

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

Fiducian Super

FID85QW:

Please advise the total remuneration package of your:

- a. company secretary, and
- b. Chief Executive Officer, including:
 - i. total remuneration
 - ii. base salary
 - iii. annual bonuses
 - iv. deferred bonuses
 - v. equity or other options
 - vi. additional compensation not covered in the above

Answer:

The Fund does not have any employees and no such expenses are paid from the Fund.

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Fiducian Super

FID86QW:

For each year of the past decade, please advise the:

- a. annual remuneration of the average worker who contributes to your fund
- b. average annual superannuation contribution from an employee to your fund
- c. multiple your CEO is remunerated compared to the annual remuneration of the average worker who contributes to your fund.

Answer:

a. FSS is not a Mysuper fund and hence does not have a default contribution requirement. Each FSS member is advised by an independent financial planner to determine contributions and investment arrangements that suit the member's particular circumstances. In view of both of these factors FSS does not record the member's salary and the question becomes not applicable.

b. The average member contribution for year to 30 June 2020 is \$10,688.

c. The Fund does not employ a CEO and in view of the response to question a. the question becomes not applicable.

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REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS SUPERANNUATION SECTOR

Fiducian Super

FID87QW:

In the context of marketing and advertising campaigns:

- a. How many is your fund currently running individually, or in collaboration with others?
- b. How many have run, or are currently running since the beginning of calendar year 2020?
- c. What is the actual cost for each campaign (including development, production, broadcasting, and distribution) to 30 June 2020?
- d. What is the actual cost for each campaign (including development, production, broadcasting, and distribution) budgeted?
- e. What is the budgeted cost for each campaign (including development, production, broadcasting, and distribution) from 1 July 2020 – 31 December 2020?
- f. What is the budgeted cost for any existing or proposed campaigns (including development, production, broadcasting, and distribution) for the period 1 January 2021 – 30 June 2021?
- g. What is the budgeted cost for any existing or proposed campaigns (including development, production, broadcasting, and distribution) for the period 1 July 2021 – 31 December 2021?

Answer:

FSS does not conduct advertising campaigns. The answer to questions a. to g. is nil.

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SUPERANNUATION SECTOR**

Fiducian Super

FID88QW:

For each of the following categories, please provide the percentages of employees that are women, men, or who identify otherwise:

- a. all employees
- b. non-executive employees
- c. executive employees
- d. senior executive employees

Answer:

FSS does not have any employees so the answer to questions a. to d. is not applicable.

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Fiducian Super

FID89QW:

Do you have a target for the employment of:

- a. women as a share of:
 - i. all employees?
 - ii. executive employees?
 - iii. senior executive employees?
- b. people who are gender non-binary as a share of:
 - i. all employees?
 - ii. executive employees?
 - iii. senior executive employees?

Answer:

FSS does not have any employees so the answer to questions a. and b. is not applicable.

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Fiducian Super

FID90QW:

Since the introduction of Superstream, which has standardised the transfer of funds, has there been:

- a. A reduction in the cost to the fund for transferring funds, and if so, by how much?
- b. A reduction in the fees charged to members reflecting any saving, and if so, by how much?

Answer:

- a. There has not been a reduction in the cost to the fund for transferring funds since the introduction of Superstream.
- b. There has been no impact on member fees resulting from the introduction of Superstream.

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Fiducian Super

FID91QW:

Greenhouse gas emissions

- a. Does your fund have an internal target for your own greenhouse gas emissions footprint by:
 - i. 2030?
 - ii. 2035?
 - iii. 2040?
 - iv. 2045?
 - v. 2050?

- b. Does your fund have a target for reducing greenhouse gas emissions from investments by:
 - i. 2030?
 - ii. 2035?
 - iii. 2040?
 - iv. 2045?
 - v. 2050?

- c. Does your fund intend to divest from investments if they do not reach their greenhouse gas emissions reduction targets by:
 - i. 2030?
 - ii. 2035?
 - iii. 2040?
 - iv. 2045?
 - v. 2050?

Answer:

a., b., and c. The Fund offers members ESG specific investment options but does not have a greenhouse gas emissions target.

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Fiducian Super

FID92QW:

The New Daily

- a. Have you ever completed a cost benefit analysis of The New Daily to your fund?
 - i. If so, when did you complete this cost benefit analysis?
 - ii. Please provide a copy of the cost benefit analysis.
- b. Have you ever completed a cost benefit analysis of The New Daily to your members?
 - i. If so, when did you complete your cost benefit analysis of the New Daily to your members?
 - ii. Please provide a copy of the cost benefit analysis

Answer:

FSS does not subscribe to The New Daily nor has it at any time contributed to the establishment costs or ongoing running costs of the publication.

