MINUTES OF NULIS NOMINEES (AUSTRALIA) LIMITED ANNUAL MEMBER MEETING
TRUSTEE OF
MLC SUPER FUND
MLC SUPERANNUATION FUND
DPM RETIRMENT SERVICE
PREMIUMCHOICE RETIREMNT SERVICE
MLC POOLED SUPERANNUATION TRUST

HELD VIRTUALLY
ON THURSDAY 3 MARCH 2022 COMMENCING AT 6.00PM

PRESENT:	Lindsay Smartt	Chair, Independent non executive director
	Beth McConnell	Independent non executive director
	Karina Kwan	Independent non executive director
	Kathryn Watt	Non executive director
	Steve Schubert	Independent non executive director
	Annette King	Independent non executive director
	Elizabeth Flynn	Non Executive director
FULL ATTENDANCE:	Cangie Matera	Head of Trustee Governance & Company Secretary, NULIS
	Leah Perez	Company Secretary
	Sarah Burley	Chief Member Officer
	Jonathan Armitage	Chief Investment Officer (MLC)
	Renato Mota	CEO
	Mark Oliver	Chief Distribution Officer
	Adrian Gore	GM Group Internal Audit
	Chris Weldon	Chief Transformation Officer
	David Chalmers	Chief Financial Officer
	Steve Black	Head of ESG
	Anthony Caneva	GM Member Engagement & Wellbeing
	Genevieve Frost	Business Development Manger
	Phillip Patterson	RSE Actuary, Willis Towers Watson
	Nicholas Wilkinson	RSE Actuary, Willis Towers Watson
	Nicholas Callil	RSE Actuary, Willis Towers Watson
	Tracy Anne Polldore	RSE Actuary, Willis Towers Watson
	Andrew West	RSE Actuary, Willis Towers Watson
	Richard Saverimuttu	RSE Actuary, Willis Towers Watson
	Farah Billimoria	RSE Actuary, Willis Towers Watson
	Hadas Danziger	RSE Actuary, Willis Towers Watson
	Anthony Chan	RSE Actuary, Willis Towers Watson
	Chris Porter	RSE Actuary, Willis Towers Watson
	Mark Nelson	RSE Actuary, Mercer
	Mark Samuels	RSE Actuary, Mercer
	David O'Keefe	RSE Actuary, ALEA Actuarial
	Nerida Seccombe	RSE Actuary, Heron Partners
	Diane Somerville	RSE Actuary, Deloitte
	Chris Wooden	RSE Auditor, KPMG
	Angelo Dimitriou	Delegate for Chief Risk Officer

AGENDA ITEM 1: WELCOME AND CHAIR'S ADDRESS

The Chair opened the Annual Member Meeting (AMM) and welcomed all attendees present and acknowledged the traditional owners of lands on which the meeting was held.

The Chair spoke about the role of the Trustee in protecting the benefits of members and working to deliver improved outcomes for members.

The Chair discussed how members were part of one of the five largest superannuation organisations in Australia, with well over two million members. He discussed the additional layer of protection members received from the reporting and disclosure requirements of Insignia Financial Ltd (**Insignia Financial**), as a listed company, and the benefit to members from the company's ability to raise capital and invest in product and service development.

The Chair went on to discuss how the trend of consolidation in superannuation can benefit members over the long term, as scale can bring more value and benefits for all members. He noted that investing in superannuation was paying off for Australians and their retirement plans, with returns from the median growth fund significantly outperforming inflation over the last 20 years.

AGENDA ITEM 2: FUND AND MARKET UPDATE

Mr Armitage addressed the meeting, making the following key points:

- the impact of world events such as COVID 19 on investment markets, noting that generally strong investment returns were delivered across the range of superannuation products and portfolios;
- focus on long-term investment outcomes;
- the wide diversification in investment portfolios. Intelligently spreading members' funds across many types of assets in many countries and regions has underpinned strong long-term returns across the MLC Super Fund.
- the approach to managing investment risks and opportunities, eg China and crypto currencies;
- the continuing focus on responsible investing and ESG.

