

SUPERTRACE SUPERANNUATION FUND: ANNUAL MEMBER MEETING

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| Date & Time | Tuesday, 6 February 2024 | 1:00pm – 1.44pm |
| Virtual venue | Meeting held online | |
| Attendees | <p>Equity Trustees Superannuation Limited (ETSL) Board: Catherine Robson (Chair), Mick O'Brien, Steven Carew, David Coogan;</p> <p>Paul Collins, PwC, Fund Auditor;</p> <p>David Warren, General Manager, Clients and Strategic Planning, Superannuation Trustee Services, Equity Trustees; and</p> <p>Ryan Leiper, Superannuation Chapter Lead, Resolution Life.</p> <p>Attendees: 0 Members 11 attendees</p> | |
| Apologies | Sue Everingham (Director, ETSL Board) | |
| 1. Commencement | At 1:00pm, Catherine Robson welcomed all attendees, provided an overview of the Agenda for the meeting and noted details of how to lodge questions and who to call to address any technical difficulties. | |
| 2. Introduction and Welcome | <p>The Chair noted that a quorum of ETSL directors, David Warren, Ryan Leiper and Paul Collins were present at the meeting.</p> <p>The Chair welcomed all members and attendees to the Annual Member Meeting of the SuperTrace Superannuation Fund (Fund).</p> | |
| 3. Chairman's message | <p>The Chair spoke about the role of an independent Trustee within the Chair spoke about the role of an independent Trustee within the operation of a superannuation fund. This discussion included:</p> <ul style="list-style-type: none"> • An overview of ETSL as Trustee of the Fund and the responsibilities of the Trustee; • Key changes in superannuation and associated legislative changes; and • That ETSL's key role is to protect the interests of members. | |
| 4. Fund update | <p>David Warren provided an overview of the Fund including:</p> <ul style="list-style-type: none"> • The size of the Fund and the type of member offer; and • The role of Resolution Life as both the Promoter and the Administrator. | |
| 5. Key Themes | <p>David Warren addressed the following key themes:</p> <ul style="list-style-type: none"> • Sale of AIA Australia's Super & Investments business to Resolution Life Australasia; • Investment market, recent performance and outlook; • Fund performance example; and • Member Outcomes Assessments. | |



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6. **Looking forward** Ryan Leiper provided an update on the Fund including:
- Resolution Life Australasia;
 - Recent service improvements and
 - Fund outlook in 2024 and the continued enhancements to member services, retirement planning and outcomes;
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7. **Questions** David Warren and Ryan Leiper responded to 4 questions asked by members:
- 1) What is the Trustee's view on the possibility of a global financial crisis given the uncertainty in the world and the main downside risks for Super Fund's Investments for the 2024-25 Financial Year.
 - 2) Regarding access to the online member portal, do you plan on making any changes this year?
 - 3) What has the recent performance of the Fund been like? And
 - 4) What is the Trustee doing for ethical and responsible investment to reduce climate change?
- It was noted that it was not possible to respond to questions about a member's personal account or circumstances due to privacy reasons. The Fund's Administrator would seek to contact these members directly to address their questions.
- Written responses to these and the other general questions posed by members are attached to these Minutes.
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8. **Closing remarks** The Chair thanked all those in attendance and noted that a video of the meeting, the Meeting Minutes and written responses to the general questions submitted by members would be available online within 4 weeks of the meeting.
- The meeting was closed at 1:44pm.
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QUESTIONS AND ANSWERS

1. What is the Trustee's view on the possibility of a global financial crisis given the uncertainty in the world and the main downside risks for Super Fund's Investments for the 2024-25 Financial Year.

Investing across different asset classes invariably involves taking some risk in order to achieve returns. It is always very difficult to predict what investment markets will do in coming periods. Some of the risks which will likely influence markets in due course include (but are not limited to) widening global conflict, a slowing of economic growth, sustained inflation and a global credit crunch. It is important that members select investment options that reflect their risk appetite and investment horizon.

Looking forward, many economists and market commentators are pointing out areas of risk and concern that could have impacts on future investment returns.

The Trustee is unable to predict or comment on future returns that may be achieved but notes that market volatility is a part of the economic cycle and returns are unpredictable.

To assist members, the Trustee seeks to provide a diverse range of investments with different risk profiles to enable members to select investment options that are right for them and their personal circumstances.

If you have concerns about selecting the investment strategy that is right for you, it's important to consider seeking professional financial advice tailored to your personal needs.

2. Regarding access to the online member portal, do you plan on making any changes this year?

For the meantime, you can access to the online member portal the same way as you have been doing.

We're working on the planned integration into the 'My Resolution Life portal', which will allow us to enhance and support your self-service needs. These changes are expected later in the year and we will write to you prior to it becoming available.

Remember, it's important that the personal details we have recorded for you are up to date, including your email address.

If these details aren't current or we don't hold an email address for you, please contact us to update your details before attempting to log in.

3. What has the recent performance of the Fund been like?

I'll provide you with an update for the third quarter up to 30 September 2023.

There were mixed results in Australian investment landscape, due to both domestic and global factors. Australian equities declined, with the S&P/ASX 200 Index down minus 0.77% primarily driven by negative investor sentiment resulting from rising global interest rates. The property markets remained resilient due to lower housing supply, despite borrowing costs remaining high.

The Reserve Bank kept the target cash rate unchanged at 4.1% as they continue trying balance managing inflationary pressures whilst supporting the broader economy. The Australian dollar was down by -3% against the US dollar.



Global factors also impacted our domestic markets, with Central banks worldwide expressing the need to keep interest rates higher for a longer period amid concerns of the ongoing inflation. Commodity prices surprisingly rose, oil in particular, with international cuts to oil production.

Global equities weakened over the quarter, with the MSCI World Index falling by 0.37%. In Bond markets, higher government bond yields in all major markets resulted in negative returns from fixed income. In Credit markets, corporate bonds gained small positive returns.

In times of market volatility investment balances may decline, but it is important to remember that markets move in cycles. Volatility is a natural part of the economic cycle and markets are influenced by a range of factors and are inherently unpredictable.

Remember that for most investors, superannuation is generally a long-term investment of 20 years or more. When investing over the long term, your super investments will likely need to withstand the volatility produced by these cycles more than once.

It's important to understand your risk profile. All investments carry some risk. How much risk you're willing to accept will be influenced by your financial situation, family considerations, time horizon and even your personality.

If market volatility has caused you to reassess the way you feel about risk, it's important to consider seeking professional financial advice tailored to your personal needs.

4. What is the Trustee doing for ethical and responsible investment to reduce climate change?

This is an issue that is increasingly becoming important to our members. It is a common theme that is raised by members and one that the trustee is seeking to enhance its position.

The Trustee is in the process of developing an Environmental Social Governance (ESG) strategy and roadmap. Climate risk and decarbonisation have been identified as key areas of focus. As the Trustee of your Fund, we are committed to understanding how and when we have an impact on climate change.

We are developing strategies to reduce the environmental and carbon impacts of our own operational footprint and managing material environmental risks within our fund management and financial services businesses.

MEMBER PERSONAL QUESTIONS

All questions relating to a member's personal account have been included in the appendix to this pack. Both the promoter and administrator have been contacted as required to assist members with these questions.

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