

Date: 17 November 2021	<ol style="list-style-type: none"> 1. Event Welcome and Welcome to Country 2. Strategic Update 3. Operational Update 4. Investment Update 5. Member Questions & Answers 6. AMM Close
Time: 5.30pm - 7.00pm Australian Eastern Standard Time	
Sunsuper Directors:	Andrew Fraser, Board Chair and Independent Director Michael Clifford, Member Nominated Director Mark Goodey, Member Nominated Director Elizabeth Hallett, Employer Nominated Director Michael Traill, Independent Director Georgina Williams, Employer Nominated Director Catherine Wood, Member Nominated Director Mark Harvey, Employer Nominated Director Apology: Jenni Mack, Independent Director
Sunsuper Executive and other official roles:	Bernard Reilly, Chief Executive Officer (CEO) Ian Patrick, Chief Investment Officer (CIO) Danielle Mair, Executive General Manager, Enterprise Change Dave Woodall, Executive General Manager, Corporate & Regional Growth Lachlan East, Chief Risk Officer Petrina Weston, Executive General Manager, People & Culture Stevhan Davidson, Executive General Manager, Customer Engagement Teifi Whatley, Chief Strategy & Impact Officer Rod Greenaway, Chief Technology Officer Terri Hamilton, Company Secretary Stuart Wilson, Head of Responsible Investment Frances Borg, Auditor, Deloitte Vimbai Mhlanga, Deloitte Shane Mather, RSE Actuary Guy Holley, RSE Actuary Jackie Downham, RSE Actuary Louise Campbell, RSE Actuary Phil Patterson, RSE Actuary Mark Samuels, RSE Actuary John Burnett, RSE Actuary Saffron Sweeney, RSE Actuary

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

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	Meeting Commenced at 5.30pm Australian Eastern Standard Time	
1.	Event Welcome & Welcome to Country	Georgina Williams, Director

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	<p>Ms Georgina Williams, as host of the Annual Member Meeting, welcomed members to Sunsuper's Annual Member Meeting. She acknowledged the traditional custodians of the land and paid her respects to the Elders past, present and emerging.</p> <p>A video was shown of a welcome to country conducted by Mr. Shannon Ruska.</p> <p>Ms. Williams welcomed attendees, members, guests, the Sunsuper Chair, Sunsuper directors and staff. She outlined the agenda and encouraged all attendees to submit any questions during the Q&A session and noted that:</p> <ul style="list-style-type: none"> • This information is general information only, and • Members of Sunsuper Customer Service teams are standing by for a live chat with any members who wished to discuss their personal situation. <p>Ms. Williams introduced the Board Chair.</p>	
2.	<p>Strategic Update</p> <p>The Board Chair acknowledged the traditional custodians of the land and paid his respects to the Elders past, present and emerging.</p> <p>The Board Chair welcomed all members, the beneficial owners of Sunsuper, to Sunsuper's Annual Member Meeting (AMM). Key points made by the Board Chair in his address included:</p> <ul style="list-style-type: none"> • The extraordinary nature of 2021. • The outstanding investment returns for the 20/21 FY and an acknowledgement of the CIO's leadership and the performance of his team. • Sunsuper's focus on operational excellence, efficiency and investment returns. • The Trustee of the Fund has a duty to act in the best financial interests of members and is pursuing a merger with QSuper for that reason, potentially combining two strong funds to make one even stronger fund. A final decision on the merger has not yet been taken and will only be taken if it is in the best financial interests of members. If the merger goes ahead, we have modelled into the proposition, a fee cut at the start of the next financial year. • Acknowledgement of: <ul style="list-style-type: none"> ○ APRA's support for the merger and the need for mechanisms to support mergers. ○ the outstanding leadership of the CEO and of the 21 years' service of the Chief Strategy and Impact Officer, who has led the day to day operations of the Fund, whilst the CEO has been focussed on the potential merger. ○ the Trustee directors and the three directors, Ms. Jenny Mack AM, Professor Mark Harvey and Ms. Catherine Wood AM, who will step down from the Trustee board, if the merger proceeds. • In closing the Board Chair noted that it has been an honour to serve as the Chair of Sunsuper and that he looks forward to continuing to serve members as they plan and save for and ultimately enjoy their retirement. <p>Ms. Williams introduced the CEO.</p>	Andrew Fraser, Chair

