

2021/22 ANNUAL MEMBERS' MEETING: MEMBER QUESTIONS

Education

QUESTION	RESPONSE
How can we be more actively involved in our accounts to ensure we are maximising [our] super?	The Chief Member Experience and Growth Officer addressed this in her presentation. "Members were encouraged to speak to a Client Relationship Manager or Financial Planner, and to consider downloading the app; registering for a retirement seminar; complete a <i>Binding death benefit nomination</i> form; or to consider boosting their super contributions through Active Super Booster."

Fees

QUESTION	RESPONSE
Have there been any changes and what is the forecast on this front going forward on fees charged by the fund. Thanks.	<p>Addressed by the Chief Executive Officer in the live Q&A:</p> <p>"That's a good question because fees are important for everybody.</p> <p>At Active Super, we strive to be a good value-for-money fund, and so as a profit-to-member industry super fund, all of the expenses that we have are translated through to the fees that you pay. And we are always looking for ways that we can reduce those expenses and drive that through to fees.</p> <p>I think the question related to what we have done in that area. During 2021, we reduced the administration fees on some of the accounts and completely eliminated the switching fee so that you could switch between accounts without paying an additional fee. And the 30th of June last year, from that date we eliminated a couple of fees that related to where families were going through separation situations.</p>

So I'd like to emphasise that we are continuing to look for ways that we can reduce fees.

I think the question relates to forecasts. As Kyle mentioned, as you grow and you get more scale, you can operate more efficiently and when you operate more efficiently, that comes down through to fees as well. So that's what we are striving to do.

Active Super is committed to delivering value-for-money to our members."

Please address and clarify the fees/the cost of superannuation pension account management.

The fees and costs associated with the Account-Based Pension can be found in the [Product Disclosure Statement](#) and the associated [Fees and other costs fact sheet](#).

Since July 2022, we have noticed an additional Admin - percentage fee added to our statement.

This amount totals \$434.69 for [name] and \$333.80 for [name 2] - totalling \$768.49 over 8 months. This Admin. fee is on top of normal fee charged. What does this fee represent?

The member was contacted by phone by a Member Care Consultant, who explained the way that the administration fee is calculated and presented on statements, and that it isn't a new fee.

How do the active super fees compare with other super funds in Australia?

Addressed by the Chief Executive Officer in the live Q&A:

"We strive to be good value. We have a strategy which we have outlined tonight which involves an active investment style. We also deliver a high level of services. So, both of those things translate into expenses for the fund. And, when you look at our fees, relative to other funds, we're not the lowest cost fund because we do those things and it's important, we think it's very important to provide good services and the active investment style that we go to. We show the comparison to peers in our Member Outcomes Statement which is published annually on the website. It really does depend on what product you're in and so forth. But generally speaking, because of the active approach we take and the strong regional service delivery, means that we're not the cheapest in the market but we certainly strive for good value."

I notice there's differential rates between men and women for both TPD and death insurance coverage. I'm wondering, in the spirit of equity, why they're different.

Addressed by the Manager, Member Advice and Education in the live Q&A:

"In relation to insurance, there are different situations with females and males, and it relates to the cover from the insurer as well. So, there are differences with males and females and longevity rates, and we will address that in complete detail within the minutes provided following this meeting."

This question is addressed in detail below.

The insurance premium is determined based on a number of factors, such as age, gender (and in the case of voluntary insurance, a member's occupation). These factors are generally known to influence a fund's claims experience (i.e the number and value of claims being made) and generally speaking, a higher anticipated claims experience from a particular cohort of members will lead to higher premiums.

It is common that the premiums for death cover are higher for males due to the higher mortality risk when compared with females. However, the TPD premiums can be higher for females compared to males of a similar age, as females are statistically more likely to make TPD claims than their male counterparts, leading to a higher incidence rate. The premiums for combined death and TPD cover for Active Super members are lower for females than for males at all ages because the overall mortality risk for males is larger than the overall TPD risk for females.

Investments and performance

QUESTION

Have you changed any investment strategies in response to poor returns due to Covid?

RESPONSE

Addressed by the Chief Investment Officer in the live Q&A:

"Unfortunately, we weren't able to predict the COVID crisis, but there has been some changes really since the COVID crisis, which, as you remember it caused a fall in the market, which presented opportunities for us to make new

investments to take advantage of those cheaper prices. So, we did that by increasing our investments to the share markets when the prices fell and that really resulted in very good returns for the financial year to June 2021, as you'll remember. And then it's turned down again since then. So, you know there was, firstly you know we were pleased that our defensive portfolios held up pretty well in that COVID period in that the market fell substantially and we still had a positive return for our Conservative and Conservative Balanced. And we were able to take some advantage of the cheaper prices for the next year."

