

ANNUAL MEMBERS' MEETING PERPETUAL SELECT SUPERANNUATION FUND

Date:	Friday, 19 November 2021
Time:	11.00 a.m. – 12.00 p.m.
At:	Level 18 Angel Place, 123 Pitt Street, Sydney NSW 2000 and via live stream
Directors in attendance:	Janet Torney (Chair) Kerry Adby Chris Green Mark Smith
Responsible Officers and Senior Management in attendance:	Catherine Payne, Head of Office of the Superannuation Trustee Sam Mosse, Chief Risk Officer Amanda Gazal, Chief Operating Officer Mary Kapota, PSL Company Secretary Nicholas Buchanan, Auditor, KPMG Kyle Lidbury, Head of Investments Research – Perpetual Private Annie Rozenauers, General Manager Product Gordon Thompson, Senior Manager, Superannuation & Retirement Solutions Ilias Kotronakis, Senior Manager, Platform & Services Products Sophie Brandis, Manager, Superannuation & Retirement Solutions
Apologies:	Nil

The minutes comprise a summary of key aspects of presentations, questions and answers.

PRESENTER
The meeting commenced at 11.00 a.m.
<p>1. WELCOME AND INTRODUCTION Janet Torney, Chair</p> <p>The Chair, Janet Torney welcomed and thanked all those who joined online for the Annual Member Meeting of the Perpetual Select Superannuation Fund (Fund).</p> <p>The Chair commenced proceedings by formally acknowledging the Gadigal People as the traditional custodians of the land on which the meeting was held. The Chair also acknowledged the traditional custodians of the lands where the meeting was being live streamed.</p> <p>The Chair introduced the members of the Board and other Responsible Officers and informed members that the Fund’s external auditor from KPMG was present at the meeting.</p> <p>The Chair explained that the Annual Member Meeting was an opportunity for members to hear from key leaders about the Fund, the external investment environment and to ask questions.</p>

The Chair invited members to submit their questions through the event streaming page and noted that these questions and questions submitted prior would be responded to later in the meeting.

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

2. CHAIR'S ADDRESS

Janet Torney, Chair

The Chair thanked members for their continued trust in Perpetual Superannuation Limited (**PSL**) to manage their retirement savings.

The Chair presented information on the following matters:

- The key benefits of PSL being wholly owned by Perpetual Limited;
- PSL's strong, standalone governance framework. She noted the significant contributions of Virginia Malley who retired as a Non-Executive Director in October 2021 after 9 years of dedicated service;
- PSL's long-term strategy to deliver the best outcomes for members by providing market leading superannuation solutions. PSL's four strategic objectives that have been set to deliver on its purpose and vision are Enable, Engage, Protect and Sustain, each of which have strategic initiatives and measures of success;
- The unprecedented challenges during the year noting the global health and economic impacts brought on by COVID-19 and the significant changes to the superannuation regulatory environment;
- Key activities of the Fund for the 2020-21 financial year, noting:
 - the strong focus on the Your Future Your Super reforms which aim to empower members;
 - the continued focus on environmental, social and governance (ESG) factors across the Fund, including an enhanced PSL Responsible Investment Policy;
 - the publishing of PSL's inaugural Annual Outcomes Assessment for the Fund. This is a formal assessment of the Fund that takes into account the Fund's investment strategies, risk and performance, in addition to insurance options, fees, and other factors in comparison to other funds;
 - PSL were able to deliver strong investment outcomes for members;
 - the delivery of a significant program to enhance our members' experience; and
 - the creation of a Client Advocacy Team to provide dedicated resources to address member concerns.
- The Fund's financial position as at 30 June 2021 – \$1.3 billion in funds under management and a membership base of 5,275 members.

The Chair then invited the Head of Investment Research at Perpetual Private to present on the economic and investment influences that are impacting investment decision making.

