

APRA's Superannuation Data Transformation Project and J.P. Morgan Solutions





The Australian Prudential Regulation Authority's Superannuation Data Transformation Project

Australian Prudential Regulation Authority (APRA) began consulting on the multi-year Superannuation Data Transformation (SDT) project in November 2019. Given the scale and complexity of SDT, APRA divided the consultation into three phases:

Phase 1 (Breadth)

To address the most urgent gaps in APRA's data collection including expanding the data collection particularly for choice products and investment options.

1

Phase 2 (Depth)

To increase the granularity of the entire data collection, taking advantage of the new Data Collection Solution and enhanced data analytic capabilities.

2

Phase 3 (Quality)

To assess the quality and consistency of the additional data reported during phases 1 and 2, as well as to review and address any implementation issues.

3

Introduction

The Australian superannuation industry has experienced rapid growth over the last decade, with total assets of superannuation entities rising to \$4.1 trillion at the end of the December 2024. Total contributions increased by 14.4 percent to \$202.8 billion in the year ending in March 2025.¹ Consolidation across the superannuation industry led to large and more complex entities managing the retirement benefits of most Australians. Therefore, regulators feel that it is important for them to have access to data that provides sufficient breadth and depth to adequately assess all aspects of the superannuation industry's operations. This includes governance and risk management practices and the progress of Registrable Superannuation Entity (RSE) licensees towards improving outcomes for their members.

The Australian Prudential Regulation Authority (APRA), the prudential regulator of the financial services industry, identified the need to address critical gaps in the data reported by RSEs. APRA's Superannuation Data Transformation (SDT) project aims to drive better industry practices and improve member outcomes by significantly enhancing the comparability and consistency of reported data. The project will make it easier to scrutinise and reliably compare fund and product performance, especially in the choice segment of the market.

In November 2019, APRA launched the multi-year SDT project with intention to:

- Upgrade the breadth, depth and quality of its superannuation data collection.
- Drive better industry practices and improve member outcomes by significantly enhancing the comparability and consistency of reported data.
- Strengthen APRA's ongoing supervisory activities.
- Make it easier for APRA and other stakeholders to scrutinize and reliably compare fund and product performance, especially in the choice segment of the market.

Phase 1 of the SDT addressed critical gaps in the current reporting framework and expanded APRA's data collection to capture data across all superannuation products, investment menus and investment options. The SDT phase 1² consultation commenced in November 2019 and was finalised in September 2021 when APRA determined several new reporting standards (RSE structure, RSE profile, performance, member demographics, expense management, asset allocation, insurance arrangements, fees and costs). There were subsequent consultations and conclusions on data confidentiality in 2022, and a final consultation on minor amendments which concluded in March 2023.

In phase 2 'Depth'³, APRA amended reporting requirements to meet the information needs of APRA and peer agencies. While there had been a consultation and response on SDT Phase 2 Scope and Approach in 2022, the consultation on data collections to strengthen transparency for phase 2 was released end of November 2023 and closed end of March 2024.

In phase 2, APRA amended five existing superannuation reporting standards (SRS), introduced six new SRS, and replaced seven pre-SDT SRS. APRA proposed enhancements to APRA's data collections in respect of: RSE profiles; types of investments; indirect investment costs; and RSE licensee financial statements.

Since then, APRA has released responses⁴ in September 2024 addressing indirect investment costs and RSE licensee financial statements, and in December 2024, it covered the remaining reporting standards.

¹ <https://www.apra.gov.au/news-and-publications/apra-releases-superannuation-statistics-for-march-2025>

² <https://www.apra.gov.au/discussion-paper-superannuation-data-transformation-phase-1>

³ <https://www.apra.gov.au/discussion-paper-superannuation-data-transformation-phase-2>

⁴ <https://www.apra.gov.au/phase-2-depth>

APRA's response confirmed the expected reporting timelines, i.e., the first reporting period will be June 30, 2025 for annual reporting and September 2025 for quarterly reporting, with the first submissions in respect of all new reporting due December 2025. For the Liquidity (SRS 551.0) and Valuations (SRS 553.0) reporting, APRA expects RSE licensees to:

- Submit trial reporting for the reporting period ending September 30, 2025 on a best-endeavours basis. The trial will primarily serve to test progress towards implementation prior to the need for formal controls and sign offs, and as a basis for APRA to conduct exploratory data quality to inform the December quarter reporting.
- Submit complete and high-quality data for the reporting period ending 31 December 2025 and for all subsequent reporting periods.