Why did the fund perform so poorly last year? My account lost money. My other super account SASS did not.

The Chief Investment Officer in his presentation provided insights into the performance of the fund in FY22.

I was very disappointed with the amount of money lost by the fund last year. Would like to know if I can withdraw the money (or some of it) and put into a bank account that I have that is not charging me fees and earning interest. Seems to be a safer option for me.

The member was contacted by phone by a Member Care Consultant who discussed preservation rules, investment options and unit pricing. The member was also offered an appointment with a Client Relationship Manager to obtain more information regarding some of the options available to superannuation members.

When Active Super or Local Government Super are not listed on comparison websites, where do we go to assess their performance compared to the industry they compete in?

The member was contacted via email:
"We do appear on comparison sites such as Canstar, however we do not pay to be a 'promoted' fund which always appear at the top of the search results page. For example, you will see from the below screen shot that that we appear on the Canstar website (as at today's date).
We hope this helps address your question."

What are the interest rates for conservative, balance and high yield,
What is the 5 years forecast

The member was emailed prior to the meeting stating that the Chief Investment Officer would cover returns and outlook in his presentation.

I am always interested to know where our money is invested – please give an update.
I recall from the 2020 meeting investments had been made in some USA food companies. How did they do? Are those investments still current?

Yes, we invest in power renewables via Actis, EQT, Lighthouse Solar, and in the Impax mandate.
Our largest food sector investments have been shareholdings in Nestle and Danone, two multinational companies based in Europe. We still own them, and they have had mixed

I trust LGS does not hold investments in Australian coal and gas?

Does LGS currently hold investments in power renewables? I hope so.

performance. Last year we also committed to an investment in the Roc Premium Food Fund. This is an Australian private equity fund, investing in small Australian food companies.

Active Super has restrictions on investments in oil and gas stocks. We added more oil and gas companies to this list last year. There are still some oil, coal and gas companies within our portfolio; however, we continue to monitor and review what information is forthcoming from these companies.

We provide information on where and how Active Super is investing your super on our website to help you make informed decisions about your super.

What is the expected return % going to be on our funds this year? Any idea?

The member was emailed, prior to the meeting stating that the Chief Investment Officer would cover the expected outlook in his presentation.

What are the types of ESG investments in the High Growth Option, as this was awarded no.2 in the 2022/23 Money Mag category for 'Best Diversified ESG Super Products'? How would you go about regaining the no.1 position for best ESG Super Product?

The Chief Investment Officer outlined some of the ESG investments in his presentation, including Growth Fund II, Melbourne Airport, Actis Energy 4.

The second part of this question was addressed by the Chief Investment Officer in the live Q&A: "Thank you for the question. Our objective is to deliver strong long-term investment returns to members using responsible investment and to try to reduce the ESG risk in the portfolio as much as we can. So, while it would be nice to be awarded the No. 1 position, it's not the main driver of what we are doing – it's more about delivering strong returns using responsible investment."

Please explain to AGM how Active Super investment returns has performed against industry fund benchmark over last 1 to 10 years. Could this information be shown on Active Super web site to ensure transparency and be updated as figures change. AustralianSuper industry fund does this.

Active Super investment returns for 1 to 10 years on balanced option generally are lower than some other major industry funds (e.g. Aware Super, Australian Super etc). This is causing a

Addressed by the Chief Investment Officer in the live Q&A:

"The 10-year return for Active Super's Balanced option is ahead of the median fund (7.51% vs the median of 7.50%). The Active Super Board has a desire to see our products ranking slightly higher against peers, noting that it can be difficult comparing individual funds due to funds having different levels of risk. At Active Super, we try to take a diversified approach with low volatility, which gives us a good risk adjusted return. The

very large loss of investment income for fund members if compared to these funds. Why is the investment performance return for Active Super lower and what is being done by management and the board to lift this investment performance

Investment Committee and Investment Team are committed to always working hard to improve outcomes for members.”

Warren Buffet in 2007 challenged hedge funds to beat the returns after fees of an ultra-low fee index fund.

The member was contacted by email:

Would the superfunds you run best Warren's Challenge? If you don't know why not? Is offering such an investment option possible?

