



APRA

 **ASIC**

APRA and ASIC host Superannuation CEO Roundtable

10 December 2021

APRA and ASIC held the second Superannuation CEO Roundtable on Wednesday 1 December 2021. The focus for this discussion was financial resilience in superannuation and data. Hosted by Margaret Cole, Member, APRA and Danielle Press, Commissioner, ASIC, the Roundtable was attended by eleven superannuation trustee CEOs, representing all sectors of the industry (see Appendix I for the full list of CEO, APRA and ASIC attendees).

Financial Resilience in Superannuation

Opening remarks from APRA and ASIC focused on topics raised in APRA's recently released discussion paper *Strengthening Financial Resilience in Superannuation* and recent court applications made by trustees seeking judgements in relation to charging a fee for remuneration. Noting that to date only one judgement had been handed down, APRA and ASIC stressed that trustees who are seeking input from the court need to plan for contingency scenarios should a court decision not be favourable.

CEOs welcomed the discussion paper and outlined strategies to ensure they have access to adequate financial resources to fund their business operations, and to pay for penalties should they arise. Common focus areas included strengthening controls and frameworks, use of insurance, capital and support from a resourced parent company.

The purpose and use of the operational risk financial requirement (ORFR) was raised throughout the discussion, with CEOs expressing a desire for these requirements to be reviewed. APRA encouraged submissions to the discussion paper, noting this would inform APRA's next steps.

The need for members to be informed regarding how trustees are responding to recent legislative changes to the *Superannuation Industry (Supervision) Act 1993* to clarify and limit the scope of the indemnification provisions was also discussed. ASIC encouraged trustees to remain transparent and timely with their communications to ensure that any changes were adequately disclosed and members were well informed.

Data

APRA and ASIC outlined the need for high quality data to support a well-functioning superannuation system in Australia and the need for trustees to focus on, and improve, data governance evidenced by unacceptable recent regulatory data resubmissions by a range of trustees. APRA and ASIC were interested in understanding the steps trustees are taking to strengthen data governance, the impact on third party arrangements, and how trustees are ensuring appropriate risk management for data reported in regulatory submissions and public disclosures.

CEOs acknowledged the need to invest in data governance in a continually evolving landscape, and shared common data challenges including; access to accurate and timely data from third parties and the need to industrialise and professionalise internal reporting functions to ensure that data is accurately reflected.



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Some CEOs expressed an interest in applying key learnings regarding data management practices from other industries and requested insight into changes in future regulatory data collection requirements be provided as early as possible, noting that in some instances these changes are part of legislative reform rather than requirements from APRA and ASIC. ASIC closed the meeting and noted that where regulators need to investigate a matter, the ability of a trustee to provide quality data means that the investigation is likely to be shorter and less costly.

Appendix I – CEO Roundtable attendees

Superannuation

CEOs

Justin Arter	CEO, Cbus
Mark Blair	Executive General Manager, Superannuation, Equity Trustees
Debby Blakey	CEO, HESTA
Peter Chun	CEO, UniSuper
Kate Farrar	CEO, LGIASuper
Michael Heine	Joint Managing Director, Netwealth
Julie Lander	CEO, CareSuper
John McMurdo	CEO, Australian Ethical
Kelly Power	CEO, Colonial First State
Leigh Robinson	Director, Russell Investments
Leanne Turner	CEO, Spirit Super

APRA attendees

Margaret Cole	APRA Member
Suzanne Smith	Executive Director, Superannuation
Adrian Rees	General Manager, Superannuation
Mike Cornwell	General Manager, Superannuation
Lucinda McCann	General Manager, Legal
Alison Bliss	General Manager, Data Analytics and Insights
Carolyn Morris	Senior Manager, Policy and Advice
Wayne Fogarty	Senior Manager, Data Analytics and Insights

ASIC attendees

Danielle Press	Commissioner
Jane Eccleston	Senior Executive Leader, Superannuation
Marita Hogan	Senior Executive Leader, Wealth Management Enforcement
Bradley Ruting	Senior Manager, Superannuation
Melissa Trees	Senior Lawyer, Superannuation

Signed

Margaret Cole

Member

Australian Prudential Regulation
Authority

www.apra.gov.au

Danielle Press

Commissioner

Australian Securities
and Investments Commission

www.asic.gov.au