21059451252	100%	100%	60%	85%
2016	Club Super	12737334298	100%	75%	80%	85%
2016	Combined Super Fund	46921400504	100%	75%	80%	85%
2016	HOSTPLUS Superannuation Fund	68657495890	100%	75%	80%	85%
2016	Local Government Superannuation Scheme	23053121564	100%	75%	80%	85%
2016	Media Super	42574421650	100%	75%	80%	85%

YEAR	FUND NAME	ABN	1	2	3	4
2016	NESS Super	72229227691	100%	75%	80%	85%
2016	Queensland Independent Education & Care Superannuation Trust	15549636673	100%	75%	80%	85%
2016	Rei Super	76641658449	100%	75%	80%	85%
2016	Retail Employees Superannuation Trust	62653671394	100%	75%	80%	85%
2016	Australian Meat Industry Superannuation Trust	28342064803	75%	75%	80%	77%
2016	AustralianSuper	65714394898	100%	75%	60%	77%
2016	AvSuper Fund	84421446069	100%	75%	60%	77%
2016	Energy Super	33761363685	100%	75%	60%	77%
2016	Equisuper	33813823017	100%	75%	60%	77%
2016	First Super	56286625181	100%	75%	60%	77%
2016	Health Employees Superannuation Trust Australia	64971749321	100%	75%	60%	77%
2016	Intrust Super Fund	65704511371	75%	75%	80%	77%
2016	Kinetic Superannuation Fund	78984178687	100%	75%	60%	77%
2016	Labour Union Co-Operative Retirement Fund	26382680883	100%	75%	60%	77%
2016	Legalsuper	60346078879	100%	75%	60%	77%
2016	Local Authorities Superannuation Fund	24496637884	100%	75%	60%	77%
2016	Maritime Super	77455663441	100%	75%	60%	77%
2016	Mine Wealth and Wellbeing Superannuation Fund	16457520308	100%	75%	60%	77%
2016	Prime Super	60562335823	100%	75%	60%	77%
2016	The Victorian Independent Schools Superannuation Fund	37024873660	100%	75%	60%	77%
2016	UniSuper	91385943850	100%	75%	60%	77%
2016	Australian Catholic Superannuation and Retirement Fund	24680629023	100%	50%	80%	77%
2016	Meat Industry Employees Superannuation Fund	17317520544	75%	50%	100%	77%
2016	Statewide Superannuation Trust	54145196298	100%	50%	80%	77%
2016	Sunsuper Superannuation Fund	98503137921	100%	50%	80%	77%
2016	Construction & Building Unions Superannuation	75493363262	75%	75%	60%	69%
2016	Public Sector Superannuation Accumulation Plan	65127917725	75%	75%	60%	69%
2016	Tasplan Superannuation Fund	14602032302	75%	75%	60%	69%

YEAR	FUND NAME	ABN	1	2	3	4
2016	AON Master Trust	68964712340	100%	50%	60%	69%
2016	Energy Industries Superannuation Scheme-Pool A	22277243559	100%	50%	60%	69%
2016	Local Government Superannuation Scheme - Pool A	74925979278	100%	50%	60%	69%
2016	TWU Superannuation Fund	77343563307	100%	50%	60%	69%
2016	First State Superannuation Scheme	53226460365	100%	25%	80%	69%
2016	ANZ Australian Staff Superannuation Scheme	83810127567	25%	100%	60%	62%
2016	Dulux group Employees Superannuation Fund	91132102426	50%	75%	60%	62%
2016	IOOF Portfolio Service Superannuation Fund	70815369818	50%	75%	60%	62%
2016	The Bendigo Superannuation Plan	57526653420	50%	75%	60%	62%
2016	The Executive Superannuation Fund	60998717367	50%	75%	60%	62%
2016	Guild Retirement Fund	22599554834	50%	50%	80%	62%
2016	OnePath Masterfund (ANZ Smart Choice Super)	53789980697	50%	50%	80%	62%
2016	Suncorp Master Trust	98350952022	75%	50%	60%	62%
2016	Super Directions Fund	78421957449	50%	50%	80%	62%
2016	The Transport Industry Superannuation Fund	68564370287	75%	50%	60%	62%
2016	WA Local Government Superannuation Plan	18159499614	100%	50%	40%	62%
2016	Westpac Mastertrust - Superannuation Division	81236903448	75%	25%	80%	62%
2016	Incitec Pivot Employees Superannuation Fund	68569795856	25%	75%	60%	54%
2016	Victorian Superannuation Fund	85977964496	50%	75%	40%	54%
2016	National Australia Bank Group Superannuation Fund A	59929570050	50%	50%	60%	54%
2016	Law Employees Superannuation Fund	13704288646	25%	50%	60%	46%
2016	Russell Supersolution Master Trust	89384753567	25%	50%	60%	46%
2016	Virgin Superannuation	88436608094	25%	50%	60%	46%
2016	Commonwealth Essential Super	56601925435	50%	25%	60%	46%
2016	Australia's Unclaimed Super Fund	85945681973	50%	0%	60%	38%
2016	SuperTrace Eligible Rollover Fund	73703878235	50%	0%	60%	38%
2016	State Public Sector Superannuation Scheme	60905115063	100%	0%	0%	31%
2016	AMP Retirement Trust	73310248809	0%	0%	0%	0%

YEAR	FUND NAME	ABN	1	2	3	4
2016	AMP Superannuation Savings Trust	76514770399	0%	0%	0%	0%
2016	ASGARD Independence Plan Division Two	90194410365	0%	0%	0%	0%

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