Annual Member Meeting

Monday, 29 November 2021, 1pm

Agenda

1. Welcome and introductions
2. CEO update and fund overview
3. Investment and markets update
4. Q& A and final remarks

Speakers

- Danny Casey (Chair of the Board)
- Scott Cameron (Chief Executive Officer)
- Justine Hickey (Chair of Investment Committee)
- Andrew Howard (Chief Investment Officer)

Minutes

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

1. Welcome and introductions – Danny Casey

- Good afternoon, and welcome to our second virtual Annual Member Meeting.
- My name is Danny Casey, and I am the chair of the Catholic Super Board.
- We're delighted so many of our members can join us today and that we can have members here from all the different superannuation funds that we represent. I'm delighted to be welcoming you all to our meeting this afternoon.
- Joining us today is our Chief Executive Officer, Scott Cameron, Justine Hickey, a colleague on the Board and the Chair of our Investment Committee, and Andrew Howard, our new Chief Investment Officer.
- We also have our Board members tuning in, and on behalf of my fellow Board members and all our staff, I would like to welcome everyone who has joined us today.
- I am pleased to confirm that we have a quorum of Directors, as well as our Auditor, and as such our Annual Member Meeting is now officially open.
- I would particularly like to acknowledge the Traditional Owners of the land from which I am chairing this meeting today, the Gadigal people of the Eora Nation.
- I pay my respects to their Elders, past, present, and emerging, and the First Nation Elders of other communities who may be joining us today from all around Australia.
- I want to make sure you're aware that the information in this presentation is going to be general in nature and is about the fund as a whole. It does not take into account personal circumstances like your individual investment or financial objectives.
- Or course, if you would like individual financial advice, we have advisers who can assist you. We will include these numbers at the end of this presentation.
- The agenda for today is as follows: I will make some opening remarks on behalf of the Board, then Scott will present on behalf of the Executive team, followed by Justine who will cover our investment principles, then we invite Andrew will provide an update on the investment performance and outlook for the fund.
- We will then answer some questions from you, our members. Like our first Annual Member Meeting in March, we've received a large number of questions prior to the meeting, demonstrating that our members are indeed engaged with the fund.
- You can ask questions during the meeting by using the Question & Answer function within Zoom which is located at the bottom right of your screen.
- Please note that at this meeting we can only answer general questions about the fund – so if you have any specific questions about your personal account or circumstances, please call our team, the number will be listed at the end of the presentation.
- Depending on timing we may not have time to answer every question today, but please be assured that we will provide written responses to all questions, as well as minutes of this meeting in the coming days. These documents will be made available online by the 17th of December 2021.

- Before we get into our agenda for today, I want to make particular note of the performance of our fund in light of the recent APRA Performance Test results which received a lot of media attention. Given there are funds with similar names it can lead to confusion.
- As part of the Your Future Your Super reforms, APRA conducted their inaugural superannuation performance test. The annual test evaluated how the default MySuper products performed over the past seven years, adjusted for fees, relative to a benchmark calculated by APRA based on a fund's asset allocation.
- In September, APRA released the results of that test and pleasingly Catholic Super passed the performance test, as did Equip.
- There were 13 funds that failed the Test and we know there was some confusion as two other Catholic and Christian funds in the industry failed the test, but we want to reassure all our members that both our funds, Catholic Super and Equip, passed the Performance Test and are strong performing and healthy funds.
- We have also been able to lower our investment fees for Catholic Super members twice since June, and **Scott** will go into more detail on those changes later in the meeting.
- This past year has been incredibly difficult for so many people. But while the year has been very difficult, we should also remind ourselves about where we've come from and what we've achieved this year and throughout our history.
- If you've been a member with us for a long time you'll understand that there has been many brand names and super funds associated with our fund in the last 50 years, so I wanted to explain a bit about our history and how we have got to where we are today.
- Our fund opened in 1971, so we've been supporting our members for 50 years, something we're very proud of.
- From inception to October 2019, we operated multiple brands as part of the MyLife MyMoney Superannuation Fund. These brands included MyLife MySuper, Transport Industry Super (TIS), MyLife MyPension, and by far the largest by membership - Catholic Super.
- In October 2019, MyLife MyMoney Fund, including Catholic Super, entered into a joint venture with Equip Super.
- In 2021 MyLife MyMoney and Equip finalised the Successor Fund Transfer which has led to investment fee reductions of up to 30% for some members.
- Our Fund exists for those who work in schools, hospitals, aged care and childcare, community services, welfare and transport services.
- We appreciate the essential work you do, or have done in the past, to service, educate and care for millions of Australians every day. These crucial jobs make up the backbone of our country and it is our role to support and prepare you for financial freedom.
- We also continue to partner with our valued employers, always looking for ways to improve our relationship with them, in order to improve the financial future of their employees.
- I'd like to introduce you to our current Board members, but first and foremost, it is very appropriate that I to acknowledge the work, dedication and vision of my predecessor Chair, Andrew Fairley.
- For 12 years, Andrew was a great advocate for members' interests, a proponent of skilled, professional, representative boards and a leader who recognised the need for change, the need for growth and the need for partnerships.

- I also want to express my appreciation for Michael Clinch's contribution as he ends his successful five-year term as an Equip Board member and at this time to express my deep appreciation for the work of three long-serving Catholic Super Board members, Deb James, Peter Haysey and Carolyn Harkin, whose terms on our Board have just ended and they have made an enormous contribution over many, many years.
- It is also appropriate that I welcome incoming Board members Sharife Rahmani (Employer Director) and Mathew Cassin (Member Director).
- During the 2020-2021 financial year, we had a Board of 12 Directors. However, as of 1 July 2021, we have moved back to a Board of 9 who you can see on screen, which we think is the optimal number for us in the future. We are likely to retain this number unless there is another significant joint venture or merger opportunity which may see us expand the Board again.
- The Board is proudly skills-based, with three employer directors, three member directors and three independent directors. As mandated, the Chair is a Board-appointed independent director.
- This mix allows flexibility to attract and select high-calibre people meeting, as a minimum, all the standards required by legislation. Let me give you an example of the depth of skills and knowledge of the industry of one of our Board members.
- Matthew Cassin has 25 years' experience within the banking and finance industry, including executive level roles at the Commonwealth Bank of Australia and now at the Catholic Development Fund in Melbourne.
- As the CEO of Catholic Development Fund, Matthew is committed to building a customer focussed fund that pools the savings of the Catholic community to help build and grow Catholic schools, parishes, hospitals, aged care and welfare facilities.
- We are so delighted to have Matthew join our Board.
- Today – here in 2021, I am pleased to say we have been 'Supporting our members for 50 years' an extraordinary milestone we are all proud of. While a lot has changed over the years, our vision, purpose and commitment to our members has remained constant.
- Our Vision is for excellence in super, delivered with care. And Our Purpose is to give our members confidence and control over their future. To give them the best possible retirement income we can. This is the foundation of everything that we do.
- During that time our guiding values have not changed. We put members first. We do what we say we will do. We collaborate and innovate. And we celebrate success.
- And now it gives me great pleasure to introduce to you our Chief Executive Officer, Scott Cameron. Scott was appointed Chief Executive Officer in September 2019. Scott is an experienced CEO and CFO. He has worked across global corporate, financial services and advisory environments with a track record of integrating and expanding highly complex environments. Just before we hear from Scott, we are going to share a short video about our new updated branding and the good change we're delivering at Catholic Super.