AGENDA ITEM 3: MEMBER INITIATIVES

Mr Oliver addressed the meeting and discussed the following key points:

- the benefits of Insignia Financial's increased scale, including wider expertise in the investment team and the ability to negotiate lower investment management fees and insurance premiums;
- the ongoing enhancements to personal service, digital tools and technology to respond to members' super questions; and
- the improvements to modernise older super products so they offer more contemporary experience and investment options.

AGENDA ITEM 4: SUSTAINABILITY

Mr Black addressed the meeting and spoke about Insignia Financial Group's approach to sustainability:

- Insignia Financial believes in the science of climate change and supports the effort to get to net zero emissions by 2050;

- climate impact on investments across the portfolios are considered and the impacts of the company's operations on the environment are measured;
- all ESG risks are taken seriously and applied across specialist ESG funds, when managing money directly and when using external managers;
- sustainability is driven both by selecting investments that are good opportunities and have outstanding ESG characteristics, and by engaging with companies that are taking action to improve their ESG and sustainability performance.

AGENDA ITEM 5: FINANCIAL WELLBEING PANEL DISCUSSION

Mr Caneva, Ms Frost and Ms Stone addressed the meeting and provided some information and tips on how members can make the most of their superannuation, including:

- think about your money personality and how it affects your behaviour;
- get a clear idea of where you are with your super now;
- think about the retirement you want, what will it look like;
- use some of Insignia Financials' digital and phone-advice tools to see what actions will get you closer to your retirement goals; and
- remember that it's never too late to get your finances right, and that it's particularly important for women.

AGENDA ITEM 6: MEMBER Q&A

Ms Frost opened the Member Question and Answer session and advised that:

- as many of the questions as possible submitted through the registration process would be answered during the Question & Answer session;
- the minutes of the meeting and responses to questions submitted through the registration process not answered during the meeting would be made available on the Fund's website within one month of the meeting; and
- any questions about a member's Fund account or of a personal nature would not be answered. Members are able to contact the Member Services team if they have questions about their Fund account or their personal circumstances.

The questions answered during the session were as follows:

1. What's your take on the unfolding situation in the Ukraine?

Jonathan Armitage: *If we look at the financial markets, this has been sort of casting a shadow over global share prices andmaking investors a lot more cautious. In terms of the impacts on markets, investors are likely to start looking for safe haven assets such as cash, gold and some of the currency, such as the Swiss Franc.*

The major impact, we think, is likely to be focused from an economic perspective in Europe. If you look at some of the analysis that's been done on the energy markets in particular, Russia provides about 40% of European natural gas supply and about 30% of its oil supply. So the disruptions that you're seeing there, it'spart of the fighting, but also because of the sanctions is going to be sort of quite material, and that's alreadyon top of rising energy prices in that part of the world.

It's going to be very difficult to be precise on working out how the timing is going to impact in terms of theinvasion into Ukraine and the sort of longer lasting impacts of that. If we look at history, there's some precedents. Russia's invasion of Afghanistan lasted a decade from 1979 to 1989. The scale and the timetable of the current Russian-Ukraine conflict is actually much more difficult to predict I think.

There are going to be a number of factors that we'll be looking at in terms of President Putin's strategy, the Russian population's tolerance for the fighting and obviously as casualty numbers increase, that tolerance isgoing to be tested. And then obviously the Ukrainian population's resistance, as well as the economic and military responses from Europe and the United States, are all going to be elements that will have to take into consideration.

2. How has the ownership change in MLC to IOOF benefited the Fund and what will happen to the superannuation products as result of the takeover?

Lindsay Smartt: *Insignia Financial,the group formerly known as IOOF, has a successful track record of integration and simplification when bringing other funds under its ownership.*

Now NULIS is the trustee for MLC and Plum, and I'm the Chair of NULIS and a strategic priority for NULIS aswell as Insignia Financial is to radically simplify the product and the administration environment and to unlockeconomies of scale.

This will be a benefit for members. NULIS recognises that member benefits are likely to be driven by this longer-term consolidation of platforms, products, operations and investment structures and deploying these economies of scale to improve Plum member outcomes is a strategic priority of Insignia Financial as well asfor NULIS.

On a more tactical level, we have a program also to simplify the investment menu for the MLC Super Fundand to optimise the investment structures that are sitting below this and by streamlining these investmentstructures and simplifying the menus, we believe we can deliver better financial outcomes to our members.