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Fiducian Super

FID93QW:

Financial advisers remuneration

- a. Are your financial advisers paid:
 - i. a base salary?
 - ii. non-salaried remuneration, including bonuses?
- b. Are your financial advisers, who are only remunerated with a base salary, eligible to provide:
 - i. personal advice?
 - ii. general advice?

Answer:

FSS does not employ financial advisers so the answer to questions a. and b. is not applicable.

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Fiducian Super

FID94QW:

Have any technology innovations within the fund reduced the cost of operating the fund over the past decade?

If so, please outline:

- a. the technological innovations
- b. the cost saving
- c. the cost saving passed through to fees charged to members.

Answer:

a., b., and c. FSS is constantly reviewing technology to improve service and cost competitiveness to members. Many of the innovations relate to legislative compliance requirements and others to enhanced services to members. The ultimate cost competitiveness is tested by the Trustee through regular market reviews.

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**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
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FID95QW:

Valuations

- a. What data is provided to valuation teams to assess the value of unlisted assets?
- b. When the fund provides data to valuation teams to assess the value of unlisted assets, does this include internal modelling of asset valuations?
- c. What assumptions are provided to valuation teams when assessing the value of unlisted assets?
- d. When valuation teams assess the value of unlisted assets, do they solely take account of past performance?
- e. When valuation teams assess the value of unlisted assets, what weighting do they take on the projected value of the market for such unlisted assets to inform their valuations?
- f. For the past decade can you please complete the below table for each unlisted asset valued under your valuation policy.

Asset class	i.e., Airport	
Financial year	In-house valuation conducted by	External valuation conducted by
2010/2011	i.e., Deloitte	i.e., Ernst & Young
2011/2012		
2012/2013		
2013/2014		
2014/2015		
2015/2016		
2016/2017		
2017/2018		
2018/2019		
2019/2020		

Answer:

FSS does not invest in unlisted assets so the question is not applicable.

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REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS SUPERANNUATION SECTOR

Fiducian Super

FID96QW:

In the Financial Services Royal Commission documentation an 'Audit and Risk Management Committee' paper was compiled for CBUS ('Review of payments made to sponsoring organisations'— <https://financialservices.royalcommission.gov.au/public-hearings/Documents/Additional-exhibits-round-5/EXHIBIT-5.368.pdf>).

Please advise how many times, over the last decade, such a paper, or equivalent, has been prepared for:

- a. your Board?
- b. a Board subcommittee?
- c. executive management?

Answer:

FSS does not make "payments to sponsoring bodies" so the question is not applicable.

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SUPERANNUATION SECTOR**

Fiducian Super

FID97QW:

Over the past decade, how many non-disclosure agreements have you agreed to in relation to:

- a. human resources issues?
- b. sexual harassment issues?

Answer:

FSS does not have any employees so the questions are not relevant.

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REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS SUPERANNUATION SECTOR

Fiducian Super

FID98QW:

Do you use an internal clearing house to receive the superannuation payments from employers, or their payroll representatives, before they are allocated to an individual member's account and/or fund?

If so:

- a. What is the name of the clearing house?
- b. Why do you use a clearing house?
- c. How much does it cost annually to use the clearing house?
- d. How much does it cost annually to each member to use the clearing house?
- e. What happens to interest accrued from funds held in the clearing house?
- f. What happens to non-interest income and/or capital gains accrued from funds held in the clearing house?

Answer:

Fiducian does not use a clearing house for any employer/payroll payments, therefore the answer to questions (a) to (f) is not applicable.

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS SUPERANNUATION SECTOR

Fiducian Super

FID99QW:

Do you use an external clearing house to receive the superannuation payments from employers, or their payroll representatives, before they are allocated to an individual member's account and/or fund?

If so:

- a. What is the name of the clearing house?
- b. Who owns the clearing house?
- c. Why do you use an external clearing house?
- d. How much does it cost annually to use the external clearing house?
- e. How much does it cost annually to each member to use the external clearing house?
- f. What happens to non-interest income and/or capital gains accrued from funds held in the external clearing house?

Answer:

Fiducian does not use a clearing house for any employer/payroll payments, therefore the answer to questions (a) to (f) is not applicable.