2. CEO update and fund overview – Scott Cameron

- Thank you for that introduction, Danny and hello to everyone who has joined us here today at the Annual Member Meeting and hope you enjoyed that brief video.
- This year did not deliver the longed-for 'COVID-normal' that we all hoped for. Despite the flux of the past year, I'm pleased to say the Fund managed another very strong performance. We are pleased to have assisted many people during the COVID-19 early release program and we understand this was a challenging period. A big thanks to our dedicated team who again continued to work tirelessly, often from home, to deliver the quality service our members deserve.
- We have a strategy of growth with the goal to have 300,000 members and $50 billion of funds under management by 2025.
- Growth enables our members to enjoy the benefits of scale, which includes optimising our fee position in an industry of increasing regulatory pressure and a desire to continuously improve member services.
  Our proactive approach to growth continued in 2021, a successor fund transfer (SFT) saw Toyota Super's 5,000 members and nearly $900 million in funds under management join the fund.
  We have also just finalised another SFT with BOC Super on the 1st of November, bringing 3,000 members with $765 million in retirement savings to the fund.
- During the FY21 year we also sold the bank division of our business, MyLife MyFinance. The sale of the bank means we can singularly focus on our core goal of providing members with financial freedom in retirement.
- After extensive due diligence, we are confident that Challenger provides a great home for MyLife MyFinance staff, and customers will continue to enjoy uninterrupted quality service.
- Despite the achievements of the past year, we're committed to doing more for all of you our members, delivering improved experiences and opportunities to engage with us and supporting you in optimising your retirement outcome.
- Actions such as salary sacrificing, consolidation and additional contributions are all activities we encourage members to consider to drive their retirement balance.
- As I look forward to next year and beyond - we will continue to be focused on unlocking more benefits from our joint venture with Equip, increasing our capability and capacity for growth, and reaching out further to employers.
- Most importantly, we'll continue to commit to improvement, and the support and services we offer our members.
- We do also need to be mindful of the legislative environment. There are a number of recent changes that you may be aware of that we have been implementing: From 1 July, the Superannuation Guarantee (SG) increased from 9.5% to 10%. It will rise to 12% by 2025. This will lift living standards for retired Australians and positively impact the domestic economy. From November 2021, new workforce entrants will be 'stapled' to their first superannuation fund and current workers 'stapled' to their existing fund. When someone moves to a new workplace, they'll no longer be arbitrarily signed up to the new employer's favoured fund, although they are still free to make a choice of fund at any time. We're pleased our members will find it simpler to stay with Catholic Super as they progress their careers.

- Now on to more good change about our fees. As a direct result of combining with Equip, we have seen two reductions to our investment fees since 30 June 2021.
- Keeping costs down has significant and positive long-term implications for your retirement savings. We have reduced our investment fees by as much as 30% for some investment options since June 30, 2021, and we are working to deliver further reductions.
- Lower fees are always welcome, but they're not the only change. Following feedback from you, our members, Catholic Super has undergone a rebrand and you saw the new brand in the video we just watched.
- We may look a little different, but the name, the service, and our commitment to achieving strong long-term investment performance for our members remains the same. Next year, you can expect the Fund to do more of what we've always done well. We'll strive for excellent governance, strong investment performance and the best possible service and financial advice for our members – for those who are working and those who have retired.
- Before I talk to performance, I'd like to welcome our new Chief Investment Officer, Andrew Howard. Andrew's strong leadership style and investment experience will add great value to our fund, as he builds on the excellent progress and platform the investments team have already achieved. You'll hear from Andrew later in today's meeting.
- With low fees and a history of strong returns, you can be confident your Fund is performing over the long term, in fact, we stack up really well when compared to our peers.
- Over the 10 years to 30 June 2021 and after fees, Catholic Super's Growth Plus investment option returned $1,148 more per year than the retail fund average and outperformed the industry fund average by $1,827 per year.
- We have consistently outperformed many funds. Which means our members have been significantly better off in the long run. Based on the SuperRatings 10-year comparison for the Balanced Growth option, we have delivered investment returns above and beyond the industry median. In fact, we've averaged returns of just under 10% per annum for nearly 50 years.
- Member outcomes are our biggest priority. Along with ensuring our investment returns and fees are competitive, we're always working to make sure members enjoy great service, and get the right advice, including support and guidance, so they can retire comfortably.
- You, our members, tell us you want regular, relevant and timely engagement and we have a range of channels that we use to interact with you in your everyday lives. Many members have logged in to their account online over the last 12 months, accessing information about their super, investments and insurance. Others have been kept informed through the phone, email, Facebook and LinkedIn.
- With pandemic challenges continuing through much of this financial year, our Service Centre has again focused on support. We paid out $57.5m to approximately 5,000 members through the COVID-19 Superannuation Early Release Scheme. We were pleased to have been able to assist at this difficult time.
- During the 2020–21 financial year over 15,800 members provided us with service feedback, with the majority telling us they would recommend our fund to others.
- Our Service Centre Net Promoter Score of +78, as of 30 June 2021, is an incredible result, reflects our commitment to delivering service excellence over the phone when our members contact us.
- As Danny mentioned, we have been supporting our members for 50 years. To mark this special occasion, we spoke to members across Australia about their working life and retirement, and how it's shaped the tips they pass along.