“Thanks for your question, [name].

We don't offer single strategy products, like simply investing in the share market (as in the Buffet challenge). We used to offer these, but they were closed due to low uptake from our members.

Simple share market strategies can be good over the long term, but they are very volatile.

For example, the Australian share market index was down 6.8% in the year to June 30, 2022, yet the Active Super diversified products were only down 2 to 3% in the same period.

The Active Super diversified products (which invest not only in shares but also assets like bonds, property and private equity) give smoother returns, which many members prefer.”

With yet another year of negative return, currently -0.4% in the last month, and an almost non-return of 0.77% for the last 12 months, at a time when banks are paying 4.6%, why anyone want to put money into super?

Addressed by the Chief Investment Officer in the live Q&A:

“Well as we said, super is a long term investment and there are fluctuations along the way which can be painful, but we believe it's important to look at the long term where we expect the markets to trend upwards and while the return for the current 12 month period, it might still be negative, as we've shown tonight for the eight months of this financial year, we're showing good positive returns and we expect that the outlook into the future is going to be positive. That's what it's always been as long as our economy is managed properly, and our companies are doing well then, we expect that we'll get a positive return for you.”

What types of properties is the Fund invested in?

Addressed by the Chief Investment Officer in the live Q&A:

“Thank you for the question. Yes, we do manage a portfolio of properties ourselves with an

internal team and that is properties in the range of \$50 million to \$100 million worth of value, its office properties, its shopping centres, its industrial estates, and we also invest in externally managed funds, one by GPT, one by Investa. And so, we have a whole range of different types of properties. Within the property area we don't have any residential at this point but there are other areas of the portfolio where we invest with managers who provide finance to residential developers. So, we are participating in that to some extent. And so, we have a good range right across the property spectrum."

Responsible investment

QUESTION	RESPONSE
<p>With the climate crisis being the biggest long-term threat to humanity and our earth's ecosystems, what strategies has Active Super in place to ramp up climate action through environmentally and socially responsible investment portfolios and not just providing options for members? Climate friendly investment must be across all investments held by Active Super.</p>	<p>The Head of Responsible Investment addressed this in her presentation, describing our integrated whole of portfolio approach to Responsible Investment.</p>
<p>When will Active Super truly become a leader in sustainability by divesting from fossil fuel investments?</p>	<p>Addressed in the live Q&A by the Head of Responsible Investment: "The Fund has a long history in sustainable investment and responsible investment having identified climate change risk very early, and because of that, it has a low carbon footprint, a much smaller carbon footprint than most superannuation funds. We apply a very nuanced approach with careful assessment of companies, and some are involved in the transition. What I mean by the word transition is that we are going from a high carbon economy to a low carbon economy. We focus on and engage with companies in Climate Transition Action Plans and of course, if we don't see action over time, then of course that may become a case for divestment of that particular company."</p>

Why is it that Active Super is set on a net zero policy and not just be looking at the best investments/returns for its members?

Addressed by the Head of Responsible Investment in her presentation, stating that investments are assessed on their potential to provide long-term returns, and on their ability to meet our responsible investment objectives.

How do you integrate ESG into our investments?

The Head of Responsible Investment addressed this in her presentation, describing our integrated whole of portfolio approach to Responsible Investment.

Please explain Active Super's investments or business with NITH INC and what due diligence was completed for involvement with this company.

Member was contacted by email:

"Thanks for reaching out and your interest in Active Super. We were deeply disappointed to learn of the ABC Four Corner's revelations about the PNG NIHT Topaiyo REDD+ Project and we're in the process of talking to our partners in light of the report to determine how this occurred and how to strengthen the process.

Active Super's 12-month verified offsets in this PNG project are due to expire in April 2023 and we will not be renewing them.

It is important to note that the purchase of verified carbon units is not an investment of the fund, and therefore does not affect our unit prices or value of our investments. Active Super only acquires verified carbon units to retire emissions that cannot otherwise be reduced. We purchase the verified carbon units through a third party who ensures they meet the requirements of international standards and the Australian Government's Climate Active carbon neutral program.

We welcome any steps that will be taken to strengthen and enhance these processes to improve integrity and trust of the carbon credit system in the future."

I have always been pleased to be a member of Active Super because of its ethical investment policies. However, recently I have been not so sure if the record is as good as I thought it was. Now that we can see how the fund has voted on motions at AGMs I have been surprised to see that the fund has voted against some motions to require Boards to introduce measures to reduce a company's carbon emissions with the

We monitor and engage the companies in which we invest through our industry partners, like the Australian Council of Superannuation Investors (ACSI).