3. Are there any concerns about the investment performance of the Fund and the Fund's place on therecent APRA heatmaps?

Jonathan Armitage: *2021 was the first time that APRA's heatmap had applied to a wider range of multi-asset investment options outside the default MySuperfund offerings. This gives us a bit of an indication about how multisector funds will be placed in APRA heatmaps for the next 12 months or so. We believe the APRA heatmap is actually a positive initiative, which is good for members. It allows people to compare funds a lot more easily.*

There are some challenges, though, and we think that with the heatmap one of the main challenges is that intrying to simplify things, arguably it oversimplifies in some areas, particularly around benchmarking, risk and also diversification. So overall, we see the heatmaps as a really positive start, but it's an area that needs more debate and discussion.

If we look at performance at the end of December 2021, the vast majority of our investment options were meeting or exceeding their stated investment objectives. However, we always evaluate our investment performance and the design of our products to make sure that they continue to offer competitive outcomes toall our members. So as part of that process, we're continuing to assess investment objectives, asset allocation and the fees that we pay externally as well.

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4. **Do companies that superannuation funds are invested in get ratingas per their sustainability and the global location of the investment?**

Steve Black: *The short answer is yes, we do access ESG and sustainability ratings through our investment consultants that we use as part of our investment process and also our research providers that also fit into that investment process. So what we dois we run our portfolios through several different ESG scoring systems as one particular company may actually get a very different score on sustainability or ESG measures from a different ESG research company.*

We use multiple ESG scores. Look, there's also publicly available sustainability and ESG ratings on companies and listed companies, and through organisations such as Sustainalytics.com so you can have alook at some of those yourself.

5. **Why have the investment fees increased from approximately 0.33% to 0.78% during the last financial year?**

Mark Oliver: *With some of our products there are what we call performance fees and so the investment fee component has an element wherethe fees may go up if the performance is strong, so they will vary with investment performance. The better the option performs, the higher the fee and vice versa. Given the strong investment performance for the yearended in June 2021 the associated investment performance-based fees have been higher in some of those options as a result.*

Those changes were communicated to members as part of what we call a significant event notice. Sothat should have dropped through your letterbox around about November 2021.

But this also included a few details about how some of the fees and costs such as investment fees are disclosed following a bit of regulatory change from the regulator, ASIC.

6. **How has performance of the Fund compared to competitors, particularly industry funds and why are returns lower compared to their super products in the market?**

Jonathan Armitage:*I'm going to focus on the MySuper Growth Portfolio. This is actually where the large bulk of our members'super is invested.*

The MySuper Growth Portfolio returned 20.3% to the year to the end of June 2021 and 15.6% for the 12 months to the end of December last year. Now, both of those performance figures are calculated, taking outboth investment fees and also taxes.

I think by any measures, those are very strong returns and of themselves, but they are also strong when we compare them against returns across the super industry. MLC's MySuper Growth return was actually ranked6th in the SuperRatings Top 50 MySuper Funds Survey over the last 12 months to the end of December lastyear.

If we look over the two-year period to the end of 31st of December last year, MLC MySuper Growth was ranked 10th against the same peer group. Returns in this survey are also net of investment fees and taxesand the survey also includes both retail and industry fund peers.

The SuperRatings performance surveys are actually very closely watched, and I think it's very pleasing that our MySuper Growth ranked so highly in that survey. We've got significant respect for our retail and industryfund peers and for that reason I'm not going to comment on the performance of their funds specifically, suffice to say we believe that there are many good superannuation providers across both the retail and industry fund worlds.

One final comment, over 84% of our superannuation portfolios, which are managed by MLC Asset Management, and that includes the MySuper product, the Plum, Pre-Mixed *options as well as all our other choice investment options, either met or beat their stated investment objectives over multiple time periods tothe end of December last year.*

I think overall those are very pleasing results. With regard to the coming together of MLC and IOOF this has Ithink deepened and broadened the capability of our investment team looking after our members' super. MLC.

Asset Management's investment team now work very closely with our colleagues at IOOF leveraging theiradditional range of expertise to strengthen the outcomes for your investments with us.

Just as an example, MLC brings very deep knowledge over a number of unlisted asset classes such as private equity. So those are investments in companies which aren't listed on stock exchanges as well asunlisted infrastructure and this experience really supplements IOOF's existing investment skill sets.