- Five years ago, fund member Louise was forced to retire at 62 years of age due to a work-related injury, much earlier than she'd ever envisioned retiring. Retiring early threw a financial spanner in the works for Louise and her husband of 39 years, Ed. Our financial planners created a plan for Louise and Ed so that they could clear their mortgage by the time they turned 65 as initially planned. Once they cleared that debt, the stress of being financially limited in retirement was gone and Louise and Ed finally started to feel that they would achieve a comfortable life in retirement. Ed mentions that their financial planner from Catholic Super has been a fantastic support over the years. When we interviewed Louise and Ed, they were very grateful to be able to enjoy a rewarding and meaningful career, and still have the opportunity to go out and enjoy the special moments of life. We asked them what tip they would like to share to young Australians, they say *if you have a little bit extra, invest that into super, because it will give you more financial stability in retirement.*
- We at Catholic Super hope you are both looking forward to a comfortable retirement, enjoy it Louise and Ed.
- Now let's talk about the recognition we've received.
- Independent ratings agency, SuperRatings, has awarded Catholic Super the highest platinum performance rating as a 'Best value for money' fund for 15 years in a row.
- We've also been awarded a five- star rating for 'Outstanding value superannuation' by Australia's largest financial comparison website, Canstar, for 3 years in row.
- MyLife MySuper has been recognised by SuperRatings as the highest platinum performance rating as a best value for money fund for 7 years in a row.
- Meanwhile, MyLife MyPension has been given the same accolade by SuperRatings as the highest platinum performance rating as a best value for money fund for 10 years in a row.
- According to the latest Roy Morgan research, Catholic Super has the highest member satisfaction rating among industry funds. Our members rated us 78.5% for satisfaction, well ahead of the industry fund average of 67.6%.
- That means a lot to us. We're here to help each and every member get the most out of their retirement. A result like this is a vote of confidence and we'd like to extend our thanks to all our members for your continued support, especially during these difficult times.
- We're a multi award-winning super fund. And we're proud to have a 50-year history of being acknowledged for our outstanding value within the super industry. This means greater value for our members.
- Now its time to hear from Justine. Justine Hickey is one of our Independent Trustee Directors and is the Chair of the Investment Committee. Justine is a professional non-executive director with over 24 years' experience in investments, superannuation, and corporate governance. She chairs the board of fund manager, DNR Capital.
- Needless to say, Justine brings an impressive level of strategic insight and thinking to the table. Welcome Justine…

3. Investment and markets update – Justine Hickey

- Thanks Scott and a warm welcome to all our members tuning in this afternoon.
- We believe in actively managing our members' dollars across a long-term investment horizon.
- The investment principles that guide the Investment Committee and Team are to deliver the best possible retirement income for our members, keeping fees and costs as low as possible. To focus on long-term goals, aiming for consistent outcomes through different market conditions. To make pro-active investment decisions based on market conditions. To retain a team of high-calibre investment professionals. To access exceptional investments globally that would otherwise be unavailable for individual investors. To strike an appropriate balance between risk and return in members' long-term interest.
- Let's focus on Responsible Investment. We believe that environmental, social and governance factors (or ESG) influence overall investment returns. So, by keeping these factors in mind when we invest our members' money it will increase the overall risk-adjusted returns for our portfolio thus maximising your retirement income.
- Responsible investment is an important part of our long-term strategy.
- During the last financial year, we published our inaugural Climate Change Position Statement, Stewardship Statement and Responsible Investment Reports.
- We partner with ACSI (Australian Council of Superannuation Investors) to assist us with engagement, advocacy and voting advice.
- We are a member of the Investor Group on Climate Change.
- We are a member of GRESB (Global Real Estate Sustainability Benchmark) who assess the sustainability performance of our Property and Infrastructure assets. And we are a member of the Responsible Investment Association of Australasia (RIAA).
- We actively promote strong ESG policies in our investee companies, our fund managers and the broader investment community.
- We engage with companies and policy makers, and actively exercise our voting rights at meetings in support of good governance and a sustainable economy.
- For example, as investors in some of the largest global social media companies in the world, we have engaged directly with them in collaboration with other institutional investors, to try to drive reforms to establish appropriate company culture and practices.
- This type of engagement has achieved positive results with these companies adjusting their privacy settings for users, to be simpler and easier to understand and making it harder for third-party apps to access their user's personal information. This engagement has also led to a strengthening in controls within these companies on the dissemination of content inciting violence.
- Other examples of the engagement we are involved with are one of the world's largest pharmaceutical companies encouraging the expansion of access to their medicines and with a major global consumer staples company which has committed to reducing plastic waste, including shifting a majority of its products to recyclable packaging.
- We also engaged with all our investment managers on Modern Slavery in 2020 with a further review conducted in 2021. We are satisfied that all our managers are aware of, and committed to, implementing the requirements of Modern Slavery regulations.

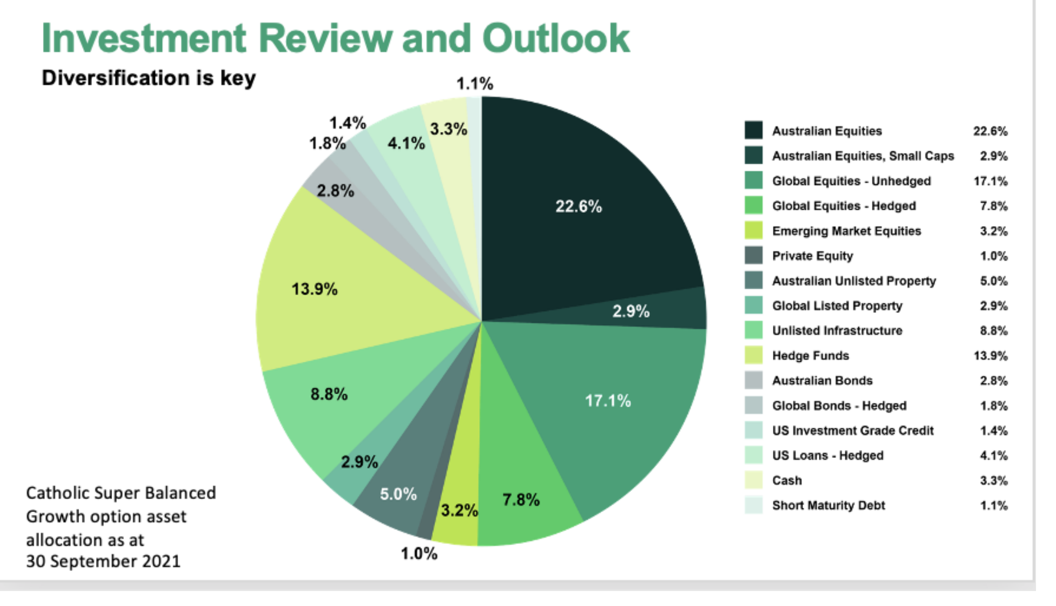
- I would also like to touch on Climate change. The environment is one of the biggest challenges and requires urgent attention. We believe that climate change is a material foreseeable financial risk yet also provides investment opportunities.
- In December 2020, we committed to achieving net zero emissions by 2050. We believe that an orderly transition to a low-carbon economy will provide the best outcome for our members and for broader society.
- Net Zero is no small undertaking and we are putting in place a road map to achieve this via a combination of advocacy and engagement to drive change, reducing our exposure to high emitting industries and companies; and investing in industries where the future opportunities lie with the shift to a low carbon economy.
- Our current investments include offshore and onshore wind power and solar energy.
- We also invest in the grid solutions to improve energy efficiency and battery storage technology that make renewables more accessible
- We are committed to doing more each year and will update you on our progress through our reports on our website.
- I would also like to mention our PositiveIMPACT option which was introduced in 2017 for members who wanted investments that aligned with their values around ethics and sustainability.
- In this option, we invest across listed equities and unlisted investments including renewables, property and infrastructure that have very high GRESB sustainability ratings and also assets in the healthcare sector that make an important social contribution.
- PositiveIMPACT's performance has been very encouraging, outperforming conventional options quite significantly so far, although this cannot be expected every year.
- However, Investors should know that PositiveIMPACT is a relatively high-risk option, with a weighting of over 50% in international listed shares, and generally growth-oriented investments in infrastructure and private equity.
- Now it's my pleasure to hand over to our Chief Investment Officer, Andrew Howard who started with the fund earlier this month. Andrew has over 25 years' experience in the investment industry and before joining the fund was the Deputy Chief Investment Officer at Hostplus. Prior to joining Hostplus, Andrew was the Chief Investment Officer at VicSuper. In his earlier career he held roles at Mercer, Treasury Group and Frontier. We are delighted to have Andrew join us today to take us through our investment outlook. Over to you Andrew.