Before taking a position, we consider the wording of particular resolutions and the steps the company has already taken in regard to

reason being "Not in Shareholders' interests"
Surely it's in the interests of shareholders that steps be taken to reduce carbon emissions and slow the progress of climate change.

I do hope my money [has] not been invested on anything to do with renewable projects which are not proven and not performed very well

such issues as the commitment to net zero and the reduction of carbon emissions.

Investments and performance of investments were addressed in both the Chief Investment Officer's and the Head of Responsible Investment's presentations.

Some industry super funds offer more choice of investments as well as "socially responsible and ethical options". Why is Active Super not offering these types of choices like some other industry funds? It is the members own funds (not the Super funds) that are invested. Members should have "on offer" by Active Super a combination of investment options, including socially responsible options, for their own investment money. Members then can make the decision where to invest their money.

The member was contacted by email stating that their question will be addressed in the content of the Head of Responsible Investment's presentation and that our Social & Responsible Investment policy applies across the portfolio.

As a responsible superannuation fund that uses ESG ratings and risks as one of the key criteria in investments, what are we doing to transition our portfolios away from fossil fuel companies that are contributing to Climate Change and harm to the environment through its destructive practices?

I still notice fossil fuel companies such as Rio, BHP and Woodside within our portfolios in our current investments.

The member was contacted by email stating that their question will be addressed in the content of the Head of Responsible Investment's presentation.

Can the 2023 AGM please be informed of the names of the three top corporations (by market value) - in which Active Super has investments on members' behalf - that conduct or are invested in* fossil fuel(s) exploration, extraction or sale?

* inc. banks, insurance cos. etc.

This is a very broad question. All our portfolio holdings can be accessed on our [website](#).

Specifically in relation to Oil and Gas sales, our largest holdings by market value, are Woodside Energy Group, Viva Energy and Santos.

1. The science is clear that no new oil and gas fields can be developed if we are to have a chance of limiting global warming to 1.5°C. Why is Active Super investing in companies expanding fossil fuels?

1. While the global transition to renewable energy is underway, we believe that achieving sustainable energy supplies that are reliable and affordable, requires multi-layered solutions including a mix of renewables, hydrogen, carbon capture storage and the supply of gas.

2. A United Nation-convened group recently produced a report last year on greenwashing, stating companies cannot claim to be 'net zero' while continuing to build or invest in new fossil fuel supply. Is Active Super concerned it could be sued for greenwashing given the fund is still invested in companies like Santos and Woodside that are expanding fossil fuels?

Active Super continues to look to invest across the energy supply spectrum. This includes selected companies who can demonstrate credible pathways and progress towards net zero emissions, and who we believe are a much-needed part of the energy solution. We monitor and engage with these companies through our industry partners like the Australian Council of Superannuation Investors (ACSI).

2. Since 2020, our business operations have been certified Carbon Neutral by the Australian Government's Climate Active. In addition, our direct property portfolio has been certified Carbon Neutral since 2019 in accordance with the Climate Active Carbon Neutral Standards for Buildings.

Now we are working towards achieving net zero emissions across our portfolio before 2050*. To measure and monitor this we have developed our own credible pathways toward lower carbon emissions

** Baseline emissions were estimated in 2020. Progress is measured on an ongoing basis using Active Super's proprietary net zero model, Assumptions: It is a linear model measuring absolute Scope 1 and 2 emissions. Forecasts about future performance are not guaranteed to occur.*

What's ESG?

ESG stands for 'environmental, social and governance'. In line with Active Super's Sustainable and Responsible Investment Policy, our investments are assessed for their ability to deliver strong financial returns, balanced against the environmental, social and governance (ESG) risk.

In terms of the renewable sources of investment options, is the fund looking to invest in anything Hydrogen related?

Yes, we are invested in companies exploring hydrogen and technology required for the transition to a low carbon economy.

A while back there was a report on climate risk on your website, but it is no longer there that I can see. Can someone please explain why that report has been removed? Is there a legal risk angle or was there some other reason it was removed? (I'm keen to know because I joined Active Super over concerns about climate friendly investment.)

Active Super notes the updated ASIC guidelines and increased focus on ESG disclosures, and we are currently undertaking a process to review all ESG-related materials on our website.

We review our disclosures, policies and investments as ESG reporting, data and investment evolves and will notify this member when the report is once again available.

