

Minutes

ANNUAL MEMBERS' MEETING PERPETUAL SELECT SUPERANNUATION FUND

Date:	Friday, 30 October 2020
Time:	11.00 a.m. – 12.30 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 Virginia Malley 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 Sylvie Dimarco, PSL Company Secretary Gan Minithantri, PSL Company Secretary Nicholas Buchanan, Auditor, KPMG Matt Sherwood, Head of Investment Strategy Multi-Assets – Perpetual Investments 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 Mary Kapota, Assistant Company Secretary
Apologies:	Nil

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

	PRESENTER
The meeting commenced at 11.00 a.m.	
1. WELCOME AND INTRODUCTION	Janet Torney, Chair
<p>The Chair, Janet Torney welcomed and thanked all those who joined online for the inaugural Annual Member Meeting of the Perpetual Select Superannuation 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>	

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.

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;
- The strengthening of PSL's strong, standalone governance framework in the 2019-20 financial year, noting:
 - the appreciation for the significant contributions of recently departed directors, Michelene Collopy, Rob Adams and Jay Bonnington and the appointment of Janet Torney, Kerry Adby and Chris Green as new directors;
 - a review of Board committees resulting in the establishment of the PSL Investment Committee; and
 - the restructure of PSL's Operating Tier in order to deliver a focus on the running of the Fund and drive advocacy, clarity and accountability for the delivery of outcomes for members.
- The Board's long-term strategy to deliver the best outcomes for members by providing market leading superannuation solutions;
- The unprecedented challenges during the year noting the devastating bushfires in Australia's eastern states and the global health and economic crisis caused by COVID-19;
- Key activities of the Fund for the 2019-20 financial year, noting:
 - the recently announced fee reductions for the Fund that will deliver better value for money for our members;
 - the commencement of a significant program to enhance our members' online experience and digital engagement;
 - continuing to offer members insurance through the Fund; and
 - the creation of a Client Advocacy Team to provide dedicated resources to address member concerns.
- Support for the Federal Government's economic stimulus measures in response to COVID-19 with a small number of members taking advantage of the early superannuation release scheme with 1,136

withdrawal requests equating to \$7.3 million or only 0.6% of the Fund;
and

- The Fund's financial position as at 30 June 2020 – \$1.3 billion in funds under management and a membership base of 11,633 members.

The Chair then invited the Head of Investment Strategy Multi-Assets at Perpetual Investments to present on the economic influences that are impacting investment decision making.

3. ECONOMIC UPDATE

Matt Sherwood, Head of Investment Strategy Multi-Assets presented information on the following:

- Asset class returns, long-term assumptions, valuation-adjusted returns and volatility;
- The global fiscal response to the COVID-19 pandemic;
- Expectations of lower global economic growth, the current coronavirus concerns and anticipated inflation and interest rates;
- Diversified approach aims to manage lower returns and higher volatility.

Matt Sherwood's presentation titled "*The New Cycle – Yearning for Mediocrity*" will be made available on the Perpetual website.

The Chair then invited the Head of Investment Research at Perpetual Private to present on the performance of the Select investment options.

Matt Sherwood,
Head of Investment
Strategy Multi-
Assets at Perpetual
Investments

4. INVESTMENT UPDATE

Kyle Lidbury, Head of Investment Research presented information on key investment performance results for Perpetual's Select funds including:

- Rolling 7-year returns for Select Balanced and asset classes;
- Select Balanced and inflation objectives;
- Growth and value of Australian and International equities; and
- The implications of expected lower economic growth for portfolios.

Kyle Lidbury's *Investment Update* presentation will be made available on the Perpetual website.

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

Kyle Lidbury, Head
of Investments
Research at
Perpetual Private

5. MEMBER SERVICES AND EXPERIENCE UPDATE

Annie Rozenauers, General Manager Product presented information on the tools and features available to members to manage and grow their superannuation including:

- The upcoming launch of a new online member platform called MyPerpetual which aims to deliver greater functionality, a smart dashboard, real time data, stronger security features and a fresh new mobile-friendly design;

Annie Rozenauers,
General Manager
Product at
Perpetual Limited

- 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;
- Dedicated claims team to help answer questions and navigate the claims process for superannuation insurance matters available to our members; and
- New educational hub called Financial Acuwomen with resources, information and insights on key topics to educate and increase women's confidence in navigating their superannuation, retirement and investment journeys.

6. MYPERPETUAL DIGITAL PLATFORM

Ryan Puertollano

Presentation of short video on Perpetual's new digital platform to be launched in December 2020.

7. MEMBERS' QUESTIONS AND ANSWERS

Janet Torney, Chair

The Chair introduced the question and answer 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.

Answers to all member questions submitted prior to and at the Annual Member Meeting which require a response are included in these minutes.

Question	Answer	Respondent
Please provide an update and timeline on the Perpetual MySuper successor fund transfer?	We're pleased to say that the transfer of MySuper to CareSuper is proceeding as planned today. Once the transfer is complete, MySuper members will become members of CareSuper. MySuper members will receive a Welcome letter from CareSuper around mid-November 2020 which will include new account details, insurance cover (if applicable) and a beneficiary nomination form. There will be a limited services period with CareSuper from the date of transfer until 16 November 2020 (inclusive).	Annie Rozenauers

Question	Answer	Respondent
Asked about CryptoCurrency Investments (tax, Perpetual and other implications)	<p>At the current time, Select Superannuation Fund does not invest in cryptocurrencies.</p> <p>Whether or not you subscribe to the notion that there is inherent value in cryptocurrencies, one thing that we have certainty on is the relative newness of the asset class and the need to be able to observe its behaviour over longer periods of time and throughout a market cycle.</p> <p>One thing that we know for certain is that they can exhibit extreme volatility, there is very little regulation or certainty around their exchange mechanism, and there have been significant events of defrauding, extortion and money laundering through various cryptocurrency markets.</p> <p>In short, we don't really look at Cryptocurrencies as something that we can currently invest in with a fiduciary lens, however it is a topic that comes up from time to time with managers and we are interested observers in all opportunities, be it cryptocurrencies or otherwise, that could provide benefits to member portfolios.</p>	Kyle Lidbury
Can Perpetual lobby the Government to extend the opportunity for members up to 67 years old to make non concessional contributions? I understand the law change is on hold because of COVID which is not fair to those turning 67 before the law is passed.	Perpetual regularly engages with the government and regulators on an array of matters. For the 2020-21 financial year onwards, you no longer need to meet the work test or work test exemption criteria if you are 65 or 66 years old. You can still make non-concessional contributions if you are 67-74 years old and meet the work test or satisfy the work test exemption criteria.	Annie Rozenauers

8. CLOSURE

Janet Torney, Chair

The Chair thanked members for their participation and declared the meeting closed at 12.08 p.m.

SIGNED BY:

CHAIR

DATE