



**MINUTES OF ANNUAL MEMBERS’ MEETING**  
**Held on 27 February 2023 at 6.00PM via zoom**

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**1. Welcome**

Co-Chair, Mike Radda declared the meeting open and welcomed everyone.

The meeting acknowledged the Traditional Owners of the many lands that this meeting is held upon and paid respects to the Traditional Elders from all those lands, their Elders past and present.

The Co-Chair advised all present that the meeting was being recorded.

The Co-Chair also welcomed the twenty-nine attendees, First Super directors, service providers and staff who have attended this evening.

**2. Attendance and apologies**

The Co-Chair, M O’Connor noted that the following First Super directors present, as well as the Trustee Office Executive and staff. The list below also includes the Fund’s Auditor and First Super’s staff.

First Super Directors	
Mike Radda	Co – Chair – Employer Representative
Michael O’Connor	Co – Chair – Member Representative
Lisa Marty	Independent
Casey Thompson	Member Representative
Denise Campbell-Burns	Member Representative
Robyn Burns	Member Representative
Janet Gilbert	Member Representative
Tim Chatfield	Independent
Dean Brakell	Member Representative
First Super Staff	
Bill Watson	CEO
Michelle Boucher	Deputy CEO
Lisa Rayner	Executive Manager, Governance / Company Secretary
Andrew Jewell	Executive Manager, Financial Advice and Education
Laurie Kennedy	Risk Manager
Yolanda Di Ludovico	Executive Assistant, Minute Taker

Con Salaoutis	Compliance Officer
Melinda Caswell	Event Organiser
Zoe Nikakis	Event Organiser
<b>Invited</b>	
James Dixon	Partner and external auditor, BDO

### 3. Agenda

An outline of the agenda was provided comprised of:

- 6.00pm: Welcome
- 6.05pm: Fund update
- 6.15pm: Chief Executive Officer's report including an investment update
- 6.30pm: Questions from members
- 7.00pm: Meeting concludes

### 4. How to ask Questions

M. Radda advised the meeting on how to ask questions and encouraged them to do so. However, he noted that personal advice or member specific details would not be able to be addressed in this forum. Any questions unable to be answered will be personally addressed in the coming days.

### 5. Disclaimers

The general advice and disclaimer warning was advised to the meeting.

### 6. Fund Update

Michael O'Connor provided the Board report to the meeting covering several items.

Firstly, he noted the Fund's commitment to ensuring members maximise their retirement savings.

He noted that the Fund's long-term results were good relative to those of other funds, but that all of those involved in First Super were not going to rest on the historical returns, and they would continue to work hard to achieve the best possible returns for their members.

He noted that the First Super team works together to:

- Maximise returns;
- Minimise costs - which are reviewed constantly; and
- Provide services – through providing the right insurance coverage, and entitlements, financial planning advice, coordinators attending to assist employer needs and members, including support for any worker that has a redundancy.

He noted that some funds compromise on service, but First Super prided itself on delivering additional support and benefits to members.

He also noted that First Super's KiwiSaver capability is available to New Zealanders who wished to bring their savings to Australia after permanent emigration. This is a unique service that is only provided by a limited number of funds. Environment Social and Governance factors are all considered by the Trustee office, staff and the Investment Committee and the Board.

Michael O'Connor again thanked everyone for joining the meeting and introduced the Fund's CEO, Bill Watson.

## **7. CEO Update**

Bill Watson, the Fund's CEO, presented a report on the Fund's activities and including that of the Trustee office.

He referred to the investment earnings of the Fund's accumulation and pension options noting that the Fund's accumulation balanced option was only one of a few options that posted positive returns for 2021/22. He referred to the factors that contributed to the positive result.

He also noted that the Fund had received \$159m in superannuation guarantee contributions with another \$118m being received via salary sacrifice, voluntary contributions and roll-ins with \$201m being paid out in retirement benefits.

Bill Watson then addressed the activities of the Fund's administrator noting that call wait times for both members and employers were, on average, 70 seconds. He also referred to the activities of the financial planning team and marketing and communications campaigns including the regional campaign launched and trialled in Mt Gambier.

Bill Watson finished his remarks by noting changes in Trustee office staff during the 2021/22 financial year.

## **8. Questions**

Co-Chair, Mike Radda then asked members if they had any questions. He also asked the Trustee office team to answer questions which had been submitted in advance.

