

21 April 2026

Australian Securities and Investments Commission
GPO Box 9827
Melbourne VIC 3001
By email: rri.consultation@asic.gov.au

Dear Sirs,

Submission ASIC Consultation Paper 387 – Enhanced beneficial ownership disclosure: Proposed legislative instrument, form and guidance

Executive Summary

This submission is made by Governance Institute of Australia (GIA) and the Australasian Investor Relations Association (AIRA) in response to ASIC's Consultation Paper 387 (*Enhanced beneficial ownership disclosure: Proposed legislative instrument, form and guidance*).

GIA is the only fully independent professional association dedicated to the advancement of governance and risk practice in Australia. Our internationally recognised qualifications equip a diverse professional network of business leaders to make good decisions for the benefit of Australia's economy and society. With a history dating over 100 years, Governance Institute is Australia's leading and trusted voice of governance. Our fully accredited education and training is tailored to meet the needs of governance professionals across public listed, unlisted, and private companies, as well as the public sector and not-for-profit organisations.

AIRA is the peak body representing investor relations practitioners in Australia and New Zealand. The Association's 160 corporate members represent over A\$1.2 trillion of market capitalisation, accounting for over 80% of the total market capitalisation of companies listed on ASX.

This submission relates to ASIC's proposal to prescribe a mandatory Register of Relevant Interests (**RORI**) format under Part 5 of the draft ASIC Corporations (*Listed Entities Enhanced Beneficial Ownership*) Instrument 2026/XXX (**Draft ASIC Instrument**).

In summary, GIA/AIRA submit that the proposed RORI format:

1. imposes an obligation on issuers to transcribe, consolidate and analyse tracing data provided by disclosers, which places risk and significant compliance, resourcing and cost burdens on issuers; and
2. increases the ease with which requesters of the RORI can access personal information relating to small beneficial holdings, particularly retail investors. This raises concerns relating to privacy and misuse of personal information, as requesters of the RORI can access, extract and reuse personal information without having to comply with the limitations imposed on the use of the members' register.

In response to the above submissions, GIA/AIRA propose that ASIC:

1. should not impose an obligation on the issuers to reformat the information received from disclosers, given that neither the issuers nor ASIC can control the format, structure or quality of tracing notice responses provided by the disclosers; and
2. may wish to consider setting a materiality threshold (size of beneficial holding) before an issuer is required to include an individual beneficial holder's data in the RORI, to address the privacy concerns and potential for misuse arising from data provided by large nominees with small (i.e. retail) beneficial holdings.

These submissions are detailed in the sections below.

1 Burdensome obligation on companies

1.1 ASIC's proposed RORI format

The *Treasury Laws Amendment (Strengthening Financial Systems and Other Measures) Act 2025 (Act)* gives ASIC the power to prescribe the information that must be kept on a RORI and the format of that RORI. Section 672DB(2) of the Act gives ASIC the power to specify information that must, must not, or may not, be included in the RORI.

In its Draft ASIC Instrument, ASIC proposes to require that the RORI be kept in a delimited file format, with a separate data field for each item of information specified in section 26(3) of the Draft ASIC Instrument and ordered consistently with that section.

In its draft Regulatory Guide 222 (*Substantial holding disclosure and tracing requirements*), ASIC proposes to require that the RORI must consolidate information that the issuer receives in response to tracing notices. Consolidation means bringing together all information received from the responses in a single register for the issuer that is readily understandable. It cannot comprise only collated tracing notice responses that the issuer receives in response to tracing notices they issued.

We acknowledge ASIC's objective of improving the accessibility and usability of RORIs, as well as enhancing transparency. However, we are concerned that the proposed requirements will have the unintended consequence of increasing compliance risks and costs in a way that is likely to discourage issuers from using the tracing mechanisms, resulting in a decrease in data.

1.2 Impact on issuers

Responses to tracing notices are not currently subject to any formatting requirements, meaning they can be delivered in a wide variety of structures, including spreadsheets, PDFs, word documents, scanned attachments and emails. Under ASIC's proposed framework, issuers would be required to repeatedly transcribe, interpret and consolidate different forms of responses into a delimited format with distinct data fields.