In the same way IOOF's strengths in fixed income, for example, is being very much harnessed by the MLC Asset Management's investment team. The combination of MLC and IOOF's investment teams are now oneof Australia's largest investment groups overall - we've got over 50 professionals averaging over 20 years ofexperience.

Our team comes from all walks of life. They've worked in many different countries and bring lots of global experience and hold a broad range of qualifications and so I think one of the real strengths is the diversityand depth of that experience of the combined team.

What's clear is that as we grow as a team, we've got one very singular purpose, which is to help all Australians secure their financial future. In terms of looking ahead, we want to continue to provide a broad suite of investment choices to our members, but we also are aware that we need to simplify parts of our offer. Working together to streamline those product offerings we think will allow us to drive much better valuefor members using our improved scale of the combined organisations.

7. Is there a program that will give incentive bonuses for long-term members?

Mark Oliver: *We are pleased to announce that MLC actually introduced a one-off Pension Bonus. Since 21 February 2022, eligible members, who transfer their super from their MLC MasterKey Super account into an MLC MasterKey Pension Fundamentals account, get the one off Pension Bonus.*

Now the Pension Bonus represents a tax saving which is passed onto members who have had their contribution on the superannuation account with MLC and are commencing a pension. Again, I think that'sreally just recognising the loyalty moving from super into pension.

8. How is MLC going to contribute to sustainable and affordable housing, particularly in the regional areas which tend to get overlooked?

Steve Black: *It's certainly a burningissue in the social space of ESG. Yes, we do have a number of holdings in companies now that operate in affordable housing and, you know, our investment managers in Jonathan's team again, consistently lookingfor opportunities to invest in companies that support affordable housing, where it makes sense in terms of the returns also to our members and creating positive societal outcomes.*

To give you a few examples and firstly, I guess a global example that we can talk about in our Global Real Estate Investment Trust, we call that a G-REIT portfolio and we've invested in a company called Invitation Homes, which recently committed U$250 million to launch Pathway Homes and Pathways Mission to createmore homeowners by providing new options for people who are currently being shut out of the housing market, particularly to those where affordability is a really key issue. Looking locally, we own an investmentin Mirvac through our Australian equities portfolio.

Mirvac has a dedicated 'Build to Rent' platform, BTR it's called, which seeks to bring down the cost of living in Australia. So, the thinking behind 'Build to Rent' is that it removes some of the barriers to entry to home ownership in Australia via a low cost rental, but it's also an option that still provides stability, flexibility for thatcommunity.

We also own an investment in Lendlease through our Australian equities portfolio as well, and some of the projects Lendlease has undertaken in the last 12 months actually include the delivery of 11 Gibbons Street inRedfern and that project has created 160 new apartments for mixed use, social and affordable housing for the St George community.

9. What markets Plum is invested in and the performance achieved and what has been done or is planned to bring Plum into the top 10 superannuation funds?

Jonathan Armitage: *Plum invests in a variety of asset classes and markets, both listed and unlisted. If you look at our current asset allocation for the Plum MySuper GrowthPortfolio, it's actually detailed on our website in a fair amount of detail around that as you'd expect in a growth portfolio.*

We've got exposure to domestic and international equities, and we complement this with global and domestic fixed income assets. One of the things that we've been quite focused on over the last three yearshas been actively increasing the exposure in Plum portfolios to unlisted property, unlisted infrastructure, private equity and also growth alternatives for members.

Given the sort of current macroeconomic environment, we believe that a number of these asset classes are going to provide members with inflation protection for their portfolios. If we look in our unlisted infrastructure,we're seeing I think a lot of excitement around the future for renewables and we've invested in a range of solar, wind and battery storage assets both here in Australia but also internationally as well.

I'm pleased to say that actually since we redesigned the MLC Plum MySuper strategy in March 2019, you'veseen I think a very considerable improvement in investment performance relative to our peers over that time.

We're now ranked well into the top quartile of MySuper peers over the last one- and two-year periods. Now Italked about this a little bit earlier for the year ending 31st of December last year, MySuper Growth, which isthe default fund which most Plum members are investors was ranked 6th in the SuperRatings Top 50 MySuper Funds Survey.