3. INVESTMENT PERFORMANCE AND MARKET UPDATE

Kyle Lidbury, Head of Investment Research at Perpetual Private

Kyle Lidbury, Head of Investment Research, presented the key economic and investment influences impacting the Fund's investment options including:

- The investment performance (return and risk) of the Select investment options;
- Major themes in investment markets including whether the recent rising inflation is transitory, the global economic growth outlook, the impact of COVID-19 and the probability of meeting global climate change goals;
- Discussion of trends in the asset classes employed within the Fund; and
- The nature and benefit of alternative assets within in the investment options.

The Chair then invited the General Manager Product at Perpetual Limited to present on recent initiatives to enhance Member Services.

4. MEMBER SERVICES AND EXPERIENCE UPDATE

Annie Rozenauers, General Manager Product at Perpetual Limited

Annie Rozenauers, General Manager Product, advised that over the last year there has been significant effort dedicated to enhancing Member Services, including:

- Fee reductions for the Fund that will deliver better value-for-money for members;
- Unveiling of myPerpetual, the new online member platform, in December 2020. myPerpetual aims to deliver greater functionality, a smart dashboard, real time data, stronger security features and a fresh new mobile-friendly design;
- Further enhancements were made to myPerpetual throughout 2021 to allow members with multiple accounts, such as a Super and Pension account, to view all their holdings under the one client number which allows for consolidation of log-ins and easier access for our members. Improvements were also made to the reporting that advisers are able to view which enables advisers to more effectively manage their members' needs;
- Exiting two superannuation products - Perpetual's MySuper and the Australian Eligible Rollover Fund - in order to focus on delivering products that are more relevant for PSL members and meet all PSL regulatory requirements;
- Providing target market determinations for all PSL products. These are part of PSL's regulatory obligations and ensure members are receiving products that are consistent with their expected objective, financial situation and needs;
- Maintaining a call centre of highly experienced specialists to answer questions, process requests and deliver service to the highest industry standard. And with the majority of calls answered within 30 seconds, and emails actioned within 48 hours, our members have provided strong satisfaction scores of 8s and 9s out of 10 for these services; and
- Having a dedicated claims team to help answer questions and navigate the claims process for superannuation insurance matters available to members.

5. MYPERPETUAL DIGITAL PLATFORM

Ryan Puertollano

There was a presentation of a short video on Perpetual's digital member experience platform.

6. MEMBERS' QUESTIONS AND ANSWERS

Janet Torney, Chair

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. There was no filtering of questions.

Answers to member questions submitted prior to and at the Annual Member Meeting are included in these Minutes.

Question	Answer	Respondent
Can I add to this fund, I have retired?	<p>We've contacted the member regarding this question but to provide a general response that may assist other members, we will need to find out a bit more about your circumstances and what type of contribution you are looking to add to your Fund.</p> <p>In general, there are two types of contributions that can be made into a superannuation account – concessional contributions and non-concessional contributions.</p> <p>If you are under age 67, concessional or non-concessional contributions can be added at any time. However, contribution limits do apply.</p> <p>A work test or work test exemption will be required to make contributions once an individual turns 67. Contributions can then be made and accepted by the fund up to 28 days after the individual turns 75. We encourage you to visit our 'Planning for Retirement' page on our website for resources and tools to help you navigate this complex area.</p>	Annie Rozenauers
Are we likely to see further reductions in fees as the scale of the funds increase?	<p>In October 2020, PSL reduced fees quite significantly across the Select Superannuation Fund – delivering great outcomes for our members is central to our strategy. These reductions reflect our commitment to provide a competitive solution to help our members manage and grow their wealth for retirement and was also part of our strategy to simplify fees in our superannuation product offering.</p> <p>PSL continues to work hard to reduce investment costs for members. Scale certainly plays a part in keeping costs down. Over the last year, the Perpetual Group acquired the two international fund managers – Barrow Hanley International Equity Fund Manager and Trillium in the ESG space. This increases the Perpetual Group's scale. It will give due course for consideration by the Trustee over the near future on any further changes that PSL may be looking to make.</p> <p>PSL will have more news for members on fee reductions over the next 6 months.</p> <p>For more information on fees and costs, please see the relevant disclosure documents on our website.</p>	Mark Smith

