

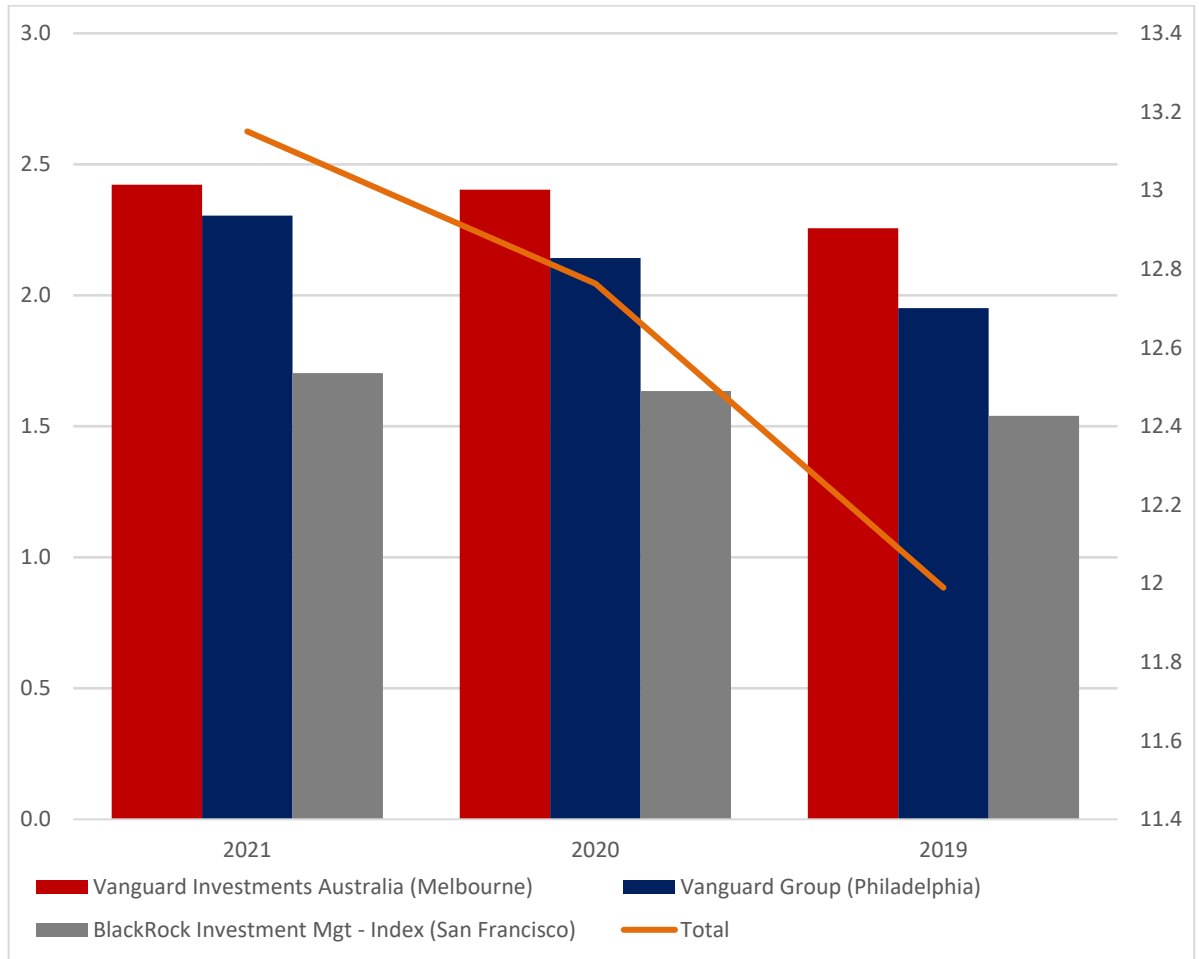
**AIRA Submission | Implications of Common Ownership and Capital Concentration in Australia**  
 These pages replace pp 4 & 5 in the original submission dated 13 September 2021

**Orient Capital Findings:**

**II) PASSIVE INVESTMENT IN THE S&P / ASX 300**

**Average Index Investment S&P/ASX 300 by Issued Share Capital**

- The influence of index investors over time has increased as a % of ISC, with approximately an average of 13.2% of companies controlled by investment managers with a primary investment style of index.
- The overall data is dominated by the 3 largest index investors in the S&P/ASX 300 index, which account for approximately half of the investment.