As an Active Super account holder, last year I wrote to you about fossil fuel holdings and posted your reply defending “active ownership” on Twitter. Now I am disappointed by your recent disclosure that investments are still in Santos (\$ 9,120, 807). Your Balanced Fund still invests in dirty Woodside (\$15,202,395). To meet emissions targets, last year NGS ditched both Santos shares and Woodside shares. To meet your targets – you do have them? – when will you be divesting from each of Santos and Woodside? Or would you recommend Active Super members switch to NGS or other funds that have made the switch like Australian Ethical (12 August 2022, Reuters)?

While the global transition to renewable energy is underway, achieving sustainable energy supplies that are also reliable and affordable, requires multi-layered solutions including a mix of renewables, hydrogen, carbon capture storage and the supply of gas.

Active Super continues to look to invest across the energy spectrum. This includes selected companies who can show credible pathways and progress towards net zero emissions and who we believe are a much-needed part of the energy solution. We monitor and engage with these companies through our industry partners like the Australian Council of Superannuation Investors (ACSI).

We are also working towards achieving net zero emissions across our portfolio before 2050*. We offer a range of tools and information on our website that members can use to make their own assessment as to whether our investment policy and decisions align with their values. Along with our [Sustainable and Responsible Investment Policy](#), members can also access [Super View](#), our online tool that allows members to see where and how their money is invested. In addition, our [Portfolio Holdings Disclosure](#) documents detail the identity, value and weighting of all our investments within each Active Super investment option.

** Baseline emissions were estimated in 2020. Progress is measured on an ongoing basis using Active Super’s proprietary net zero model. Assumptions: It is a linear model measuring absolute Scope 1 and 2 emissions. Forecasts about future performance are not guaranteed to occur.*

Personal situations

QUESTION

I am about to achieve maximum points.
Is it still worthwhile contributing at 9%?

RESPONSE

The member was contacted by a Client Relationship Manager who discussed how the Retirement Scheme works once the member reaches maximum points.

<p>How to minimise fund costs between jobs.</p>	<p>The member was contacted by a Member Care Consultant who addressed the member's questions.</p>
<p>Why under hardship is it that you cannot access your super until 60 years of age if you have just had a marriage separation and need money to move forwards?</p> <p>Why is it the case once you hit your points 180 you are no longer entitled to the work insurance injury claim provision because the main objective is to hit the max points as fast as you can correct? and then your penalize if this happens like I was only receiving 80% of your normal wage under workers comp? I will need an answer to this question moving forwards. Let's hope we have a good year with investments 2023 cheers</p>	<p>The member was contacted by a Client Relationship Manager who discussed the available options for early release and the Retirement Scheme rules.</p>
<p>What is the best risk option for my superannuation at age 56 years old?</p>	<p>The member was contacted by a Client Relationship Manager who provided general information on different risk options.</p>
<p>I am unable to login in my account. I entered my member number, but it says can't found.</p>	<p>The member was contacted by a Member Care Consultant who assisted in setting up their Member Online account and resetting the member's password.</p>
<p>I am currently leaving my position due to redundancy following restructures - how will this affect my super?</p>	<p>The member was contacted by a Client Relationship Manager.</p>
<p>Re-contribution strategy and tax liabilities for independent beneficiary.</p>	<p>The member was contacted by phone three times and via email once, but contact could not be made.</p>
<p>Now that the cash rate has hit a rate that would give a fair return, is it advisable to hop out of my pension fund because of my age factor. shares are up and down at present I'm thinking that the interest on cash will remain up for the foreseeable future.</p>	<p>A Member Care Consultant attempted to contact the member twice via phone and once via email, but contact could not be made.</p>
<p>Information on Salary Sacrifice and increase insurance.</p>	<p>The member was contacted by a Member Care Consultant who assisted in providing information on salary sacrifice and how to increase their insurance.</p>