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REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS SUPERANNUATION SECTOR

Fiducian Super

FID100QW:

If you use an internal clearing house please outline when money is received into the clearing house:

- a. On average, how long does it stay in the clearing house before it:
 - i. is allocated to a member's account and/or fund?
 - ii. is allocated to purchase units for a member's account and/or fund?
 - iii. appears in a member's account and/or fund statement and/or online record?
- b. What is the longest time that it has stayed in the clearing house before it:
 - i. is allocated to a member's account and/or fund?
 - ii. is allocated to purchase units for a member's account and/or fund?
 - iii. appears in a member's account and/or fund statement and/or online record?
- c. What is the shortest time that it has stayed in the clearing house before it:
 - i. is allocated to a member's account and/or fund?
 - ii. is allocated to purchase units for a member's account and/or fund?
 - iii. appears in a member's account and/or fund statement and/or online record?
- d. For interest accrued from holding funds in the clearing house for the member, is it then subsequently allocated to:
 - i. the individual member's account and/or fund?
 - ii. a different account and/or fund? If so, what is its name?
- e. For non-interest income and/or capital gains accrued from holding funds in the clearing house for the member, is it then subsequently allocated to:
 - i. the individual member's account and/or fund?
 - ii. a different account and/or fund? If so, what is its name?

Answer:

Fiducian does not use a clearing house, therefore the answer to questions (a) to (e) is not applicable.

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REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS SUPERANNUATION SECTOR

Fiducian Super

FID101QW:

If you use an external clearing house please outline when money is received into the clearing house:

- a. On average, how long does it stay in the clearing house before it:
 - i. is allocated to a member's account and/or fund?
 - ii. is allocated to purchase units for a member's account and/or fund?
 - iii. appears in a member's account and/or fund statement and/or online record?
- b. What is the longest time that it has stayed in the clearing house before it:
 - i. is allocated to a member's account and/or fund?
 - ii. is allocated to purchase units for a member's account and/or fund?
 - iii. appears in a member's account and/or fund statement and/or online record?
- c. What is the shortest time that it has stayed in the clearing house before it:
 - i. is allocated to a member's account and/or fund?
 - ii. is allocated to purchase units for a member's account and/or fund?
 - iii. appears in a member's account and/or fund statement and/or online record?
- d. For interest accrued from holding funds in the clearing house for the member, is it then subsequently allocated to:
 - i. the individual member's account and/or fund?
 - ii. a different account and/or fund? If so, what is its name?
- e. For non-interest income and/or capital gains accrued from holding funds in the clearing house for the member, is it then subsequently allocated to:
 - i. the individual member's account and/or fund?
 - ii. a different account and/or fund? If so, what is its name?

Answer:

Fiducian does not use a clearing house, therefore the answer to questions (a) to (e) is not applicable.

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FID102QW:

During the first half of 2020 there were significant market movements because of the economic response to the COVID-19 pandemic. Please complete the following table outlining the total payouts and losses in foreign exchange hedging.			
Month in 2020	Payouts for FOREX hedges (\$)	Losses for FOREX hedges (\$)	
January			
February			
March			
April			
May			
June			

Answer:

FSS does not have specific exposure to foreign exchange hedging.

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FID103QW:

Assuming a young Australian whose birthday was 1 July 1989, got their first job on 1 July 2005, opened a default superannuation account on 1 July 2005, made the average contribution of a person in that age bracket, using the default product offer made at that time and made no additional contributions, received the average growth, paid all fees, insurances and deductibles, please complete the following table.

Age	Financial year	Annual average income of fund members from that age bracket in that year (\$)	Average Compulsory superannuation contribution in that year (%) of income	Resulting average annual superannuation contribution made (\$)	All fees, insurances, indirect cost ratios and other deductibles not classified as fees (\$)	Average growth in that year (\$)	Balance at the end of that year (\$)
16	2005/2006	i.e. Someone who was 16 in 2005/2006 financial year	i.e. 9 per cent	i.e. 9 per cent of column 3	i.e. the totals deducted	i.e. growth on the balance reflecting the time reality of growth and when fees are deducted	i.e. The total balance for that account at the end of the financial year once growth and fees have affected the balance
17	2006/2007						
18	2007/2008						
19	2008/2009						
20	2009/2010						
21	2010/2011						

22	2011/2012						
23	2012/2013						
24	2013/2014						
25	2014/2015						
26	2015/2016						
27	2016/2017						
28	2017/2018						
29	2018/2019						
30	2019/2020						
			Totals	ie, the sum total of the cells above	ie, the sum total of the cells above	ie, the sum total of the cells above	ie, the final balance

Answer:

FSS is not a Mysuper fund and does not offer a default option. The question is not applicable.