

Annual Member Meeting Minutes

Meeting of:	PERPETUAL SUPER WRAP SUPERANNUATION FUND
On:	Thursday, 12 December 2024 at 2:00pm
At:	Via live stream
Directors in attendance:	Janet Torney (Chair) Chris Green Mark Smith Kerry Adby Jocelyn Furlan
Apologies:	Nil
Responsible Officers and Speakers in Attendance:	Catherine Payne, Head of Office of the Superannuation Trustee (HOST) Magdalena Jankowska, Superannuation Senior Analyst Claudia Rososinski, Assistant Company Secretary Kyle Lidbury, Head of Investment Research at Perpetual Private Adam Balsamo, Head of Product and Marketing Andrew Reeves, Audit Partner, KPMG

Item	Presenter
Item 1. Welcome and Introduction	
The Chair, Janet Torney, welcomed and thanked all those who joined online for the Annual Member Meeting of the Perpetual Super Wrap Superannuation Fund (Fund).	Janet Torney, Chair
The Chair delivered an Acknowledgement of Country.	
The Chair explained that the Annual Member Meeting was an opportunity for members to hear from the Board and Responsible Officers on their Fund. Updates would be provided on investment performance and member services and members have the opportunity to submit their questions through the event streaming page.	
Questions submitted prior to the meeting would also be answered by the Board and its Responsible Officers.	

The Chair introduced the members of the Board, other Responsible Officers and the Fund's external auditor from KPMG.

Item 2. Chair's Address

The Chair delivered her address which highlighted the following important topics:

Janet Torney,
Chair

- A Significant Event Notice was sent to members on 10 December 2024 advising of PSL's decision to retire as the Fund's trustee and appoint Equity Trustee Superannuation Limited (ETSL) as the new trustee of the Fund from 1 March 2025.
- The decision to appoint ETSL followed a comprehensive review and was made in the best financial interests of the members. The change was aimed at leveraging the specialised expertise, strong governance, scale benefits and extensive resources of ETSL.
- No action was required by members and there would not be any changes to the features of the Fund, including the investment options offered, fees charged, contact details, and the website.
- The Fund continued to deliver on its four strategic objectives to members: enable, engage, protect, sustain.
- As at 30 September 2024, the Fund had 3,732 members and \$3b FUM.
- Our focus remains on continuing to offer a diverse and comprehensive range of investment options across different levels of risk which generate investment returns in different ways and over different timeframes. This allows members and their adviser to build a diversified investment portfolio which can navigate through various market cycles
- Enhancements have also been made to the Client Portal and Adviser Portal to make it more simple, intuitive and relevant to a members own personal circumstances.
- Security functionality has been significantly enhanced, adding extra layers of protection which are a foundation for the future development of services.

Item 3. Market Update & Investment Performance

Kyle Lidbury, Head of Investment Research, provided a market update on the key influences impacting the Fund's investment options noting:

Kyle Lidbury,
Head of
Investment
Research at
Perpetual
Private

- FY2024 saw strong returns for all asset classes that exceeded expectations.
- The investment team is of the view that a soft landing for economies is already priced into markets.
- Inflation is trending down and policy makers are managing this without negatively impacting growth and employment.
- China is the one exception where stimulation efforts have not succeeded to date.
- Heightened geopolitical tensions continue to be seen across the globe.
- Global valuations remains an area of concern but the outlook of decreasing interest rates should improve interest rate sensitive sectors such as the real estate sector.
- Bonds are generating real yields and equities are rallying on the prospect of lower interest rates. The RBA is predicted to lower interest rates in early or mid-2025.
- Labour markets have remained relatively tight despite higher interest rates.
- The USA election brought about significant volatility which has been commonly seen throughout history and is not unique to recent election.

Item 4. Member Service Update

Adam Balsamo provided an overview of the service standards for FY2024 highlighting the following:

Adam Balsamo

- Putting our members first is at the core of our strategy which focuses on delivering the best outcomes at all times for our members.
- We are constantly reviewing the market to ensure that our member experience is in line with our peers or better and continue to work hard on member services to make it simple, easy and convenient for members and their advisers to monitor their retirement portfolios.
- The Client Portal and Adviser Portal play a key role on how we deliver these services to you and to your adviser and these continue to be developed to identify opportunities to enhance offerings. This includes exploring ways to leverage technology to streamline processes, improve response times and provide more personalised member experience.
- We continue to focus on maintaining an investment menu which gives you and your adviser a broad selection of investments to choose from and from which a diversified investment portfolio can be put in place to achieve your retirement goals.

Item 5. Members' Questions and Answers

The Chair introduced the Q&A panel session of the Annual Member Meeting. Members were able to submit questions as part of the Annual Member Meeting registration process and throughout the live event via the online chat facility.

The Chair noted that responses to all questions would be included with the meeting minutes and made available on the Perpetual website within the next 30 days.

Question	Answer	Respondent
<p><u>Questioner: Mark</u> Given the poor performance of the Fund does the Board have confidence in the Executive team?</p>	<ul style="list-style-type: none">• The Board has absolute confidence in the Executive Team.• Performance of the Fund looks at a range of factors and not just investment performance. We also consider the Fund objectives, the product scope, meeting our regulatory requirements, rigorous and efficient operational systems.• The trustee's investment mandate is to provide a comprehensive investment menu so that the advisers can tailor a portfolio that is suitable to the member's needs. As such investment performance will be different for each member based on their particular investment portfolio structure.• We regularly review the performance of investment managers on the menu to ensure they remain appropriate.	Chair

Questioner: Michael

How does the Fund compare to other super funds?

- The Board produces an annual outcome assessment reports on the Fund and this review from June 2023 is available on the website.
- The Fund administration fee is all-inclusive and is designed to be competitive with peers.
- The Fund provides a range of investment options across asset classes, managed funds, term deposits and listed securities.
- The Fund offers a variety of investment vehicles to meet your pre-retirement, transition to retirement and retirement needs.
- The investment outcomes are tailored based on your investment portfolio.

Chair and Adam Balsamo

Questioner: Alan

Discuss the scale benefits that will result from the switch to ETSL.

- The Scale benefits of ETSL include:
 - The greater number of superannuation funds for which ETSL is trustee and the much larger funds under management will leverage economies of scale.
 - There will be as broader spread of costs associated with the increased regulatory requirements.
 - Fixed operational costs will be spread across a broader base.
 - There is a larger bespoke trustee team at ETSL.

Chair

Questioner Paul

What is the latest update from the KKR acquisition of Perpetual?

- The question relates to Perpetual Group matter. For any information with regards to the Perpetual acquisition, please refer to the Perpetual Group website.
- Perpetual Superannuation remains the same from the member perspective. We have the same client service team, administration and investment management and custody.

Chair

Questioner James

What is the strategy to protect fund

- A wide range of investment options are available in the Fund and we recommend speaking to

values if international conflicts cause runs on members' deposits. (Question asked after meeting had closed.)

your adviser to discuss your own personal portfolio.

- When the trustee selects the managed funds available on the investment menu various factors are considered including risk/return profile, liquidity and the relevant operating market.
- Stress and liquidity testing are conducted annually using both hypothetical and historical scenarios. The results from the recent testing in 2024 shows that the Fund holds ~96% liquid assets.
- The trustee also seeks to promote diversification by limiting concentration of investment with high risk of stressed conditions including geo-political tensions.

Item 6. Meeting Closure

The Chair thanked members for their participation and declared the meeting closed at 2:35pm.

Signed by:



Chair: **JANET TORNEY**

Date approved: **13 FEBRUARY 2025**

Authorised by the Chair to affix their electronic signature