Currently, there has been no official announcement regarding the timeline for phase 3.

J.P. Morgan Securities Services

The SDT project requires RSEs to source and aggregate a large volume of data from their custodians, administrators and fund managers. To this end, J.P. Morgan is leveraging and enhancing our data provision solutions to help the superannuation funds meet their regulatory obligations, while also serving the longer-term requirements to support evolving and complex regulatory reporting and disclosure requirements.

For SDT reporting, we have based our approach to creating data provision solutions on the following pillars:



Automation:

Development of automated solutions to source and aggregate the required investment related data.



Collaboration:

Partnership with a selected third-party data aggregator to integrate look-through data required, where applicable. We encourage our clients to reinforce with their fund managers, the importance of providing accurate and complete look-through data in a timely manner to the data aggregator who will, in turn, assist our clients' reporting obligations as required from RSEs.



Client Engagement:

We foster collaboration with our superannuation client community. We communicate the changes to our service offering through a structured and transparent process to ensure clients are informed and aligned.



Data Traceability:

Provision of updated APRA data dictionary which will help our clients source the underlying security level records from the detailed extracts.



Regulatory Developments Landscaping:

Ongoing monitoring of APRA updates on Phases 2 and 3 of SDT project and assessment of impacts on our clients and services. There are additional reporting and disclosure aspects that continue to evolve. To help the industry with the evolving requirements, APRA has continued to release frequently asked questions (FAQs) on its website to ensure its expectations are clear and that RSEs utilise a consistent reporting methodology.

For phase 2, J.P. Morgan will assist clients by providing data for the following reports if certain pre-requisites are met:

Reporting Standard	Reporting Form
SRS 550.0 Asset allocation	SRF 550.3 Table 1 Derivative Transactions
SRS 551.0 Liquidity	SRF 551.0 Table 1 RSE Liquidity Profile SRF 551.0 Table 2 Investment Option Liquidity Profile SRF 551.0 Table 3 RSE Available Liquid Assets Within 3 Days SRF 551.0 Table 4 Investment Option Available Liquid Assets Within 3 Days SRF 550.1 Table 1 RSE Member Cash Flows SRF 550.1 Table 2 RSE Investment Calls On Liquidity SRF 550.1 Table 3 Investment Option Member Cash Flows SRF 550.1 Table 4 Investment Option Investment Calls On Liquidity SRF 550.1 Table 5 Foreign Currency Contracts Outstanding
SRS 552.0 Securities Subject to Repurchase and Resale and Securities Lending and Borrowing	SRF 552.0 Table 1 Securities Subject to Repurchase and Resale and Securities Lending and Borrowing SRF 552.0 Table 2 Securities Subject to Repurchase and Resale and Securities Lending and Borrowing (Collateral) SRF 552.0 Table 3 Securities Lending Program SRF 552.0 Table 4 Securities Lending Program (Collateral) SRF 552.0 Table 5 Reinvestment Of Cash Collateral From Securities Lending
SRS 553.0 Investment Exposure Concentrations and Valuations	SRF 553.0 Table 1 Internally Managed - Material Listed or Liquid Unlisted Investments SRF 553.0 Table 2 Externally Managed - Material Listed or Liquid Unlisted Investments SRF 553.1 Table 1 Internally Managed - Material Unlisted Investments SRF 553.1 Table 2 Externally Managed - Material Unlisted Investments SRF 553.1 Table 3 Externally Managed - Material Unlisted Investments (Valuations) SRF 553.2 Table 1 Investment Option Exposures SRF 553.2 Table 2 Country Exposures SRF 553.3 Table 3 RSE Valuation Profile SRF 553.3 Table 4 RSE Internally and Externally Managed Investments

J.P. Morgan has developed a matrix that details the specific data elements we can support across our Fund Accounting and Agency Securities Finance products. Clients are encouraged to contact their J.P. Morgan representative for a copy of our matrix and with any questions or if they require additional information.

J.P. Morgan has initiated a project to assist our clients in achieving regulatory compliance with APRA SDT Phase 2 requirements through the APRA reporting services we offer. We ensure early and continuous engagement with clients regarding APRA requirements, offering thought leadership and insights into operating model impacts. We will continue monitoring regulatory announcements and outcomes of industry engagements and enhancing our data provision solution as required.