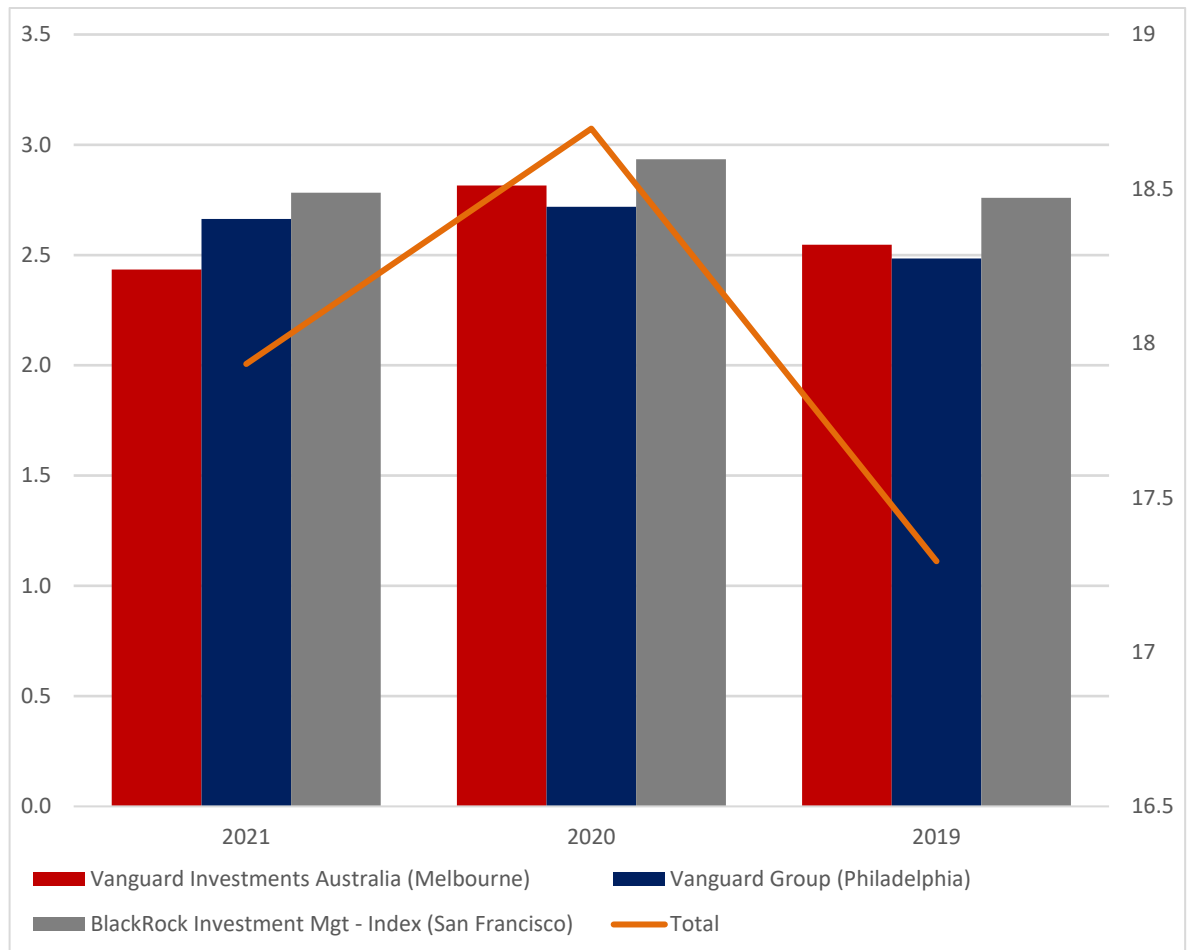


Note: amendment from AIRA’s original submission is the inclusion of the legend labels in the above chart for Vanguard Group (Philadelphia); Blackrock Investment Mgt – Index (San Francisco); and, Total

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**Average Index Investment S&P/ASX 300 by Value**

- The overall market value managed by index investors appears to have peaked in July 20 with 18.7% of the market under management.
- This may be due in part to broader index products offered in the market across varying asset classes and additional stock lending activities, which can reduce the reported holding for the investors. Note that in many scenarios index investors will open their stock to be lent by nominees/brokers.



Note: amendment from AIRA’s original submission is the inclusion of the legend labels in the above chart for Vanguard Group (Philadelphia); Blackrock Investment Mgt – Index (San Francisco); and, Total

**Orient Capital Findings:**

**III) SUPER FUND INVESTMENT IN THE S&P / ASX 300**

**Average Super Fund Investment into S&P/ASX 300 by Issued Share Capital**

- The overall average % ISC captured by superannuation funds in our analysis is 16.2%.
- This is split between domestic funds 13.1% and global 3.1%.
- The domestic data further reflects that approximately 8.8% is through members of ACSI<sup>1</sup> and 4.3% through other.

<sup>1</sup> Members of ACSI were identified from the ACSI website.