

Minutes of the Annual Meeting of Members

Location	Telstra Media studio room, level 2, 400 George Street, Sydney & online via live link	
Date & Time	12 February 2024 at 6.00pm AEDT	
Directors	Greg Cooper	Chairman & Independent Non-Executive Director
	Jo-Anne Bloch	Independent Non-Executive Director
	Ben Heap	Independent Non-Executive Director
	John Brogden	Independent Non-Executive Director
	Kelly Power	Executive Director & CEO, Superannuation
ALL Executive and other Official Roles	Clive van Horen	Group Chief Executive Officer
	Joshua Grace	Chief Customer Officer (Group Executive)
	Jonathan Armitage	Chief Investment Officer
	Karin Rathbone	Chief Risk Officer
	Martin Codina	Group Executive, Strategy, Risk and Corporate Affairs
	Tania Foster	Group Executive – Fund and Financial Services
	Jeroen Buwalda	Group Executive – Technology, Transformation & Operations
	Shenaz Waples	Group Executive – People and Culture
	Tania Lim	Head of Internal Audit
	David Kells (KPMG)	External Auditor (2024)
	Stephanie Smith (PWC)	External Auditor (2023-2024)
	Brett Marshall	General Counsel
	Anna Wyke	Company Secretary
Agenda	<ol style="list-style-type: none"> 1. Welcome and introduction. 2. Chair's message 3. Chief Executive Officer of Superannuation update 4. Investments update 5. Question and answers 6. Conclusion 	

The Meeting commenced at 6.03pm Australian Eastern Daylight Time.

1. Event Welcome & Introduction

Mr Joshua Grace, Chief Customer Officer, as host of the Annual Member Meeting, welcomed members to Avanteos Investments Limited (**AIL**) Annual Member Meeting (**Meeting**). He acknowledged the traditional custodians of the land and paid his respects to the Elders past, present and emerging.

Mr Grace welcomed attendees, members and guests. He outlined the agenda and encouraged all attendees to submit any questions during the Q&A session.

Mr. Grace introduced the Board Chairman, Mr Greg Cooper.

2. Chair's Message – Mr Greg Cooper

The Board Chairman thanked all attendees for joining the Meeting stated that this was an opportunity for share progress on our vision to be Australia's first choice for retirement and investment savings and the clear objectives which have been set to achieve this.

The Board Chairman introduced the key speakers at the Meeting, noting:

- Ms Kelly Power, CEO Superannuation would address the meeting and provide an update on progress that has been made since the last Annual Members Meeting, on the large financial investment made to transform CFS into the most efficient provider of superannuation in the market and the easiest to engage or partner with.
- Mr Jonathan Armitage, Chief Investment Officer would provide members with an update on the factors driving super returns and provide you with an update on the work the CFS team is doing to manage the challenges posed by climate change.

In addition, the Chair:

- extended his thanks to the CFS team, financial advisers and employers for their continued commitment and for their focus on delivering for our members;
- reaffirmed AIL's commitment to drive the best possible outcomes for a member's, supporting retirees for implementation of our retirement income strategy, whilst continuing to deliver excellent customer service; and
- thanked members, for the trust you have shown AIL throughout the past year.

Mr Grace introduced Ms Kelly Power, Chief Executive Officer (CEO), Superannuation to the meeting.

3. Chief Executive of Superannuation Update – Ms Kelly Power

Ms Kelly Power, CEO Superannuation spoke to the following matters:

- almost one million Australians trust CFS to manage their superannuation and investments and as at today, CFS is managing \$140 billion on behalf of members.
- CFS is one of the largest payers of pensions in Australia, supporting 218,000 retirees. In the year to 30 June, CFS has paid \$2.8 billion in pension payments.
- Presented a chart showing the financial year end performance of two of CFS's largest investment options which are delivered double digit returns and placed CFS in the top four funds in the country.
 - (i) FirstChoice Employer Super's balanced fund (Lifestage 1965-69) delivered a 10.5 per cent return, while the growth fund (Lifestage 1975-79) delivered a 12.2 per cent return;
 - (ii) The Essential Super balanced fund (Lifestage 1965-69) and the Essential Super growth fund (Lifestage 1975-79) funds also delivered strong returns of 10.7 per cent and 12.4 per cent, respectively.
- CFS's strong investment performance is attributable to the steps that were taken in FY23 to limit exposure to unlisted assets, for example commercial property and invest into global shares.
- CFS have been recognised by several Best of the Best awards from Money Magazine for 2024, including Highest Super Performer, Best Fixed Interest Pension Product, and Highest Pension Performer.
- Presented a chart showing CFS fees are among the most competitive in the market, highlighting:
 - (i) MySuper side, and those in Essential Super or First Choice Employer, annual fees are 15% lower than the average super fund; and

