



2023 Annual Member Meeting

Additional member questions and answers

Held online, Tuesday, 19 December 2023

Disclaimer

Issued by Togethr Trustees Pty Ltd ABN 64 006 964 049, AFSL 246383 ("Togethr"), the Trustee of Equisuper ABN 33 813 823 017 ("the Fund"). Catholic Super is a division of the Fund.

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Past performance is not a reliable indicator of future performance.

Eligibility criteria applies for insurance and the insurer is MetLife Insurance Limited (ABN 75 004 274 882 AFSL 238096).

Financial advice may be provided to members by Togethr Financial Planning Pty Ltd (ABN 84 124 491 078 AFSL 455010) – a related entity of Togethr.

Q&A -

“When will the fund fully divest in fossil fuels?”

When we consider issues like climate change and energy transition, our focus as a Fund is on where and how this may impact the best financial interests of our members over the long term. In the long term, fossil fuels need to be a much smaller portion of our energy mix, however today they are still the dominant form of energy globally. Indeed, significant change is needed, both in companies that produce fossil fuels and in those that use them, for example energy generators and steel manufacturers, or producers of fertiliser that are then used by producers growing food.

Delaying this transition won't help but we also can't achieve this overnight. Certainly, there's no 'one size fits all' solution, and that's why we approach issues like this from multiple angles.

For example, we work with our investment managers to ensure they're considering how climate-related risks and impacts will develop, and including this information in their investment decisions.

We also invest in the assets and companies that will either contribute to or benefit from the changes that will happen across the market over the next decade or more. This includes through our allocation to unlisted low-carbon technologies and renewable energy infrastructure.

And we work with our engagement partners and industry groups to encourage change at both a company and regulatory level, that will drive the transition away from carbon-intensive energy sources while also supporting resilience and affordability in the energy market. Equip Super is part of a number of initiatives including climate action 100+ and investor group on climate change, that are working to promote these changes.

Finally, in some cases where we feel that we're unable to influence the company, we may choose to divest, but divestment is our very last step.

Earlier this year, we made the decision to exclude some investment in companies that are materially reliant on revenue from thermal coal from the equities and fixed income mandates in the majority of our investment options. This decision restricts investment in companies that generate more than 10% of their revenue from coal used to generate energy. More information on our approach to exclusions is available on in the our guide for members, [How we invest your money](#), or on the website.

We also recognise that some members would prefer their super is not invested in certain industries or sectors. Accordingly, our Future Focus investment option has specific sustainability criteria for each asset class, including some additional restrictions on fossil fuels.

Head to our website for more [information on Future Focus](#). Again, you can also refer to , [How we invest your money](#), or our Future Focus fact sheet – they're all there on the website.

“Can you provide a breakdown of aggregate industrial body payments so I can see which unions were paid for marketing, membership and staff training?”

No payments were made to unions for membership or training.

“With regard to the Pension Account, and specifically to the new MyPension option, I have a couple of observations:

At this stage (27th November 2023) it is possible to change OUT of the MyPension option into other options (using the On-Line Portal), but the possibility to opt IN to MyPension does not exist. It seems to me that it would be very helpful to be able to opt IN on-line, and I ask whether this can please be organised for Members.

There are no Unit Prices for the MyPension option. Is it possible to publish Unit Prices, or does the nature of the MyPension option prohibit the calculation of Unit Prices?”

Currently it's not possible to opt in to MyPension via the online member portal, but we will consider your suggestion when looking at ways to improve our member portal in future.

As for unit prices and MyPension, and as you suggest, we're unable to publish a single unit price for this strategy because it consists of three different investment options. Furthermore, the proportions held in each of these options will vary for each member depending on their circumstances.

“A serious issue about the posting of Mail. The practice of Catholic Super is to post certain types of Statements to Members (e.g., new Pension Accounts, Rollover Statements, and other correspondence). I would like to point out that this use of Australia Post has become very fraught with problems. On one occasion, a Pension Statement for my wife was delivered to our home obviously opened and then partially resealed. We felt that the Statement had been delivered to the wrong address, opened by the resident, and then partially resealed and put into our letter box. All of her private details were in the letter: name, date of birth, address, pension amount etc etc. On another occasion, we know for certain that a similar piece of correspondence was never delivered to us by Australia Post. In short, Australia Post has become very unreliable, and on their own admission, letters are not given any sort of priority. My wife and I feel that Australia Post should not be used to deliver any sensitive information, bearing in mind all the problems associated with invasion of privacy, stealing of personal details, impersonation, scammers etc. But, if it is the law that these Statements must be posted to the recipients, we ask that Catholic Super lobby for the law to be changed; and that private, identifying personal details be omitted or expunged from the letters.”