And over the two-year period we ranked 10th against the same peer group and the returns in those surveysare net of investment fees and taxes for both the retail and industry funds. The reason why this is importantis that SuperRatings performance surveys are very closely watched, and I think it's a very good measure ofhow we're performing and it's very pleasing to see how our MySuper Growth Portfolios are being ranked sohighly.

10. What MLC is doing to move towards carbon neutrality

Steve Black: *What we're currently doing within our portfoliosis we do measure the carbon footprint for an increasing number of our investment managers. And then whatwe do is once we measure how we engage with those funds or those investment managers and or companies that they invest in where appropriate, just to understand their emission reduction plans.*

As I said in my speech earlier, we believe that engaging with companies and asset managers to understandand encourage their decarbonisation approach gives us more leverage to deliver better outcomes in the decarbonisation of our economy, which is, I think, something that we all aspire to.

As mentioned earlier also as an organisation being Insignia Financial, we do measure the impact of our ownoperations have on the environment. And this year, we'll be *reporting on that and full greenhouse gas emissions in our annual reporting period. As part of that report, we'll also be outlining how we're going to further reduce our environmental impact as an organisation.*

11. What are the key risks in the year ahead for MLC and Plum and what is the plan to mitigate those risks as well, as how much will this positioning decrease performance and where do we see the efficient market frontier sweet spot in our diversification?

Jonathan Armitage: *Yes, it's a very, very goodquestion. Particularly important given more recent events. I think the negative market reactions we've seenin recent periods outside the events that we talked about earlier in Ukraine, have very much been driven bythe likelihood of higher official interest rates.*

We think that those are probably one of the sorts of larger risks emerging over the next 12 months or so.Investors have become very used to unusually low interest rates really since the global financial crisis in2008/2009.

I think that there's likely that you could see quite a sort of sharp reaction to a rising interest rate cycle. Those sorts of jitters that we saw in January and also into February have stemmed very much from thatunease. If we think about higher interest rates, they've probably got varying impacts on investments.

They tend not to be very positive for bond and fixed income markets but do create both opportunities and challenges for share markets. Now our thoughts about inflation and our concerns about inflation are nothing new, something we've been talking about for some time. That's why we've been moving away from fixed income assets and directing members' funds towards more alternative assets with different return patterns totraditional assets such as shares and bonds.

We strongly believe that those alternative assets will also react differently to a rising interest rate cycle. If welook at our MySuper portfolios, they've got exposures to alternative investments with income streams from a number of different sources, such as legal, government and corporate receivables.

We think that those cash flows from those sources tend not to move in lockstep with those from listed companies. Importantly, we think that those are a strong contributor to overall portfolio diversification. Again,just looking at my MySuper portfolios, we've got substantial exposure to unlisted asset classes like private equity, real estate and infrastructure. And again, we think that those are less affected by short-term market volatility. One other thing that I think is important to mention is that we've got a number of derivative strategies in place for MLC's MySuper portfolios.

What that allows those portfolios to do is actually participate in the upside of share market movements whilealso providing some cushioning when markets slip back. To be honest, there are no shortcuts to delivering strong, long-term returns or managing near-term risks.

The principles of diversification, active management and risk control very much anchor our investment approach and have done for a long period of time. Diversification we think is very important because it means we are not dependent on good performance from really any one single asset or type of asset to drivereturns for our members. Instead, we think those longer-term accumulations come from many different assets in different countries and regions.

We also think that active management of our members' funds empowers us to look out for dangers and alsohelps avoid them. Through both active management and diversification, we're able to deploy our members' funds towards assets where the changing return opportunity may be higher and then actually lower the weighting to those where we think future returns are likely to be less positive.

Sticking by those principles really has helped to steer our clients' portfolios through a number of changing investment cycles, and those include the GFC and more recently the March 2020 COVID crash and we thinkthat focus on diversification, active management and a strong focus on risk is going to help us navigate members' funds through whatever may lie ahead.

Ms Frost thanked everyone for their questions and the Panel members and closed the Q&A session.

AGEND ITEM 7: MEETING CLOSE

The Chair thanked members for their attendance and questions at the AMM, especially in light of the extreme weather and floods across the country.

The meeting closed at 7.30pm.

Signed as correct record:

	23 March 2022
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Chair	Date