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3.	<p>Operational Update</p> <p>The CEO welcomed all members. Key points made by the CEO in his address included:</p> <ul style="list-style-type: none"> • Exceptional achievements for members during the 20/21 financial year with strong Fund inflows and investment returns. • Sunsuper is a profit for members organisation which means Sunsuper does not . pay shareholders dividends. • Sunsuper reached \$90 billion Funds under Management at 30 June 2021. • Acknowledgement of the excellent work of the CIO and his investment team. • Federal Government’s initiative to provide members early access to their superannuation and Sunsuper’s sole focus in executing this initiative was to put money into members’ hands when they needed it. • Improvements to Sunsuper’s website & other digital channels. • Introduction of an automated call-back service & instant messaging for members. • Covid provided the opportunity to deliver more member education through live and recorded broadcasts. • Awards received by Sunsuper including: <ul style="list-style-type: none"> ○ Chant West Best Fund: Member Services 2021 for seventh time. ○ Chant West Best Fund: Advice Services 2021 for second time. ○ Chant West Corporate Solutions Fund of the Year 2021 for sixth year in a row. ○ SuperRatings’ MyChoice Super of the Year for third year in a row in 2021. • Strong cash inflows, strong growth in membership and positive investment returns have grown the size of the Fund. This means Sunsuper has the scale to deliver more services at lower cost. • Selection of Sunsuper by Australia Post to manage their superannuation fund for their members. • Sunsuper is looking to the future, focussed on working in members’ best financial interests. • The name and brand for the proposed merged fund will be shared soon. • Concluded by thanking the Sunsuper leadership team. <p>Ms. Williams introduced the CIO.</p>	Bernard Reilly, CEO
4.	<p>Investments Update</p> <p>The CIO spoke of the privilege of managing members’ retirement savings and his pleasure in talking about investment performance. Key points made by CIO in his address included:</p> <ul style="list-style-type: none"> • Sunsuper’s excellent team of investment professionals take the trust members place in his team very seriously. • Investment returns have been very good for the 20/21 financial year and the team has also Introduced some meaningful initiatives to protect member investment portfolios in the future. • Returns for Sunsuper’s investment options. • Reflections on his training as an actuary where you are looking in rear view mirror combined with need to focus on forward view in terms of investment markets. 	Ian Patrick, CIO

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	<ul style="list-style-type: none"> • CIO commented on the changes in Covid cases, key economic indices, key investment returns between September 2020 and 2021. • A slide was shown illustrating the diversified portfolio of traditional and alternate assets for each of Sunsuper’s diversified options and noted that each of these options have meaningful amounts of unlisted assets. • Two of the key advantages of Sunsuper are its strong inflows and the long time horizon of many members and this provides Sunsuper with access to quality unlisted assets. • The different nature of share and bond investments and a slide was shown illustrating this. • A slide was shown illustrating the exceptional return for the Sunsuper Balanced option in 2021 and another slide showed the investment returns for Sunsuper’s diversified options for FY20, FY21, 3, 5 and 10 years. • The exceptional returns of 20/21 are not sustainable into the future. • A slide was shown showing the value over time, of \$10,000 invested at end of December 1999. This was used to illustrate the importance of ‘staying the course’ and not trying to time short-term entry and exit from investment markets tactically. • The material investment risks and opportunities presented by Climate change and Sunsuper’s approach to engagement, assessment and investment. • Sunsuper’s Climate targets: <ul style="list-style-type: none"> ○ a net zero carbon emissions investment portfolio by 2050, aligned with the Paris Agreement goal of limiting global warming to well below 2 degrees Celsius including with interim targets in 2030 and 2040. • The performance of Sunsuper’s unlisted assets performance with discussion on a number of these assets. • The COVID lessons from Fixed Income. • The Economic outlook, the investment markets and strategy, including discussion of inflation and household saving rates. • In closing the CIO looked backwards and forwards including: <ul style="list-style-type: none"> ○ need to be prepared for greater volatility ○ reiterated the value of a well-diversified portfolio and need to consider your time horizon. ○ the investment team take their responsibility for investing members’ money very seriously <p>Ms. Williams introduced Ms. Elizabeth Hallett the Chair of Sunsuper’s Audit, Compliance and Risk Management Committee and advised that all Sunsuper directors, the CEO, members of the Sunsuper Executive and Sunsuper’s auditor and actuary were available for questions. Ms Williams also repeated that members who had specific questions on their personal accounts could contact Sunsuper staff.</p>	
5.	<p>Member Questions & Answers Ms Williams invited questions from members.</p> <p>Question 1 What is your policy on net zero?</p>	Georgina Williams, Director and Panel