Investment outlook – Andrew Howard

- Thank you, Justine for the warm welcome, and thank you to all of you who are attending today's Annual Members Meeting. I'm genuinely excited to be joining Catholic Super at this pivotal time in the fund's history.
- So let's get into the returns the fund achieved in the last financial year and our investment outlook going forward. I'm pleased to report that we delivered strong returns for the 2020–2021 financial year.
- Our Catholic Super Balanced Growth investment option, where many members are invested, returned +16.8% for the year which is an exceptionally strong result.

- It's important to note here that these figures are AFTER investment fees and taxes. I know many of our members are interested in fees and absolutely fees are something we minimise as much as possible. But the most important figure is the net return as it shows exactly how much your savings have gone up or down. If you have more queries specifically related to your investment choices, we offer a team of financial planners who are available to assist.
- So, let's take a look at what has been going on in markets…
- It has been an extraordinary period in markets, but the important question is "where to from here?" In many ways it can feel like there has been a disconnect between what we have observed in equity markets, with the US market currently hovering around record highs, and the 'real economy' with the effects of the pandemic still being felt by many all around the world.
- We only need to look at the current events in Europe with many countries moving back into lockdown as case numbers spike and the 'fourth wave' takes hold. And of course, literally in the past few days we have learned of a new COVID variant, which has been named 'Omicron', which has led to countries across the globe introducing travel bans on a large number of African countries. It is a stark reminder that we are a long way from seeing the back of COVID and as news of the new variant broke late last week, it put investors on edge leading to sharp falls in equity markets around the world.
- However, overall equity markets have enjoyed a record run over the past 18 months, so what has driven this?
- In response to the pandemic and the sharp downturn in economic growth last year, we have seen unprecedented actions by Central Banks such as the RBA in Australia and the Fed in the US with official interest rates at record lows, and fiscal (government) stimulus pumping billions of dollars into the economy, in an attempt to kick start the economy and ward of a prolonged recession.
- Arguably these extraordinary stimulus measures have worked, today we are seeing a strong rebound in economic growth across the globe and unemployment rates moving back down to near pre-COVID levels. But of course, this does not come without its own new risks and the focus today is all around the inflation outlook and how central banks react to rising inflation.
- Recent inflation numbers released in the US show that inflation is rising at its fastest annual rate in more than 30 years as the index rose by 6.2% in the 12 months to the end of October. So all eyes turn to the US Federal Reserve and whether or not it will look to increase interest rates sooner rather than later. This is a key point for investors as record low interest rates have been one of the key drivers of the strong returns delivered from equity markets.
- A similar theme is playing out here in Australia with the RBA holding firm on its current view that it does not foresee the need to raise interest rates before 2024, but should inflation rise there is a degree of uncertainty in markets as to whether the RBA may need to bring forward its timeframe in raising rates.
- The jury is out as to whether the recent sharp increases in inflation data is transitory or whether it points to a more prolonged period of higher inflation which arguably requires Central Banks to act sooner rather than later.
- With this uncertainty we are seeing an increase in volatility in equity markets over recent times, as mentioned earlier, the record low interest rate environment has been extremely positive for investors but if we see rate rises sooner than expected this would not be positive for equity markets.

- In addition, with news breaking on this new COVID strain investors are on edge over the potential ramifications of this new variant as there is still a lot to learn on how infectious it is and how effective the current vaccines are in combating this new strain. So what does this mean for our investment strategy?
- So there is an element of increased uncertainty creeping into investor sentiment around the inflation outlook and the policy settings of Central Banks, with this uncertainty only heightened by breaking news around the new COVID variant. It is critical in market environments such as this that we retain our disciplined long term investment approach and not react to the short-term noise in markets.
- Justine touched on our key investment principles earlier highlighting our focus on delivering the long-term investment goals for our members and providing consistent returns and in a market environment where we see the potential for increased volatility this principle is front of mind for us.
- One the key tools in the investment toolkit to effectively be able to do this is diversification. We are focused on ensuring that we build a portfolio that is diversified across a wide range of asset classes, not only by asset class but also within asset classes.
- The pie chart on the screen shows the asset allocation of the Catholic Super Balanced Growth investment option, as you can see it invests across a wide range of asset classes, from listed equities, both here in Australia and overseas, across developed and emerging markets to unlisted asset classes, or 'real assets', in both property and infrastructure.



- Importantly, our highly diversified investment strategy means that we are not reliant on equity markets to solely generate returns. After the record run we have seen in equity markets, not only since the rebound over the past 18 months but over the longer-term dating back to the GFC, it would not be surprising to see equity markets pull back at some point. But if the last 18 months has taught us anything, trying to time markets can be a tricky game and as the saying goes 'it is time IN markets, not timING markets that counts'.
- So, while the outlook does look increasingly uncertain as investors grapple with the conundrum on whether inflation is here to stay and Central Banks burst the bubble of equity markets by increasing rates, and the impact of the new COVID variant is still not known, the key message is to ensure that we do not react to short term noise and are prepared to take advantage of opportunities as they arise during periods of heightened volatility.
- Now I'll hand back to Danny for the Q&A. Thanks Danny.

4. Q & A

Thank you, Andrew, Justine and Scott, for the updates. My apologies if one or two of our speakers had internet issues.

Just before we jump into the Q&A I wanted to give a big thank you to our dedicated team who again continued to work tirelessly throughout the pandemic.

Many of our employees have provided our members with the top-quality service and support they deserve, often working from their own homes. Thank you for your resilience and you're unwavering support to our members.

And finally, a very special thanks to our members on the frontline workers at schools, hospitals, aged care, childcare, community services, welfare and transport services. Once again you were at risk, working through the pandemic and supporting all of us during these very difficult times. We all appreciate your efforts.

Now let's turn to our Q&A…

Question 1 from Andrew:

I read that Catholic Super was an under performer over 5-7 years - is this so?

Answered by Danny Casey:
This is an important question to address and so easy when there are funds with very similar names, I would like to avoid any impression that Catholic Super failed APRA's performance test. There were 13 funds listed as underperformed in APRA's first performance test. A fund with a similar name, Australian Catholic Superannuation & Retirement Fund, an unrelated fund that also supports people working in Catholic institutions failed the test.