- (ii) FirstChoice Wholesale Personal Super fund, there is an admin fee of just 0.2%, which is among the lowest in the market.
- Demonstrating our commitment to offer greater choice, during FY23 a further 44 investment options were added to the First-Choice investment menu.
- Presented a chart and highlighted the latest statistics from Australian Financial Complaints Authority (ACFA) that CFS had the lowest number of superannuation complaints per 10,000 members of any superannuation fund in FY23. The number of complaints to CFS decreased by 26% during the year, whilst the average total number of complaints increased by 32% across the industry.
- Throughout FY23, CFS continued to innovate its technology platforms and introduced CFS Edge which equips members with world-class technology and investment capabilities. In addition, CFS launched new technology on the FirstChoice platform and made changes to the CFS website to include tools to assist with retirement planning, such as an age pension calculator.
- Thanked all the advisers who work with members, and AIL's members for their ongoing support throughout the year and for their confidence and trust.

Mr Grace introduced Mr Jonathan Armitage, Chief Investments Officer to the meeting.

4. Investments Update – Mr Jonathan Armitage

Mr Armitage, Chief Investments Officer spoke to the following matters:

- presented a chart showing the overall market performance through the year and highlighted the strong performance was largely attributed to global equities where there was a 20% return over the 12 months to 30 June 2023.
- Spoke to the expected geopolitical trends in 2024 and presented a chart showing that nearly half the world's population will vote this year, with elections taking place in 40 countries including India, Indonesia, the US and potentially the UK.
- Highlighted the focus for 2024 would continue to be on managing risks and capitalising on opportunities and provided an update on recent appointments within the Investment team to help manage investment risk within our portfolios.
- In FY23, CFS refreshed the investment philosophy to focus on five pillars:
 - (i) long-term, strong performance delivered by leading investment expertise;
 - (ii) active management of investments to enhance returns and capitalise on opportunities;
 - (iii) active management of risk to protect capital;
 - (iv) diverse asset allocation to deliver robust portfolio outcomes in a dynamic market; and
 - (v) a socially responsible investment framework to deliver sustainable outcomes for our members.
- Provided an overview of the strong financial performance achieved in FY23 and presented slides highlighting:
 - (i) the FirstChoice Employer Super balanced fund (Lifestage 1965-69) delivered an 11.8% return, while the FirstChoice Employer Super growth fund (Lifestage 1975-79) delivered a 13.2% return.
 - (ii) CFS was among the highest performing MySuper funds in calendar year 2023, significantly outperforming the median balanced and growth fund returns as reported by Super Ratings and Chant West.
 - (iii) CFS Enhanced Index Balanced fund and CFS Enhanced Index Growth fund both delivered above median members returns of 11.6% and 12.5% respectively.

- (iv) The Thrive+ sustainable growth fund also delivered double digit returns over the same period at 15.1%.
- The investment outlook for second half of FY24 and factors that are likely to play a role in investment market performance, including inflation and bond market volatility.
- An update on the steps CFS is taking to manage the challenges posed by climate change, including the commitment by CFS to achieve net zero greenhouse gas emissions by 2050 for our FirstChoice portfolio, and a 30% reduction by 2030 on 2019 base levels.

In addition, CFS is actively seeking to collaborate with peers and other organisations with common goals. CFS is a member of the Responsible Investment Association, Climate Action 100+ and the Investor Group on Climate Change, as well as a signatory to the UN-endorsed Principles of Responsible Investing.

- CFS remain committed to seek out investments which will deliver robust outcomes to our members as part of a diversified portfolio which has a strong emphasis on managing risk as well as seeking strong returns.

5 Questions and Answers – Mr Joshua Grace, Mr Greg Cooper, Mr Jonathan Armitage and Ms Kelly Power

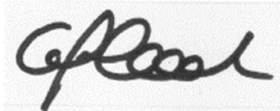
Mr Grace invited questions from members and provided instructions on how questions should be submitted.

The questions and answers appear in **Attachment A** to these Minutes and form a part of these Minutes. The responses do not constitute financial advice.

6 Conclusion and Close of Meeting – Mr Joshua Grace

Mr Grace thanked all members that submitted questions and all members for their continued support.

The Meeting closed at 6.48pm.



Board Chair Signature:

Name: Greg Cooper

Date: 8 March 2024