Question	Answer	Respondent
Can I arrange to speak with someone about my investment situation?	We've arranged for someone from our Contact Centre to call you. Our Contact Centre is available to call on 1800 003 001 from 8.30am to 6pm Sydney time, Monday to Friday or alternatively, please send an email to investments@perpetual.com.au	Annie Rozenauers
Advice on pension versus super	<p>Our understanding is that you're after some information on the differences between the accumulation phase and pension phase of retirement income. We hope that we have understood what you're after.</p> <p>Put very simply, the difference between accumulation phase – such as Select Super Plan, and pension – such as Select Pension Plan, is that the former is where your savings are held while you are working or making contributions to accumulate and grow wealth for retirement, and the latter offers an income stream that will support you during retirement.</p> <p>If you are looking for advice regarding whether a super or pension account may be best suited to your circumstances, please consider speaking to a financial adviser or call our Contact Centre for general information. We encourage members to visit our 'Planning for Retirement' page on our website as it does contain helpful resources to help you navigate through this period.</p>	Annie Rozenauers
How can I obtain a copy of the March 2021 report in relation to Select's performance and comparison to other funds please?	Our Annual Outcomes Assessment, which is published in March each year for the previous financial year, is available on our website for all members to view.	Catherine Payne
I am a Superannuation Client with Perpetual. I would like to add my middle name to my account. Please advise how to do it.	Please call our Contact Centre specialists on 1800 003 001 to guide you through the process.	Annie Rozenauers
<p>Could you shed some lights on:</p> <ol style="list-style-type: none"> the perspectives of ethical fund performances in the future? 	<ol style="list-style-type: none"> PSL would look for a market benchmark investment return over the long-term for ethical investment funds that the Select Superannuation Fund may invest in. It should be noted, and particularly in the Australian market, that ethical investment funds can have a higher tracking error than more broadly invested fund as they tend to avoid or be underweight particular sectors such as resources and materials. This means that they can underperform or outperform by more than other funds compared to the benchmark. Over the long term we would expect an equivalent return as things even out over this timeframe. 	Kyle Lidbury

Question	Answer	Respondent
2. detailed benefits and a maximum allowed amount of moving money from sold investment property into my current super fund?	<p>2. Contributing the proceeds of downsizing was one of several measures announced in the 2017-18 Budget. From 1 July 2018, if you are 65 years or older and meet the eligibility requirements, you may be able to make a downsizer contribution into your superannuation of up to \$300,000 or \$600,000 if you are a couple from the proceeds of selling your home.</p> <p>Your downsizer contribution is not a non-concessional contribution and will not count towards your contributions caps.</p> <p>Downsizer contributions are not tax deductible and will be considered for determining eligibility for the age pension.</p> <p>The criteria to access a downsizer contribution is quite specific so we would encourage you to speak to a financial adviser or call the Contact Centre on 1800 003 001 for more information.</p>	Annie Rozenauers
I have another super account with another provider. As an employee what is best for me?	<p>Please visit Perpetual's website to access information about PSL's superannuation offerings. Other helpful resources include the ATO website, the myGov website and the Super Ratings website which all have information on superannuation offerings and other funds.</p> <p>If you would like to discuss with someone, please call our Contact Centre.</p>	Annie Rozenauers
Does Perpetual currently invest in Crypto currency? If not, is this being considered for the future?	<p>At the current time, Perpetual does not invest in cryptocurrency.</p> <p>Cryptocurrency investing is a difficult place for large and institutional investors, particularly with the lack of regulation around this asset class. It is an emerging and growing investment consideration. PSL is not currently invested in these assets because of the risks associated with the regulatory side. It is something we are watching and monitoring.</p>	Kyle Lidbury

7. CLOSURE

Janet Torney, Chair

The Chair thanked members for their participation and declared the meeting closed at 12.00 p.m.

SIGNED BY:



CHAIR

DATE APPROVED: 16 December 2021