To reiterate Catholic Super passed the performance test. We remain strong. Thank you for your question – it is good to remove any media attention that is out there.

Question 2 from Czeslawa:

Based on current COVID spending by governments do you believe that a recession is possible or probable?

Answered by Andrew Howard:

The economic downturn suffered as a consequence of COVID has been the steepest and fastest contraction since the Great Depression of the 1930's. However, as governments and central banks have rushed to provide support the bounce back is proving to be very quick. As we just talked about looking forward expectations are for a continued recovery, however of inflation being the key risk for markets in the years ahead.

Question 3 from Jimmy:

I would like to know more what is the different between Mylife MyPension and Mylife Mysuper?

Answered by Danny Casey:

MyLife MySuper and Catholic Super are accumulation funds where your money can grow over time as you work your way towards retirement.

Your super account balance depends on the money that you and your employer put into the account, and on the investment returns (after fees and costs).

MyLife MyPension is a pension product which enables you to take a regular income from the super that you have accumulated during your working life. Most people who start a pension account do so once they retire or when they are close to retirement.

MyLife MyPension is open to anyone eligible to access their super, and offers secure online access to your account, and a range of tools and features to help you keep track of your pension. It provides regular (monthly, quarterly, half-yearly or annual) payments, and flexible and tax-effective income from your superannuation account. I hope that helps explain the difference between the two products.

Question 4 from Marie:

Can you make the 3yr. time limit for a binding death certificate into an open-ended date, with the policy holder responsible?

Answered by Scott Cameron:
Unfortunately the SIS Regulations provide that a binding death benefit nomination ceases to have effect at the end of the 3-year period after the date it was first signed, last confirmed, or last updated by the member.

There are some funds have offered a "non-lapsing, binding nomination". With that type of nomination, however there is a risk if the member's circumstances change but they neglect to update their nomination, could result in a death benefit being paid to an inappropriate beneficiary.

The 3-year term of a binding death benefit nomination reduces the risk of such an occurrence as the member must consider their nomination before actively renewing or amending it.

Question 5 from Lance:

Is Catholic Super looking to offer investments into Crypto currencies? If not, why not?

Answered by Andrew Howard:
A question we get a lot these days. No, we do not invest in cryptocurrencies. This is an area of growing interest to some members however we do not consider it an appropriate investment of members money at this point in time.

The technological architecture behind cryptocurrency, that is the blockchain or distributed ledger technology, is an exciting area. There could be meaningful applications of this technology in varying ways going forward. However, when investing we are very careful to understand the various risks and the return drivers of any investment.

With cryptocurrency being a relatively new phenomenon we find it difficult to get comfort with these factors at this point in time. Also, understanding its attractiveness, or not, in terms of valuation is also difficult.

Question 6 from Gordana:

What is your expectation regarding inflation and possible crash of the financial market? Where are your/our funds insured?

Answered by Andrew Howard:
Very front of mind with the new COVID variant. The pandemic has seen extraordinary volatility in financial markets. Predicting shorter term market movements is very difficult and not part of our core investment approach. We strongly believe super is a long-term investment, and we make decisions with that time frame in mind.

However, we would say that with valuations high for most asset classes we do not expect to generate again soon the types of returns we have seen over the last year or so. As we begin the process of reopening the economy, we should expect to see inflation rise and growth rebound.

Those companies more exposed to these cyclical characteristics should perform well. The Fund's investments are not "insured" and returns are not guaranteed, the primary risk management tool we use is diversification. We talked a lot about that earlier.

Question 7 from Bruck:

How does income protection work?

Answered by Scott Cameron:
Income protection (also known as salary continuance) cover provides a benefit if you suffer a loss of income due to an illness or injury which causes you not to be able to work temporarily. If that is the case you will receive a monthly payment for a nominated period of time, which will help you and your family while you recover.

There are options of income protection cover which provides for a benefit to be paid for up to 2 years, 5 years, to age 65 or to age 70 (subject to the insurer's approval). You may also receive a partial disability benefit if you return to work in a reduced capacity. Hopefully that gives you a bit more information about how income protection works.

Question 8 from Dominic:

What is your projected growth of super in the next 10 years?

Answered by Justine Hickey:

Each Managed Choice option has a CPI+ target outcome that is expressed over a 5 to 10-year time frame, this is related to the level of risk of each option. As such each option is designed to meet or exceed these targets.

So, for example if you are invested in the My Super option, we aim to achieve a return of at least CPI+ 3% - or say 5-6% p.a. However it doesn't sound that exciting compared to recent returns but the effect of compounding these returns over time is significant.

Question 9 from Davi:

To what extent is climate change shaping our fund's investment decisions and how is this likely to change over time?

Answered by Justine Hickey:

As I mentioned earlier in my presentation the Fund has adopted a net zero carbon emissions by 2050 target and we are currently working on a road map to achieve this via a combination of advocacy and engagement; reducing our exposure to high emitting industries and companies; and investing in low carbon industries.

We will set interim targets and report on these and I think you will see meaningful changes to the portfolio over time.

Question 10 from Margaret:

If the economy collapses, will my pension be lost. How safe is the fund?

Answered by Danny Casey:

All investments require some level of risk to generate returns. The primary method we use to manage risk is diversification. By diversifying across many different types of investments we reduce the risks associated with any particular economic scenario.

We also need to be mindful of time frames. We are investing your money over very long-time frames, so whilst poor returns are always possible over short periods these tend to wash out over a longer term time frame. Even for those who are a little older and drawing a pension the time frame for investment can still be decades long.

Question 11 from Damien:

Is there a major correction imminent? How will we be affected by Evergrande etc.?

Answered by Andrew Howard:

With the headlines the way they are and the markets being aware of the next risk are in front of mind. It is important to stress that predicting shorter term market movements is very difficult and not part of our core investment approach. Super is a long-term investment, and we make decisions with that time frame in mind.

However, we would say that with valuations high for most asset classes we do not expect to generate again soon the types of returns we have seen over the last year or so. We don't think there would be significant global contagion from a collapse of Evergrande and we have no investments in Chinese property. It is worth highlighting that we continue to follow that story closely but it seems to be contained in global market impact.

Question 12 from Paul:

For conservative investment option and cash option, is it likely there will be negative returns in 2022 still?

Answered by Andrew Howard:

For some time, we have recognised the risk of capital loss on fixed income investments from a rise in interest rates from today's very low levels. The key risk for investments in bonds would be a sustained rise in inflation which could lead to losses. This is particularly pertinent for options with high exposure to bonds, such as the Conservative option. We have sought "alternative" investments that can diversify interest rate risk but still provide protection from poor equity market returns.

