



Australian Government **Future Fund**

Media release

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Clarifying the role of the Future Fund's global custodian

On 10 May 2007 the Future Fund Board of Guardians announced that Northern Trust Corporation had been selected to provide global custody services to the Future Fund following a rigorous and competitive tender process.

The role of global custodian is to ensure the Future Fund's assets around the world are securely held, all transactions are settled, and detailed records of those transactions are kept.

Northern Trust is not an investment manager making decisions on the allocation of Fund assets. All transactions undertaken by Northern Trust are either on the direct instruction of the Future Fund, or on the instruction of an investment manager appointed by the Fund.

Paul Costello, General Manager of the Future Fund, said: "Northern Trust will not be making investment decisions. As global custodian it facilitates the transactions made by the Fund and its appointed investment managers.

"We ran a very comprehensive process to identify the best provider for our needs. The process looked at the ability of each organisation to provide high quality services at an appropriate price representing value for money" said Mr Costello.

All global custodians operate a network of sub-custodian banks around the world to cover settlement and safekeeping of clients' assets in each market. Northern Trust will use ANZ for the management of the Future Fund's Australian investments.

The selection process was led by the Future Fund, with the support of a specialist consultant, Thomas Murray Limited. The consultant's role was to coordinate the responses to the tender document, participate in the interviews with each organisation, and provide input into identifying the shortlisted providers.

Due diligence of the shortlisted banks was undertaken by Future Fund management. The selection of Northern Trust was unanimously approved by the Board of Guardians.

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Will Hetheron, Future Fund

Ph: 03 8656 6400

Mobile: 0439 016 678