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	<p>Response from the CIO The CIO advised we have a firm policy and referred to his earlier presentation and the following reports on Sunsuper’s website: Climate Action Statement and Responsible Investment Report.</p> <p>Question 2 Will Sunsuper consider having a non-lapsing binding death nomination?</p> <p>Response from the CEO This is under active consideration.</p> <p>Question 3 What company will Sunsuper be using for indexing now that Vanguard indexing products will not be used?</p> <p>Response from CIO Vanguard withdrew from the institutional market. We have selected a very experienced index manager, State Street Global Advisors (SSGA).</p> <p>Question 4 Can you give any assurance returns will be as good once QSuper is embedded?</p> <p>Response from Board Chair Past performance is no guide to the future and we are required to observe that by law. But the effort and acumen, task and diligence of everyone at Sunsuper, if a merger takes place, will be exactly the same into the future.</p> <p>Question 5 What will be impact to Sunsuper members in regard to QSuper’s reported \$200 million franking credit matter, that could result in members footing the bill for a penalty?</p> <p>Response from Board Chair I presume you are referencing recent media reports. The following points were made:</p> <ul style="list-style-type: none"> • There is no finalised outcome or issued assessment in relation to QSuper. • There is an audit underway and that is not an unusual thing by itself. • The Sunsuper and QSuper Trustee and their management teams are undertaking extensive due diligence in seeking to ensure the financial interests of their respective Fund’s members are protected and advanced. • In a merger, whether superannuation or otherwise, it is normal practice for each side to give indemnities and undertakings to the other about past liabilities, whether known or not yet crystallised. Sunsuper and QSuper have sought and provided those indemnities and undertakings. • Where the audit results in additional tax being paid, and that is by no means a resolved situation, that would be a cost borne by QSuper members. Similarly if the audit results in a refund then the benefit of that outcome will go to QSuper members. In all cases, Sunsuper members are not exposed. <p>Question 6 Why is Sunsuper not investing in bitcoin?</p> <p>Response from CIO</p>	

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	<p>Cryptocurrencies are largely speculative assets and do not offer the opportunity to generate an income stream. We believe ability to identify an income stream, to value the asset is a cardinal plank of sensible fiduciary investing. Therefore we don't see a role for cryptocurrencies in our portfolio. We may however invest in the broader environment operating around cryptocurrencies. An example of which is the technology called blockchain.</p> <p>Question 7 For someone who has migrated to Australia, how does superannuation work in general and how can she estimate how much money she will have in retirement?</p> <p>Response from CEO I encourage you to:</p> <ul style="list-style-type: none"> • Look at the information on Sunsuper's website; • Utilise our retirement calculator, available on the website; • Contact us via our Call Centre, who may also be able to refer you to one of our phone based advisors. <p>You are welcome to click on the 'Let's chat button' to talk to one of Sunsuper's team.</p> <p>Question 8 When will we be notified of the government requirements on super funds and where Sunsuper sits on its performance assessment?</p> <p>Response from CIO The CIO explained the background to Your Future, Your Super, a government initiative that provides a performance test:</p> <ul style="list-style-type: none"> • in 2021 that applied to the My Super option and a number of funds failed this test. • In 2022 will apply to a broader suite of options. <p>The CIO confirmed that Sunsuper passed the Performance Test. Only funds that failed the test must notify their members. You can go to the ATO website, which has a super comparison tool, which has an indicator which shows which funds passed or failed the test.</p> <p>Question 9 While the merger seems really sensible and to our advantage, scale can be detrimental to members. How can you ensure being large won't impact the ability to respond to members?</p> <p>Response from Board Chair The reality of putting two strong funds together will make an unquestionably strong fund but it will also give us the scale, capacity and resources to provide better and more efficient and responsive service to members. As an example we have modelled into the proposition, a fee cut at the start of the next financial year. Additionally having strength in the market in times of uncertainty will stand us in good stead.</p>	

Question 10

How can we know where the fund is invested? Are there any documents or presentations that are accessible?