Due to active management our fixed income investments are also less sensitive to rising interest rates than broad market indices. When investing there is always the potential for capital loss and predicting market returns over short time frames is very difficult. That is why we concentrate on the longer term where periods of shorter-term volatility can provide opportunities for patient investors.

Question 13 from John:

Are the Funds planning any future expansion?

Answered by Scott Cameron:

As mentioned in the presentation earlier, we do have a strategy of growth with the goal to have 300,000 members and $50 billion of funds under management by 2025. We think that growth enables our members to enjoy the benefits of scale, which includes optimising our fee position for members. To be able to meet our regulatory requirements and continuously improve our products and services for our members, we do think t's important we have the scale to allow that growth and development. The Fund is still on the lookout for further merger opportunities, but we'll only pursue them if they're in the interests of our existing fund members.

Question 14 from Frank:

Are you confident that your Pension Growth investment returns are keeping up with the leaders like Australian Super or HostPlus?

Answered by Andrew Howard:

Recent fund performance has been very strong in absolute terms however we are a little below equivalent peers. This is due to our more conservative positioning during a period of very strong equity market performance. However, we believe this positioning is appropriate given growing inflation pressures and high valuations for most assets. And we do believe our line-up of options is very well placed to perform well against other similar funds over the longer term.

Question 15 from Clara:

Does the fund value sustainability? If so, why has the total investment fee for Positive IMPACT increased?

Answered by Justine Hickey:

Yes, the Fund has made a very significant commitment to invest sustainably. I mentioned earlier that we have adopted a target of net zero carbon emissions by 2050 and also the work that we have done in terms of our ESG investments. We believe our fees for all investment options are very reasonable considering their quality. CSF members have benefited from a number of fee reductions, most recently on 1 October 2021. However, the PositiveIMPACT option did experience a small increase – you are quite right.

So, to explain this in 2020/21, members investing in PositiveIMPACT enjoyed excellent returns. As a result, we have paid performance fees to the managers who manage the underlying investments for this investment option, in line with our agreements with them. By law, we have to disclose these performance fees to members on a historic, "looking-back" basis – that is, the performance fees that we paid in the last financial year. The actual cost of investing in PositiveIMPACT in the current financial year may be different from the disclosed cost from previous years.

But really the most important thing is to focus on the return after fees – the net return – and that has been for the past year for this option over 21%.

Question 16 from Sally:

Will Catholic Super be aligning its values with the Laudato Si' Action Platform: 7 eco goals over the next 7 years?

Answered by Danny Casey:

I was in fact working in the Vatican at the time the Laudato Si' Action Platform was developed so it is something close to me and my colleagues at Catholic Super.

Catholic Super supports the principles Pope Francis outlined in Laudato Si'. Catholic Super was a founding signatory of the UN Principles for Responsible Investment in April 2006, one of only three Australian super funds to do so.

We recognised early on the potential impact of climate change and the importance of investing in a responsible manner that recognises environmental, social and governance factors as key influences and key risks for investment outcomes. Some people suggested we did it before it became fashionable because we believe in it.

We also believe that it is possible for us to maximise the returns on your investments with us at the same time as ensuring we do the right thing by the world we live in.

So we feel our approach is very much in keeping with the key messages of Laudato Si'. Some of the ways in which we believe we can do this include our efforts to collaborate with other investors, here in Australia and globally, to address ESG issues at our investee companies and encourage global best practice in responsible investing. Our dedicated investments in renewable infrastructure of around $513m at 30 June 2021. And of this $513m, we also have investments of around $70m in renewable infrastructure in developing countries (in addition to over $170m in equity investments in developing countries).

So, we recognise that more can be done to support the developing world, particularly with regard to the disproportionate negative impacts developing countries face from climate change – something that Pope Francis is very strong on. We are actively investigating further ways that we can continue to achieve great returns on your money while also achieving positive social and environmental impacts in developing countries. You can find out more about our approach to Responsible Investment in our Annual Responsible Investment Report, our Responsible Investment Policy and our Climate Change Position Statement – these are all available on our website.

Thank you to everyone that has submitted questions and the many that we have not had time to get to.

Thank you for coming

As it is now nearly 2pm, it is time for me to close the meeting. Before I do though, I just wanted to reiterate that we as a fund are here to help Australians grow their super, plan for the future and have the best retirement possible.

As I mentioned earlier, our vision is for excellence in super, delivered with care while our purpose is to support our members to prepare for financial freedom in retirement. We aim to deliver strong long-term investment returns while keeping our fees as low as possible. We look to deliver great member services and advice you can trust. We want to thank you for giving us the opportunity to look after your retirement savings both now, and in the future.

As I mentioned earlier, the minutes of this meeting plus written responses to the questions answered today as well as any questions that we didn’t have time to get to, will be provided in December and the address is up on screen. For Catholic Super it is csf.com.au, that is csf.com.au.

Also, if you have any questions about today’s meeting or about your super, please call our Member Services team during business hours on 1300 655 002, that number one more time is 1300 655 002. As you can see on the screen, there are phone numbers and web addresses for all the different brands represented today.

To all present, that concludes our second Annual Members Meeting. On behalf of the Board and management team, I again thank you for your time. It is a pleasure to serve such an engaged and loyal member base.

I hope you enjoy the rest of your afternoon.

Meeting concluded at 2pm Australian Eastern Daylight Time.

Questions and Answers

Name of member	Original question	Answer
John	Are the Funds planning any future expansion?	We have a strategy of growth with the goal to have 300,000 members and $50 billion of funds under management by 2025. Growth enables our members to enjoy the benefits of scale, which includes optimising our fee position for members. To be able to meet our regulatory requirements and continuously improve our products and services for our members, it's important we have the scale to allow that growth and development. The Fund is still on the lookout for further merger opportunities, but we'll only pursue them if they're in the interests of our existing members.
Czeslawa	Based on current COVID spending by governments do you believe that a recession is possible or probable.	The economic downturn suffered as a consequence of COVID has been the steepest and fastest contraction since the Great Depression of the 1930's. However, as governments and central banks have rushed to provide support the bounce back is proving to be very quick. Looking forward expectations are for a continued recovery, inflation being the key risk for markets in the years ahead.

Name of member	Original question	Answer
Marie	Can you make the 3yr. time limit for a binding death certificate into an open ended date, with the policy holder responsible .	Unfortunately, the SIS Regulations provide that a binding death benefit nomination ceases to have effect at the end of the 3-year period after the date it was first signed, last confirmed, or last updated by the member. Some funds have offered a "non-lapsing, binding nomination". With that type of nomination, there is a risk if the member's circumstances change but they neglect to update their nomination, resulting in a death benefit being paid to an inappropriate beneficiary. The 3-year term of a binding death benefit nomination reduces the risk of such an occurrence as the member must consider their nomination before actively renewing or amending it.