<p>I would like all my super cash</p>	<p>The member was contacted by a Member Care Consultant who assisted.</p>
<p>Having started retirement, can I withdraw re-contributed funds from my Accumulation account following a re-contribution strategy to make it non-taxable for an independent beneficiary?</p>	<p>Member contacted by a Financial Planner who explained the requirements.</p>
<p>What can members do when they are near there [sic] retirement age to maximise there [sic] superannuation payout.</p>	<p>The member was contacted by a Client Relationship Manager.</p>
<p>Does a lifetime pension payment from my super fund affect my pension from the government?</p>	<p>The member contacted by a Financial Planner who explained the situation and rules.</p>
<p>I have semi-retired and have preserved my super (defined benefits). At what age (born [month, year]) can I access my super funds without financial penalty.</p> <p>When I reach that age, can I withdraw say \$10,000 to \$100,000 and still maintain my super investments?</p>	<p>The member was contacted by a Member Care Consultant who explained the rules of the Defined Benefits scheme.</p>
<p>Can I access my super once I have reached my preservation age? Are my 2 options to permanently retire or transition to a retirement pension funded from my super?</p>	<p>Five attempts to contact the member by phone and voicemail were made, but contact could not be made.</p>
<p>Please explain to AGM how Active Super investment returns has performed against industry fund benchmark over last 1 to 10 years. Could this information be shown on Active Super web site to ensure transparency and be updated as figures change. AustraliaSuper industry fund does this.</p> <p>Active Super investment returns for 1 to 10 years on balanced option generally are lower than some other major industry funds (e.g., Aware Super, Australian Super etc). This is causing a very large loss of investment income for fund members if compared to these funds.</p> <p>Why is the investment performance return for Active Super lower and what is being done by management and the board to lift this investment performance</p>	<p>Addressed by the Chief Investment Officer in the live Q&A:</p> <p>“The 10-year return for Active Super’s Balanced option is ahead of the median fund (7.51% vs the median of 7.50%). The Active Super Board has a desire to see our products ranking slightly higher against peers. I will note that it can be difficult comparing individual funds because even within the same grouping you can have funds with different levels of risk. At Active Super, we tried to take a diversified approach with low volatility, which gives us a good risk adjusted return. The Investment Committee and Investment Team are committed to always working hard to improve outcomes for members.”</p>

I would like to know what the minimum amount is must be required for early retirement at age of 50?

The member was contacted by a Member Care Consultant who explained preservation ages.

Which option is best for a retiring member, Income stream or Lump sum cash out?

The member was contacted by a Financial Planner and agreed to make an appointment as the query would need personal advice.

I'm semi-retired now and considering my financial needs as my business income declines. I will eventually need to move to pension mode and receive the minimum 5% drawdown.

The member was contacted by a Client Relationship Manager and an appointment was made to assist.

With this in mind I applied to Active to send me all the paperwork that needed to completed, which was sent to me to complete.

I must say that I found it quite onerous on reading all those forms and information. I felt unclear about what I had to do. Knowing what you wanting and actually achieving that on official legal documents are for me two separate things.

If I may suggest (guessing many are like me) who aren't engaging a "financial advisor" to fill out these forms, that you provide over the phone staff to "pre fill" the paperwork based on the conversation. Is that available and what would the cost be please.

I currently have two Conservative Balanced allocated pensions, one from a previous full time job which goes into a building society account, and another from a former part-time job, which goes into a bank account. Each is now once a month instead of twice a month. From July 1st, I will be relying principally on my superannuation for my income. Is it possible to combine the two accounts and send just to the building society once a month, and if so, will combining save on administration costs to any appreciable degree? I am on a tight budget as from next Monday.

The member was contacted by Financial Planner, and it was suggested they make an appointment.

Question: How much notice is required to book a consultation with an adviser, and is once a year still free?

How can I get access to the slides shown by Craig Turnbull at the annual meeting, which I attended online?

The member was contacted by email:

I would like to download them and print them for my records, as I believe members no longer receive hard copy reports in the mail anymore, which I think is a great shame. The last hard copy report I received in the mail was for 'Winer 2022'.

Furthermore, I no longer receive a printed report/statement of my personal super account, which I think is very disappointing. I rely on these statements and reports to reassess my financial position on a regular basis. The last 'Annual Member statement' I received was in September 2022, and the last 'Interim Member statement' I received was in March 2022.

"We are not able to share the slides on their own, however the recording of the webinar (which you received in the below email) shows the slides.

The interim statement was a way to keep members informed of the progress of their super between annual statements. However, advancements in technology now mean that members can monitor their superannuation investment online or through our app at any time.

It is not a requirement to send half yearly statements and there is a significant cost in the production, printing and mailing of these. We decided to remove the interim statement, as have many other funds, to improve efficiency and to reduce operating costs in line with the trustee's duty to act in the best financial interest of members. Members were notified with their 2021 Annual Statements.

