



FundApps response to CP 387

FundApps is a regulatory software firm providing services to over 150 of the largest financial institutions in the world. For almost 15 years, we have helped to monitor and automate their shareholding disclosure requirements; our clients now manage assets in the vicinity of 25 trillion USD.

In our response below, we have focused on our expertise in the monitoring and filing of beneficial ownership disclosures globally.

Proposal B19 Q2 Should ASIC prioritize simpler 'human-readable' formats?

As a certified B Corporation, our organisation is formally committed to considering the interests of all stakeholders, and to operating with a high standard of public transparency and accountability. Those commitments inform our view on this question: the format in which substantial holding information is disclosed matters both for who can access it and for what the market can do with it once disclosed.

We submit that ASIC should not prioritise image-based or static document formats on accessibility grounds, and that structured machine-readable formats better serve the underlying transparency objectives of the substantial holding disclosure regime.

The "human-readable" framing should not be used to preserve image-based formats

ASIC notes in paragraph 67 of CP 387 that the current forms are "static image-based documents" – typically submitted as PDFs or scanned copies – and that this format has generated feedback about difficulty navigating them and concerns about inconsistencies in the information provided. We submit that these concerns reflect a deeper problem: image-based formats are not, in any meaningful sense, accessible to all users. Scanned PDFs and static image documents are largely inaccessible to people who rely on screen readers, braille displays, or other assistive technologies. Framing image-based or unstructured formats as the "accessible" option would perpetuate, rather than remedy, a significant accessibility gap.

A fundamental distinction must be maintained between machine-readable data and its presentation to humans. For example, information websites rely on JSON as a key machine-readable technology (which, like XML, can be validated via a schema) to drive interfaces.

These interfaces are both elegant and far more accessibly readable via HTML, which is an inherently semantically accessible technology with accompanying accessibility standards. HTML then has the further opportunity to have its accessibility enhanced by website-defined or user-defined stylesheets (CSS). Once information is supplied in a well-defined machine-readable schema, it is far cheaper and more reliably accessible to present this information via HTML and CSS for human readability than any other technology.

This approach leverages the collection of open standards surrounding web technologies, which are built to be accessible by default, not as an add-on to a proprietary technology like Adobe's PDF.

Machine-readable formats serve the purpose of the regime

The purpose of substantial holding disclosure, as stated in paragraph 2 of CP 387, is to improve corporate transparency by revealing who ultimately owns, controls, and receives profits from listed entities. This transparency objective is not satisfied merely by making a document available – it requires that the information disclosed can actually be understood, interrogated, and acted upon by those who need it: investors, market operators, analysts, regulators, and the public.

Structured, machine-readable formats such as ISO 20022 or XBRL are significantly better suited to this purpose. Specifically:

- **Searchability:** Machine-readable data can be searched, filtered, and cross-referenced instantly – for example, to identify all substantial holdings by a given entity across multiple listed companies, or to track changes in holdings over time. Static documents require manual review and are prone to inconsistency.
- **Structural intelligence:** Structured formats enforce discrete data fields and controlled vocabularies, reducing the inconsistencies that ASIC has already identified as a problem with the current forms. When a holding percentage, a date, or a counterparty name is stored in a defined field, it can be validated at the point of submission and compared meaningfully against other notices.
- **Aggregation and systemic analysis:** A core goal of the beneficial ownership reforms – including the extension of disclosure obligations to equity derivatives – is to give regulators and the market a clearer picture of aggregate economic exposure. This systemic purpose can only be fulfilled if the data is structured in a way that allows it to be aggregated programmatically. Image-based or loosely delimited formats impede this analysis.
- **Integration with existing market infrastructure:** As ASIC notes at paragraph 75, recognised data standards can support integration into existing platforms used by substantial holders and market operators. This reduces compliance friction and errors associated with manual re-entry of data.

On the question of "specialty software"

ASIC expresses concern at paragraph 76 that formats such as XBRL "may require third-party software to view." We note that this concern is not unique to structured formats — the current image-based PDFs also require software to open.

The more relevant question is whether the software required is widely available and whether the format is accessible by default to all users, including those using assistive technologies.

Well-designed structured data formats, rendered through a web-based portal (as contemplated under Proposal B18), can present information in a clean and accessible human interface while storing the underlying data in a structured format. The two goals — accessibility and machine-readability — are not in conflict, and the choice of data standard need not be a binary one between usability and structure.

Recommendation

We submit that ASIC should not retreat to simpler, less structured formats simply because they appear more "human-readable." The transparency objectives of the substantial holding disclosure regime are best served by formats that support searchability, consistency, structural validation, and programmatic aggregation. ASIC should pursue a structured data standard, rendered through an accessible and inclusive web-based interface, rather than treating static or image-adjacent formats as a more accessible alternative. In designing such a system, ASIC should ensure compliance with applicable accessibility standards (such as WCAG 2.1 AA) so that the interface — not the underlying file format — carries the burden of human accessibility.

Further information

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