Name of member	Original question	Answer
Clara	Does the fund value sustainability? If so, why has the total investment fee for Positive IMPACT increased? I have other question	Yes, the Fund has made a significant commitment to invest sustainably. Most notably we have adopted a target of net zero carbon emissions by 2050 and are currently planning towards meeting that goal. I spoke earlier about our approach to ESG. We believe our fees for all investment options are very reasonable considering their quality. CSF members have benefited from a number of fee reductions, most recently on 1 October 2021. However, the PositiveIMPACT option did experience a small increase recently. In 2020/21, members investing in PositiveIMPACT enjoyed excellent returns. As a result, we have paid performance fees to the managers who manage the underlying investments for this investment option, in line with our agreements with them. By law, we have to disclose these performance fees to members on a historic, "looking-back" basis – that is, the performance fees that we paid in the last financial year. The actual cost of investing in PositiveIMPACT in the current financial year may be different from the disclosed cost from previous years. But it's important to focus on the return after fees – and the net return for the past year, to 30 June 2021, is over 21%.

Name of member	Original question	Answer
Marianne	Please consider limiting the amount one spouse can accumulate, so if they breakup, the woman (usually) is not so disadvantaged, if coercive control is involved?	We understand that an abusive or coercive relationship can have many adverse consequences, including financial effects. Under superannuation law, there are annual limits on the amounts of before-tax and after-tax contributions that an individual may pay into their super. When an individual retires, there is also a cap on the amount they may transfer into a pension account, where the tax treatment is more favourable. In the event of a relationship breakup, the super accounts of the two parties are treated in a similar way as other assets. To achieve an equitable settlement, super assets may be split by a court order or an agreement, with the result that super held by one party is transferred into the other party's account.

Name of member	Original question	Answer
Bruck	How does Income protection work?	Income protection (also known as salary continuance) cover provides a benefit if you suffer a loss of income due to an illness or injury which causes you not to be able to work temporarily. You will receive a monthly payment for a nominated period of time, which will help you and your family while you recover. You have the options of income protection cover which provides for a benefit to be paid for up to 2 years, 5 years, to age 65 or to age 70 (subject to the insurer's approval). You may also receive a partial disability benefit if you return to work in a reduced capacity.
Juliette	How will Catholic Super go about increasing reasonable profits for its members in future?	Each investment option is structured to ensure the best chance of meeting the CPI+ targets specified in the Product Disclosure Statements, over the specified timeframes. All investing requires taking risks and sometimes those risks can lead to temporary losses for members. However, by ensuring an appropriate level of diversification and risk we believe we can build member wealth over the long term. We expect returns going forward to be lower than what members have received in recent times given starting point valuations are much higher than historical averages.

Name of member	Original question	Answer
Andrew **Wendy** **David**	I read that catholic Super was an under performer over 5-7 years is this so? Media advice is Catholic Super is no longer a high performing fund. Why? What is the response to the survey that showed Catholic Super has underperformed?	This is an important question to address, I would like to avoid any impression that Catholic Super failed APRA's performance test. There were 13 funds listed as underperformed in APRA's first performance test. Australian Catholic Superannuation & Retirement Fund, an unrelated fund that also supports people working in Catholic institutions, failed the test. To reiterate Catholic Super passed the performance test.
Noelle	It appears the response to questions re superannuation is to push speaking to a financial adviser. I find this quite objectionable as surely there is some level of knowledge in your organisation- which manages our superannuation. Maybe offering a devein workshop online re transition to retirement.	Transition to retirement is a relatively complicated strategy with significant tax and super consequences, so it's important to (1) confirm that it's right for your circumstances and (2) if it is, make sure that the strategy is designed and implemented correctly. Our financial advisers can provide you with specific recommendations based on your own personal circumstances, objectives and needs. The laws governing financial advice limit the extent to which our Service Centre can advise on matters to do with your super account.

Name of member	Original question	Answer
Jimmy **Jimmy**	I would like to know more what is the different between Mylife MyPension and Mylife Mysuper What is the different between Pension account and Super fund account? Actually, I meant what is the different between Mylife account and Pension account?	MyLife MySuper and Catholic Super are accumulation funds where your money can grow over time as you work your way towards retirement. Your super account balance depends on the money that you and your employer put into the account, and on the investment returns (after fees and costs). MyLife MyPension is a pension product which enables you to take a regular income from the super that you have accumulated during your working life. Most people who start a pension account do so once they retire or when they are close to retirement. MyLife MyPension is open to anyone eligible to access their super, and offers secure online access to your account, and a range of tools and features to help you keep track of your pension. It provides regular (monthly, quarterly, half-yearly or annual) payments, and flexible and tax-effective income from your superannuation account.

Name of member	Original question	Answer
Margaret	If the economy collapses, will my pension be lost. How safe is the fund?	All investments require some level of risk to generate returns. The primary method we use to manage risk is diversification. By diversifying across many different types of investments we reduce the risks associated with any particular economic scenario. We also need to be mindful of time frames. We are investing your money over very long-time frames, so whilst poor returns are always possible over short periods these tend to wash out over a longer term time frame. Even for those who are a little older and drawing a pension the time frame for investment can still be decades long.
Jennifer	Is a lump sum contribution treated the same as a monthly salary deduction?	In addition to the mandatory SG contributions your employer pays, you have the ability to make your own voluntary contributions. Voluntary contributions can be made as either before-tax (e.g. salary sacrifice) or after-tax deductions from your salary, through a regular direct-debit from your bank account or as one-off or irregular contributions. Some voluntary contributions, like salary sacrifice or a contribution for which you claim a tax deduction, are taxed at 15% on receipt by your fund, but after-tax contributions are not taxed.

Name of member	Original question	Answer
Damien	Is there a major correction imminent? How will we be affected by Evergrande etc?	Predicting shorter term market movements is very difficult and not part of our core investment approach. Super is a long-term investment, and we make decisions with that time frame in mind. However, we would say that with valuations high for most asset classes we do not expect to generate again soon the types of returns we have seen over the last year or so. We don't think there would be significant global contagion from a collapse of Evergrande and we have no investments in Chinese property.
Judith	To what extent has the pandemic affected returns and/or is expected to affect returns?	Covid has tested super funds' risk management frameworks and the manner in which we implemented new ways of working is an example of those frameworks holding up. Even so, we continually review our risk management framework it is still suitable for similar adverse events in future. Interest rates are currently very low, as growth rebounds from the lows experienced this year due to COVID we should expect inflation to rise somewhat. Bond markets are now expecting a few rate hikes next year. However, interest rates will remain very low by historical standards. Rising interest rates will be a headwind for fixed income investments and providing growth outcomes remain mostly positive, should see a reasonably positive environment for shares and other riskier investments.