Response from Ms. Elizabeth Hallett, Chair of Audit, Compliance and Risk Management Committee

Ms. Hallett explained as background that two of Sunsuper's key values are candour and transparency and Sunsuper is keen to disclose the information you seek. In March 2021 Sunsuper posted on our website its portfolio holdings and in March 2022 we will be posting further information in line with regulatory requirements.

Question 11

I am thinking about changing to an ethical super. What does Sunsuper do specifically to combat climate change when compared to other super funds?

Response from CIO

- Net zero emissions by 2050 is a core plank of how we address climate change (CC). CC is a multi -decade challenge. Therefore we engage with companies we invest in to understand their plans to lower greenhouse gas emissions and encourage them to undertake best practice disclosure. We say to them that we may support resolutions provided we believe they are appropriate. If we believe a company has no credible pathway, we will remove companies from our portfolio as a last resort.
- Additionally we offer the Socially Conscious Balanced Option which excludes investment in any entity that derives more than 5% of its revenue from fossil fuels and those exclusions are available on Sunsuper's website.

Question 12

Can super be used as a deposit for a house?

Response from CEO

The Federal Government introduced the First Home Buyer Super Savings Scheme a few years ago which allows you to put additional contributions into super and withdraw some of that money subject to certain limitations. The ATO website provides information as to terms and conditions..

Question 13

What percentage overall of investments are in fossil fuels?

Response from CIO

Sunsuper regards fossil fuels as companies that extract and/or process and/or mine fossil fuels plus utilities or electricity generators that predominantly use fossil fuels. In that context, Sunsuper has just over 4% of total assets exposed to companies of that nature.

Question 14

What is Sunsuper doing to meet global climate change targets? If you appoint external ESG managers, how do you ensure they are not greenwashing?

Response from CIO

- In relation to satisfying Sunsuper's ESG requirements, Sunsuper's Responsible Investment Team is responsible for reviewing each and every recommendation that comes to the Sunsuper Investment Committee & is part of the due diligence (DD) process on external managers. This team digs deep into the quality of the

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	<p>investment process of an investment manager and their ESG credentials. The team has capacity to stop or exercise a greater level of due diligence on managers they don't believe are reflecting the approach that Sunsuper desires to see in the application of ESG considerations.</p> <ul style="list-style-type: none"> In relation to what Sunsuper is doing to meet global climate change targets, the CIO reiterated the Sunsuper approach, explained earlier in his presentation, to be ahead of the current global curve to ensure the Sunsuper portfolio is managed in the least disruptive way to a low carbon transition and hence our interim targets for 2030 and 2040. <p>Question 15 What is the present position of the proposed merger of QSuper and Sunsuper. If it is proceeding what will be the name of the merged entity and will it effectively reflect the Australia-wide corporate client base build by Sunsuper over the past 19 or so years with the associated nationwide membership?</p> <p>Response from Board Chair</p> <ul style="list-style-type: none"> We are in final phase of due diligence with a decision to be made by the end of year. If the merger does go ahead, the target date for it to take place is 28 February 2022. If a decision is taken to merge, it will be because the Trustee has concluded that it is in best financial interests of the members. A name has been chosen but we are not in a position to reveal it this evening. We are in the process of trademarking and protecting the Intellectual Property. It is a strong name that reflects who we are, what we do, how we'll do it & the national ambition of the fund. I look forward to sharing it with you, the community and all our corporate clients. <p>Question 15 What percentage of investments are in renewable energy, both in Australia and globally and if you want to increase that number?</p> <p>Response from CIO</p> <ul style="list-style-type: none"> Best estimate is that half a percent of total portfolio is in renewables and majority of that is in Infrastructure portfolio where we have exposure directly and indirectly to renewable generation assets. We are committed to increase our exposure but these assets are in high demand, which makes it challenging to increase the exposure. <p>Question 16 Is Sunsuper looking at adding ethical investment options?</p> <p>Response from CIO Sunsuper currently has 21 investment options including the Socially Conscious Balanced Option. It is unlikely we will increase the number of options but it is a question for the future in terms of the overall value proposition.</p>	
	<p>Event Close Ms. Williams thanked panellists and members and advised that the question and answers and a video of the meeting will be placed on Sunsuper's website. Members</p>	Georgina Williams, Director

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	with specific questions on their personal circumstances were advised how to contact Sunsuper staff after the conclusion of the meeting.	
	Meeting concluded at 7.00pm Australian Eastern Standard Time.	

Board Chair signature: 

Name: **Andrew Fraser**

Date: **9 December 2021**