This means issuers would have to pay their register managers to undertake extensive data processing every time the issuer receives a tracing notice response. This would lead to significant compliance and resourcing burdens, as well as increased costs, for the issuers. RORI register managers have advised issuers that the cost will be "significant". ASIC's proposal will also move the risk of producing accurate RORIs from the disclosers to the issuers, which is a significant shift from the existing regulatory position that does not oblige issuers to reformat or analyse tracing notice responses when preparing a RORI.

1.3 Impact on market transparency

ASIC's policy objective is to enhance transparency by providing greater access to information to interested members of the public, such as journalists and academics. However, the compliance risk, cost and resourcing burdens associated with the proposed RORI format are likely to discourage issuers, particularly smaller issuers, from using tracing notices as frequently. This will result in less timely information on beneficial ownership being available and accessible to the issuer as well as the market. In our opinion, this goes against the stated policy objectives of ASIC.

1.4 Proposal

Given that the issuer has no control over the type and format of tracing notice responses it receives, and it does not appear from the current drafting of the proposal that ASIC has the power to mandate a specific formatting requirement for the responses, GIA/AIRA propose that ASIC does not impose the burdensome obligation on issuers to transcribe, analyse and consolidate tracing notice responses when including them in a RORI.

2 Privacy and improper purpose concerns

ASIC's proposed RORI format increases the ease with which personal information relating to small beneficial holdings, particularly that of retail investors, can be accessed, extracted and reused. For example, this will be an issue where large nominees (e.g. broking facilities) hold many small beneficial holdings.

There currently exists a statutory proper purpose regime under section 173 of the *Corporations Act 2001* (Cth), which applies to access requests for a company's register of members. The proper purpose regime requires an applicant to state the purpose for which the information is sought and prohibits the use of the information for improper purposes, including unsolicited contact and other forms of misuse.

There is no equivalent safeguard mechanism for access to the RORI. The concern is that a requester of the RORI will, under ASIC's proposal, have an increased ability to obtain personal information about small beneficial shareholdings and that information may be used for an improper purpose, including unsolicited contact and other forms of misuse.

- 2.1 A further concern is that the proposed framework may enable commercial business models that rely on the systematic extraction and monetisation of beneficial ownership data. In the absence of an appropriate safeguard, entities may acquire nominal shareholdings solely to obtain access to RORI data and use that information for commercial gain, including aggregation, resale, or targeted solicitation. This represents a potential regulatory gap that could undermine the policy intent of the regime.

2.2 Proposal

GIA/AIRA propose that access to the RORI be subject to a "proper purpose" test, consistent with the regime that applies to the register of members under section 173 of the Corporations Act. Requesters should be required to state the purpose for which the information is sought, and the use of RORI data for commercial exploitation, resale, or other non-legitimate purposes should be expressly prohibited.

In addition, GIA/AIRA propose that ASIC introduces a materiality threshold (size of beneficial holding) before an issuer is required to include an individual beneficial holder's data in the RORI, to address the privacy concerns and potential for misuse arising from data provided by large nominees with small (i.e. retail) beneficial holdings.

ASIC has the power, by legislative instrument, to determine the form of the RORI, and to specify information that must, must not, or may not be included in the RORI (section 672DB(2) of the Act). GIA/AIRA propose that ASIC uses its power to introduce a materiality threshold.

For example, the Draft ASIC Instrument could be amended to state that details of beneficial holdings that are below 1% (or 0.5%) of the issuer's total share capital, need not be included in the RORI. This would not be inconsistent with the legislation, which only requires disclosure of substantial holdings when they are equivalent to 5% of the issuer's share capital.

Nondisclosure of beneficial holdings of less than 1% (or 0.5%) is unlikely to restrict access to material information and would protect the privacy of individuals (including details of their personal addresses).

GIA/AIRA further propose that eligibility to request access to a RORI be limited to holders of a meaningful and marketable parcel of shares, rather than nominal holdings (such as a single share). This would discourage access requests made for improper purposes and better ensure that access is confined to parties with a genuine interest in the issuer.

3 Conclusion

GIA/AIRA are grateful for the opportunity to contribute to ASIC's Consultation Paper 387. GIA/AIRA are concerned, however, that ASIC's proposed RORI format increases the compliance risk, resourcing and financial burdens on issuers, discouraging issuers to issue

tracing notices and thereby reducing market transparency, which goes against ASIC's stated objectives.

We welcome an opportunity to discuss this submission with ASIC. If you should have any questions or comments on the above submission, please do not hesitate to contact Catherine Maxwell/Ian Matheson.

Yours sincerely,

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