If you would like to know your balance on a more regular basis, we encourage you to download the app and register for Member Online. Our Member Care team can be reached on 1300 547 873 to assist you with this. Through Member Online, you can also generate a Benefit statement which contains much of the same information as the statement."

Service

QUESTION	RESPONSE
1. Why does it take so long to update the unit prices	The member was contacted by email:
2. Can the performance graph be updated to show weekly unit prices, as it did before the last update.	"You're correct that we have transitioned our charts from using the daily unit price data to monthly returns data. This is due to the changes we made to the way we calculate our administration fee – specifically the percentage-based fee. Prior to July 2022 this fee was included in the calculation of the unit price, however from July 2022 it was excluded. Because the calculations used to determine the unit prices have changed it is no

longer possible to use a mix of pre and post July 2022 unit prices to calculate performance returns.

This means in order for the charts to display accurate performance returns over periods greater than this financial year, it must use the monthly returns and not daily unit prices.

We notified all members about this change to the administration fee in June last year. Here's a copy of the communication for your reference [A copy was attached]."

Will you be resuming annual meetings at Wollongong?

The member was contacted by a Client Relationship Manager who discussed plans for seminars in Wollongong.

Changing Beneficiary details every 3 years doesn't make sense. Why Active Super is making decision on our behalf by deleting the beneficiary details if not changed within 3 years.

The member was contacted by a Member Care Consultant who explained the regulatory requirements in relation to the need to update binding death benefit nominations every three years.

I have a binding nomination in place. Should I die, is there any delay in the pension being transferred over to my wife?

Addressed by the Manager, Member Advice and Education in the live Q&A:

"We can address binding nominations generally as it as a factual question. So, the question from the audience was in relation to binding nominations and is there any delay from an administrative process if a member was to pass away.

Essentially, it's very important for members to have a binding nomination in place or have their wishes in relation to their super in place. And if there is a valid nomination at the time of a member's passing then basically the beneficiaries would then have the opportunity to contact the Fund and, at that point, we would discuss what is required, but we do have a team of people to assist and make the process as smooth as possible. There can be sometimes delays depending on the complexities of the situation and whether there's a valid nomination in place at the time, but it can sometimes take some time, but we do have a team of people here on the ground to assist you and make the process as smooth and as helpful as possible."

If you don't have a binding nomination, what happens then

Addressed by the Manager, Member Advice and Education in the live Q&A:

"If there is no valid nomination at the time of a member's passing it's a Trustee discretion and there will be a number of factors applied, but it's a Trustee discretion at the time as to what happens with your benefits and there are certain rules as to how a benefit can be paid and to who a benefit can be paid at the time of a member's passing."

Addressed by the Chief Member Experience & Growth Officer in the live Q&A:

"We have a lot of forms at the back of the room with envelopes. If you don't have yours up to date, we can help you with this this evening, to make sure that it is up to date if you haven't already done that already."

Merger

QUESTION

How much per year are we as members expected to individually save from a potential merger with Vision Super? What are the other benefits of a merger?

RESPONSE

It is too early to determine this, but we expect there to be efficiencies that result from the increased scale of combining two funds. This will have the potential to reduce operating costs and fees for members.

Strategically, a potential merger with Vision Super is believed to be a good fit as we have similar backgrounds. Historically, both funds looked after superannuation for local government workers – Vision in Victoria and Active Super in NSW. A potential merger will result in increased scale. Efficiencies can then be passed on to members in terms of fees and services. The fund should be in a stronger position to invest in services, digital technology and growth, for the benefit of members.

The Active Super Board is approaching the merger taking into account the consideration of the best financial interests of members.

Anyone who's worked in local government knows that the average age is much higher than

Addressed by the Chair in the live Q&A:

other industries. As members retire, I'm assuming that they'll be drawing down more on their super balances, so I'm wondering merging with a Victorian super fund in a similar position, what will it mean to younger members who are going to be contributing while the Fund is sort of being drawn down?

"Whether we merged or not, it's the same scenario. You've identified how important it is to continue to grow and find new members possibly within local government but more likely beyond that across a whole range of different ages, and work experiences and industries. We are really excited by the merger because it automatically gives you a lot more strength but in the end that isn't good enough on its own. You have to be a fund good enough to not only look after the current members, but as you identify they are going to retire, so unless you are continuing to grow and find new members then it's going to get really challenging. So the solution to that means there's not one recipe for that, you have to have better than average, in terms of the superannuation and the advice you do, and all the basics, you have to manage your cost base, but you have to grow, so you have to retain as many members as possible and you have to find as many new members which then de-risks the scenario that you've identified. So that's been on our minds and in part as I mentioned earlier, the rebrand was in part to manage that risk, because the Local Government brand was incredibly strong within local government, but it wasn't incredibly strong in industries beyond that. So, part of our opportunity was to find a brand that could look after still the interests of local government councils themselves and their employees and our members, but also many industries beyond that and that's proven to be a successful strategy. Such a great question, thank you."