Name of member	Original question	Answer
Davi	To what extent is climate change shaping our fund's investment decisions and how is this likely to change over time?	As I mentioned earlier the Fund has adopted a net zero carbon emissions by 2050 target and we are currently working on a road map to achieve this via a combination of advocacy and engagement; reducing our exposure to high emitting industries and companies; and investing in low carbon industries. We will set interim targets and could see meaningful changes to the portfolio over time.
Steven **Patrick** **Mark**	Understand the reasons for underperformance in investments relative i.e. asset allocation or stock selection decisions. Why has this fund performed so badly in comparison? Why has Catholic superannuation fallen out of the top ratings list of funds?	Recent fund performance has been very strong in absolute terms however we are a little below equivalent peers. This is due to our more conservative positioning during a period of very strong equity market performance. We believe this positioning is appropriate given growing inflation pressures and high valuations for most assets.

Name of member	Original question	Answer
Gordana	What is your expectation regarding inflation and possible crash of the financial market? Are & where are your/our funds insured?	The pandemic has seen extraordinary volatility in financial markets. Predicting shorter term market movements is very difficult and not part of our core investment approach. Super is a long-term investment, and we make decisions with that time frame in mind. However, we would say that with valuations high for most asset classes we do not expect to generate again soon the types of returns we have seen over the last year or so. As we begin the process of reopening the economy, we should expect to see inflation rise and growth rebound. Those companies more exposed to these cyclical characteristics should perform well. The Fund's investments are not "insured" and returns are not guaranteed, the primary risk management tool we use is diversification.
Dominic	What is your projected growth of super in the next 10 years	Each Managed Choice option has a CPI+ target outcome expressed over a 5 to 10-year time frame, this is related to the level of risk of each option. As such each option is designed to meet or exceed these targets. So, for example if you are invested in the My Super Balanced Growth option, we aim to achieve a return of at least CPI+ 3% - or say 5-6% p.a. – it doesn't sound that exciting but the effect of compounding these returns over time is significant.

Sally	Will Catholic Super be aligning its values with the Laudato Si' Action Platform: 7 eco goals over the next 7 years?	Catholic Super supports the principles Pope Francis outlined in Laudato Si'. Catholic Super was a founding signatory of the UN Principles for Responsible Investment in April 2006, one of only three Australian super funds. We recognised early on the potential impact of climate change and the importance of investing in a responsible manner that recognises environmental, social and governance factors as key influences and key risks for investment outcomes. We also believe that it is possible for us to maximise the returns on your investments with us at the same time as ensuring we do the right thing by the world in which we live. We feel our approach is very much in keeping with the key messages of Laudato Si'. Some of the ways in which we believe we can do this include: • Our efforts to collaborate with other investors, here in Australia and globally, to address ESG issues at our investee companies and encourage global best practice in responsible investing. • Our dedicated investments in renewable infrastructure of around $513m at 30 June 2021. • Of this $513m, we also have investments of around $70m in renewable infrastructure in developing countries (in addition to over $170m in equity investments in developing countries). We recognise that more can be done to support the developing world, particularly with regard to the disproportionate negative impacts developing countries face from climate change. We are actively investigating further ways that we can continue to achieve great returns on your money while also achieving positive social and environmental impacts in developing countries. You can find out more about our approach to Responsible Investment in our Annual Responsible Investment Report, our Responsible Investment Policy and our Climate Change Position Statement on our website.

Name of member	Original question	Answer
Paul	For conservative investment option and cash option, is it likely there will be negative returns in 2022 still?	For some time, we have recognised the risk of capital loss on fixed income investments from a rise in interest rates from today's very low levels. The key risk for investments in bonds would be a sustained rise in inflation which could lead to losses. This is particularly pertinent for options with high exposure to bonds, such as the Conservative option. We have sought "alternative" investments that can diversify interest rate risk but still provide protection from poor equity market returns. Due to active management our fixed income investments are also less sensitive to rising interest rates than broad indices. When investing there is always the potential for capital loss and predicting market returns over short time frames is very difficult. That is why we concentrate on the longer term where periods of shorter-term volatility can provide opportunities for patient investors.

Name of member	Original question	Answer
Lance	Is Catholic Super looking to offer investments into Cyrptocurrencies? If not, why not?	No, we do not invest in cryptocurrencies. This is an area of growing interest to some members however we do not consider it an appropriate investment of members money at this point in time. The technological architecture behind cryptocurrency, that is the blockchain or distributed ledger technology, is an exciting area. There could be meaningful applications of this technology in varying ways going forward. However, when investing we are very careful to understand the various risks and the return drivers of any investment. With cryptocurrency being a relatively new phenomenon we find it difficult to get comfort with these factors. Also, understanding its attractiveness, or not, in terms of valuation is also difficult.
Adriaan	About binding the binding nomination. Can this modified to an "ongoing nomination", unless the member alters it in any way.	As an individual's personal situation may change from time to time, the Binding death benefit nomination expires after a period of 3 years. You will receive a Binding death nomination renewal letter prior to the expiry of your binding death nomination which you can complete and return to us via post to renew, amend or revoke your nomination. And if you have any further queries, please call us between 8:30 am and 6:00 pm AEST/AEDT Monday to Friday on 1300 655 002 or email info@csf.com.au.

Name of member	Original question	Answer
Frank	Are you confident that your Pension Growth investment returns are keeping up with the leaders like Australian Super & HostPlus?	Recent fund performance has been very strong in absolute terms however we are a little below equivalent peers. This is due to our more conservative positioning during a period of very strong equity market performance. We believe this positioning is appropriate given growing inflation pressures and high valuations for most assets. We believe our line-up of options is very well placed to perform well against other similar funds over the longer term.
Katarina	Why is the Investment fee for Positive Impact going up when all the other types of investment options going down?	In 2020/21, members investing in PositiveIMPACT enjoyed excellent returns. As a result, we have paid performance fees to the managers who manage the underlying investments for this investment option, in line with our agreements with them. By law, we have to disclose these performance fees to members on a historic, "looking-back" basis – that is, the performance fees that we paid in the last financial year. The actual cost of investing in PositiveIMPACT in the current financial year may be less than disclosed cost from previous years.
Steven	Identity fraud remains a significant issue for superannuation moving forward. Can you describe the control measures in place to protect catholic super members	We have a range of systems and processes in place to protect the identity of catholic super members. These include identity checking and data loss processes and controls.

Name of member	Original question	Answer
Jessica	Is there a plan to align the Catholic super weekly admin fee and the asset based admin fee (0.25% capped at balance of $500k) with that of its sister fund, Equip?	At present, Catholic Super's administration fees are a combination of a flat fee of $1.80 per week and a percentage-based fee of 0.18% of your account balance. There are no immediate plans to align the administration fees of Catholic Super and Equip but we are currently reviewing our arrangements to ensure fees are set at an appropriate level, bearing in mind the costs of running the fund and the need to cover those costs in an equitable manner.
Steven	Is Catholic super undertaking cybersecurity scanning of its environment. Has any members been found on the dark web?	We monitor our environment 24x7. We have staff, systems and processes in place to detect, investigate, and respond to cyber issues. We also have the capacity to search the dark web for any company or member information / credentials.