**Question 1**

*Which investment option is recommended for 2023?*

**Response from, Executive, Andrew Jewell, Executive Member, Financial Advice and Education**

*The objective for each of our investment options is about maximising the return. They differ in the mix of defensive and growth assets, and consequently the return they generate.*

*Which investment option a member should choose depends on their risk tolerance and return expectations, as investment options with a greater proportion to growth assets will be more volatile, but also has the potential to generate higher returns, especially over the longer term.*

*Another factor is time. As an example, someone with 20 years of more work before they retire, may be willing to take more risk to achieve a better return over those next 20 years.*

*We are aware that as members approach retirement, they become more conscious about taking less risk with their super. However, they still invest in growth assets as they want their super to last for another 20 years or more in retirement. It may simply be a choosing an investment option with less exposure to growth assets.*

*So, there isn't one investment option over another for 2023. It's about the member's longer term return objective and their risk tolerance.*

*Which investment should a member choose is a personal decision.*

*Our financial advice team can assist and provide guidance. This service is at no additional cost to the member, it forms part of their account administration fees.*

*Otherwise, we have information and short videos about this topic on our website, plus there is a regular newsletter to which members can subscribe. Again, see our website for more details.*

**Question 2**

*Why are yearly interest rates calculated each year?*

**Response from, Bill Watson, CEO**

*We calculate fund earnings or losses annually as this the most cost-effective way of doing this. Other funds operate system known as unit pricing, where the units are generally valued daily. There are assets that we invest in which are valued on a less frequently than daily. The approach we use means that up to date valuations are used.*

**Question 3**

*First Super says they are in the top 10 funds but it does show anywhere when the yearly performance of different funds are shown*

**Response from, Michelle Boucher Deputy CEO**

*2 independent government sources:*

*ATO – Super Comparator, shows fees, returns over different time periods*

*APRA site – MySuper heatmaps, shows fees, returns*

*Super Ratings – Independent research house – top 10 table*

**Question 4**

*I would like to know how much money can be earned through investment payment?*

**Response from, Executive Manager, Governance, Lisa Rayner**

*Unfortunately, it's not possible for me or the Fund to guarantee or promise how much money can be earned through investments. A few factors impact will impact on this. First, it depends on what investment option you have selected. First Super offers 5 investment options including Balanced, Growth, Shares Plus, Conservative Balanced and Cash. Second, it also depends on how individual investments perform in each investment option. Investment performance is impacted by a range of things including changes in the economy, inflation, movement in share prices, what's happening in other countries and things like COVID and the war in Ukraine. First Super manages the Fund in the best financial interests of its members, and this includes how your money is invested on your half. The Trustee aims to prudently managed your investments.*

*This is demonstrated by the strong investment performance we had last year, where four out of our five investment options delivered positive returns. This is a good outcome in turbulent economic times. First Super also provides regular investment updates to its members including newsletters and videos from our CEO, Bill Watson. This information is available on our website*

**Question 5**

*I'm 66 and interested to set another update to my financial set up before financial year end as I wish to retire the year after*

**Response from, Executive, Andrew Jewell, Executive Member, Financial Advice and Education**

*We recently appointed a new financial planner based in SA who became authorised last week. He will be contacting you.*

*It's a good reminder to all our members that we have a team Financial Planners that are available, whether this be in person, by phone, or by videoconference.*

*Most personal advice we provide does not incur any additional cost to our members, it is part of the account administration fees. Why, the advice the member is seeking is all to do with their First Super. This ranges from how best to build up their super whilst working, to how best draw an income from their super upon retiring.*

We are one of the few Super Funds that do not charge an additional fee for this wide range of advice topics. We only charge a fee if the advice goes beyond the member's First Super account.

## 9. Conclusion

Co-Chair, M. Radda thanked everyone for attending and committed to maximising outcomes for Members.

The Co-Chair thanked Directors for their work through another tough year. He acknowledged that the Board was well supported by our Administrator Super Benefits Administration, the CFMMEU's Member and Employer Services Coordinators, asset consultant Frontier Advisors and Trustee Office staff.

He also thanked the meeting organiser, Directors, our Auditor and Members for attending.

*The meeting was closed at 6:44pm.*



6 March 2023

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Signed

Date