Industry Engagement and Regulatory Advocacy

The dynamic and intricate regulatory environment requires proactive industry involvement. At the industry level, J.P. Morgan has been collaborating with the APRA through the Australian Custodial Services Association (ACSA) in order to ensure market-wide consistency and clarity of data definitions for regulatory reporting obligations and to facilitate discussions with clients regarding shared industry concerns and challenges.

J.P. Morgan has actively contributed to ACSA's responses⁶ to APRA consultations. Through the ACSA framework, we have maintained an ongoing dialogue with APRA representatives, striving to convey client perspectives and promote a consistent outcome as the industry endeavours to comply with the latest superannuation reporting standards.

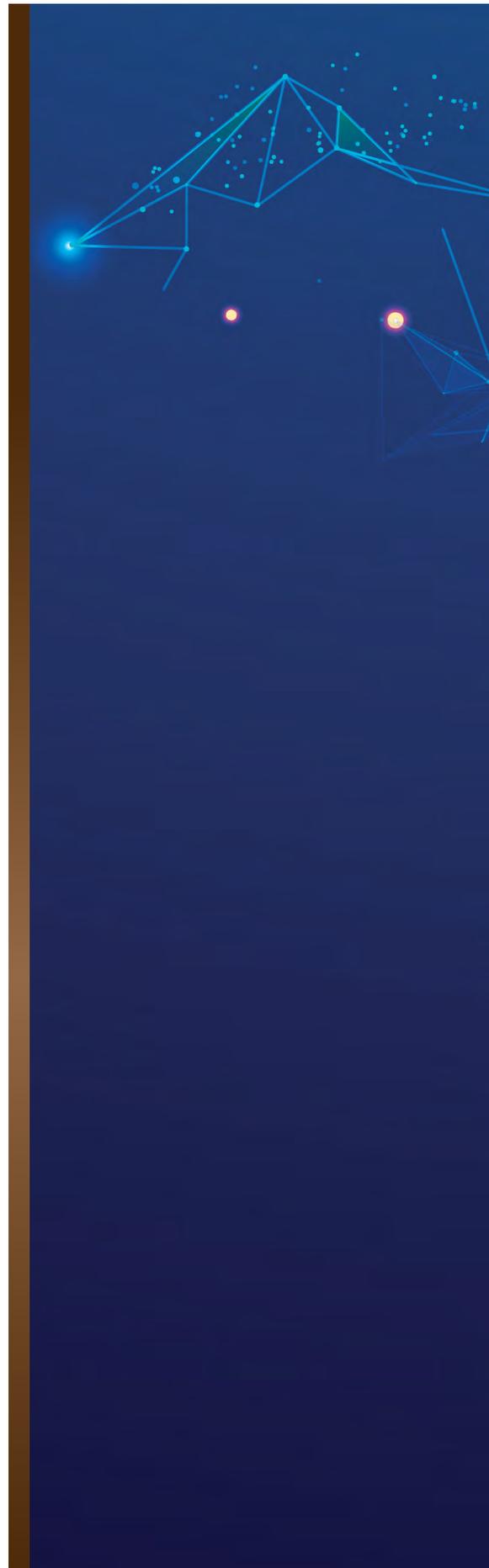
Looking ahead

In 2025, APRA plans to consult on the confidentiality and publication aspects of all new and revised reporting requirements.

J.P. Morgan has organized a series of client discussions to address key challenges related to reporting and explore how we can best support our clients in this area. Our goal is to engage closely with clients on issues such as look-through data, data sourcing, data definitions and data aggregation methodologies.

Given that the APRA SDT is a multi-year program, J.P. Morgan remains committed to providing clients with ongoing updates on APRA's announcements and industry body meetings. We are also committed to supporting our clients by enhancing our capabilities, where appropriate, to assist them in meeting the remaining SDT project requirements. We welcome continuous client input and dialogue to refine our capabilities further as regulatory reporting standards and requirements evolve.

⁶ https://cdn.ymaws.com/acsa.com.au/resource/resmgr/28_MARCH_2024_ACSA_APRA_SDT_.pdf





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For additional information, please contact your J.P. Morgan representative.

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