Other

QUESTION

Are there any Directors who don't have membership with Active Super, and if not why don't they have their superannuation invested with Active Super?

RESPONSE

Member emailed a response:
"Yes, there are Directors who aren't members of Active Super. Selecting a super fund comes down to personal choice, so all employees of Active Super including Directors, are free to make their own decision. Further, our

Independent Directors cannot hold an investment in Active Super so that they can retain their independence.”

Does the fund see any negative implications regarding the federal government's intention to raise the marginal tax rate on accounts above \$3M to 30%?

Addressed by the Chief Executive Officer in the live Q&A:

“So, the question is are there any negative consequences. We’re hearing about superannuation in the media a lot recently and I think that goes to just how important superannuation is to the economy and to all of us, and you know it’s worth noting that the superannuation system in Australia is a world class system and really is the envy of around the world in terms of the system. Generally speaking, there has been quite a few changes over time. This one, it’s very early. So, there’s been some policy announced, it’s very difficult to assess what impact that would have until you get into and actually see the specifics and details. But look I wouldn’t anticipate that having any major consequence for us at Active Super.”

I’m just wondering whether cyber security is a problem when you consider the likes of Optus and Medibank Private?

Addressed by the Chair in the live Q&A:

“I’m going to hand over a bit of the detail on this to Phil. From a governance point of view, and from a risk management point of view, cyber security is one of the worldwide and national biggest risks to manage and its right up there in top of, at board level, of identifying the risk and there’s a lot of detail about how we manage that. The Board recently took part in the scenario testing of a significant cyber-attack and how we manage that, and that’s best practice at a board level all over the nation. I’m very comfortable with our preparedness, but I’m also uncomfortable in that the dark side, these people like the Darth Vader’s of the world are really smart and innovative, and they are always going to try and have a crack. So, if you think you have it perfect today, it changes tomorrow, so we need an ongoing risk management system in cyber of continual improvement. I want to ensure yourself and all the members here, and Claudia Bels our Risk Committee Chair is here, that its right there in identifying that risk to manage. I’m going to hand over to Phil to go into

a bit more detail, but I just want to ensure you that at a board level, it's one of the most important things on our minds."

Addressed by the Chief Executive Officer in the live Q&A:

"I'll go a little bit more into some of the things we do and also some of the things that you can do as well more generally. As Kyle said, it is such an important topic right now and will continue to be going forward. And so, we have had to increase our investment and our time and our education in making sure that the standards are as high as they can be and we're looking after not only security in terms of the cyber security, but also data privacy more broadly. Kyle mentioned some of the things we are doing, for example, having scenarios from a what if something did happen, what actions would we take to protect our members."

Is it government backed if something like that happened

Addressed by the Chief Executive Officer in the live Q&A:

"I couldn't really answer that question, I don't believe anything is. What I'm referring to is preventing unauthorised access to your accounts and making sure that your data is secure. We also work with third parties, so your accounts are administered by a third-party, and we look at their security and ensure that their security is strong as well. We talked about two factor authentication or multi-factor authentication when you are logging into your account, and that's an important barrier to make sure that it's you that's logging into the account. And there's a whole range of other things that we do internally like continually training staff because a lot of these events start with relatively simple issues. So, somebody who gets an email and clicks on a link and then something infects your computer in the same way that it affects you at home. And so turning to what you can do to protect yourself from cyber security and from these sorts of situations, and we've held seminars on this for members so we are trying to help educate and make sure

members are well equipped to deal with this as well, and it's the sort of stuff you hear about and it sounds simple but it's making sure you have really strong passwords that are not shared with anybody and are difficult for these algorithms and machines to hack into. It's making sure that you don't click on those links, and that you are aware of the sorts of things, that anything could be sent to you, and if someone rings you making sure that you call back and you are making sure that if someone approaches you that you are actually talking to that organisation. And so, there's a whole range of things we're doing to ensure that we're doing as much as we can to prevent those sorts of breaches."

NB Some questions have been edited for readability, spelling errors corrected and names and any identifiable data removed.

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