We're required by law to provide certain information to our members, such as annual account statements, rollover statements, and invitations to our Annual Member Meeting etc. In some instances we're also required to include specific information as part of that communication – for example a member number must appear on an account statement.

This material is sent to individual members according to the communication preferences they select upon joining the Fund. Some members select mail as their preferred method of communication, whereas others may select electronic delivery (i.e. email).

In light of the concerns you've raised for the privacy and security of your personal information when using the postal service, you may prefer to receive electronic communications from the Fund in future. You can change your communications preferences at any time, simply by logging in to Member Online or by giving our team a call on **1300 655 002**, Monday to Friday, 8:30am to 6:00pm AET. Please don't hesitate to get in touch if you'd like our team to assist you with this.

“Can you please tell the Members whether Catholic Super made any donations to the YES Campaign for the Voice Referendum. If so, my wife and I would consider this to be a completely inappropriate use of Members' funds.”

Catholic Super does not make political donations.

“Why hasn't Catholic Super appeared in the list of top performing funds?”

Catholic Super has been recognised as a top performing fund, as evidenced by SuperRatings has awarding the Fund their highest platinum performance rating as a 'Best value for money' fund for more than 15 years in a row – for both our super and retirement income products.

We also received a 5 Apples rating from Chant West again in 2023 – which is the highest quality rating a super fund can get from Chant West.

Our Growth Plus investment option returned 13.01% for the year ended 30 June 2023, and an average of 8.92% a year for members for the last 10 years.

Our Balanced Growth option delivered 9.64% for the year ended 30 June 2023, and an average return of 7.57% a year for the past 10 years.

For more information about our investment performance, please visit our website.

“What is the MINIMUM one needs to draw out of Superannuation, if switching it from the 'Accumulation Phase' to an Account-based Pension, in order to not pay tax? Thank you.”

Investment earnings in an accumulation account and a transition to retirement pension account are taxed, but investment earnings in a full account-based pension are not taxed, regardless of the account balances. Benefit payments from your super, whether from an accumulation account or an account-based pension, are generally tax-free if you're aged 60 or over. Tax may apply to any payments you receive from super before you turn 60.

If your question is in relation to a Transition to Retirement strategy, please consider contacting our Financial Planning team for more information.

“What is my membership number & could I make a withdrawal for financial difficulties?”

Under superannuation law, your super is generally preserved until your retirement. However, there are some conditions under which you can get early access to your super, including “severe financial hardship” and “compassionate grounds”. For more information, please go to our website.

If you have issues with accessing your account, including locating your membership number, please contact our Service Centre.

“Will the panel members discuss investments in fossil fuel - in particular new coal and gas projects - either directly with the companies or indirectly through finance companies?”

When we consider issues like energy transition and the move away from fossil fuels, our focus is on identifying how these issues will impact the best financial interests of our members over the long term.

In terms of how we approach investments in these sectors (and other industries that are expected to decline as we move towards net zero emissions), we seek to understand what risks are present and how these may impact investment returns over the long-term. This can be both how the transition may impact the company or asset as well as how the activities of the investment may impact climate change. You can read more about this approach in the speech transcript [here](#).

We address these risks through two approaches:

1. We seek to invest in companies and assets that are developing or implementing technology and initiatives aimed to reduce carbon emissions and reliance on fossil fuels, particularly for energy generation.
2. We work with our investment managers to understand how an activity, asset or company may be exposed to climate-related risks and how they include this information in their investment decisions.

This may mean that we engage with a company regarding their investment in new oil and gas projects and encourage it to pursue alternative energy solutions, it may mean that our investment managers choose to review their exposure, for example to an insurance company who provides services to infrastructure assets that are reliant on transporting fossil fuels, or it may mean we choose not to invest in the sector all together.

In 2023, we made the decision to exclude some investment in companies that are materially reliant on revenue from thermal coal from the equities and fixed income mandates in the majority of our investment options. This decision restricts investment in companies that generate more than 10% of their revenue from coal used to generate energy. More information on our approach to exclusions is available on in the our guide for members, [How we invest your money](#), or on the website.

As we mentioned in the previous climate change question above, we also recognise that some members would prefer their super is not invested in certain industries or sectors. Accordingly, our Future Focus investment option has specific sustainability criteria for each asset class, including some additional restrictions on fossil fuels.

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