

## Minutes of the 2021 Annual Member Meeting for Russell Investments Master Trust

- **iQ Super**
- **Resource Super**
- **Nationwide Super**
- **iQ Retirement**

**Date:** Thursday, 10 February 2022

**Time:** 12pm – 1pm (Sydney Time)

Conducted online. Link to the video: [russellinvestments.events.corrivium.live](https://russellinvestments.events.corrivium.live)

<b>Agenda</b>	<ol style="list-style-type: none"> <li>1. Event Welcome and Acknowledgement to Country</li> <li>2. Introduction</li> <li>3. Chair Update</li> <li>4. Economic Outlook</li> <li>5. Investment Performance Q&amp;A</li> <li>6. GoalTracker Update</li> <li>7. Retirement Tips</li> <li>8. Member questions</li> </ol>
<b>TRM Directors in attendance</b>	<p><b>Jim O'Connor</b>, Chair of the Board  <b>Luan Atkinson</b>, Chair of the Investment Committee  <b>Alexis Dodwell</b>, Chair of the Audit, Risk &amp; Compliance Committee  <b>Patricia Montague</b>  <b>Keith Knapman</b>  <b>Magali Azema-Barac</b></p>
<p><b>Also in attendance:</b></p> <p><b>Office of the Superannuation Trustee</b></p> <p><b>Russell Investments Executives</b></p> <p><b>Link Advice</b></p> <p><b>Auditors and Actuaries</b></p>	<p><b>Leigh Robinson</b>, Head of the Office of the Superannuation Trustee</p> <p><b>Emma Barrett</b>, Russell Investments Director of Member Services  <b>Tim Cook</b>, Russell Investments Head of Investment Strategy, TRM Asset Consultant  <b>Andrew Pease</b>, Russell Investments Global Head of Investment Strategy  <b>Tim Furlan</b>, Russell Investments Head of Superannuation</p> <p><b>Paul Basso</b>, Advice Coach</p> <p>Representatives from Willis Towers Watson and Delloitte's</p>

Agenda Item	Minutes	Speaker
1.	<b>Event Welcome &amp; Acknowledgement to Country</b> Patricia Montague opened the meeting at 12pm and acknowledged the Traditional Custodians of country throughout Australia.	Patricia Montague, TRM Director
2.	<b>Introduction</b> Patricia: <ul style="list-style-type: none"> <li>• Introduced each of the presenters</li> <li>• Introduced each of the other directors, executives, and auditors joining online</li> <li>• Advised the meeting will provide an overview of activity and results for the 2020/2021 financial year, the plans for the current year and provide an opportunity for questions.</li> <li>• Advised members how to submit their questions online.</li> <li>• Reminded everyone that the information provided today was general in nature and was not in any way personal financial product advice. A general advice disclaimer was shared on screen.</li> <li>• Confirmed a quorum of the TRM Board Directors in attendance.</li> </ul>	Patricia Montague, TRM Director
3.	<b>Chair Update</b> Jim O'Connor acknowledged the impacts of the COVID-19 pandemic and the importance of a long-term investment perspective, as well as the pressures of a low-interest rate environment for retirees. He then spoke to three key items members want from their super fund. <ol style="list-style-type: none"> <li><b>1. Good investment returns</b> <ul style="list-style-type: none"> <li>• Explained the aim of the age-based default investment option, GoalTracker and its returns for the 2020/21 financial year.</li> <li>• Shared the objectives of the major diversified options.</li> <li>• Acknowledged that investment returns have lagged below the median super fund in recent years. Explained some of the causes of the underperformance and touched on the potential catalyst for a turnaround in results.</li> </ul> </li> <li><b>2. Fees and costs</b> <ul style="list-style-type: none"> <li>• States that standard fees and costs will never be the lowest in the market as we aim to deliver value for money through benefits and members services.</li> <li>• Recalled the 40% reduction in standard administration fee for non-corporate fund members in October 2020.</li> <li>• Referred members to their Annual Benefit Statement, Product Disclosure Statements and Guides for details on the fees applicable to their individual account.</li> <li>• Announced that following external benchmarking of Retirement Products and services that there will be a reduction in iQ Retirement administration fees from the middle of 2022.</li> <li>• For balances below \$500,000 – the % based admin fee will reduce from 0.3% 0.2% pa.</li> <li>• For balances over \$500,000 – the 0.15% admin fee remains unchanged, but the current \$1m balance cap, above which the fee is not charged, will reduce to a balance cap of \$750,000.</li> <li>• Advised that an external 3 yearly benchmarking of non-retirement fees and services was nearing completion.</li> </ul> </li> </ol>	Jim O'Connor, Chair of the TRM Board

Agenda Item	Minutes	Speaker
	<p><b>3. Easy access to information</b></p> <ul style="list-style-type: none"> <li>• An independent review recently put our member services offering in the top 5 for super funds in Australia</li> <li>• Key enhancements delivered recently included the new Super Tracker mobile App, the Russell Investments website upgrade and introduction of Zest! – our new way of producing and distributing superannuation information and guidance.</li> <li>• Together with the GoalTracker program these tools and services have been designed to help members answer questions like ‘How much do I need for retirement’ and ‘Will I have enough’. There are also a range of information and personalised advice options for members to access.</li> </ul>	
4.	<p><b>Economic Update</b></p> <p>Andrew provided a broad overview of events that have driven financial markets over recent years.</p> <ul style="list-style-type: none"> <li>• COVID-19 – market boosts from vaccine announcement and impact of delta variant</li> <li>• Inflation surges around the globe due to supply chain disruptions and shortages</li> <li>• The resulting price increase to oil and gas prices</li> <li>• Slowing Chinese economy due to policy tightening</li> <li>• Geopolitics causing investor concerns – particularly US/China tensions, Iran’s nuclear program and the threat of a Russian invasion of Ukraine</li> <li>• Political uncertainty around transition of power from Trump to Biden in the United States.</li> </ul> <p>Looking ahead, our position is that 2022 will likely be a year of moderation in growth, inflation and investment returns. The main uncertainties identified for 2022:</p> <ul style="list-style-type: none"> <li>• What happens to inflation?</li> <li>• How much the Chinese economy slows</li> <li>• What happens next with COVID-19</li> <li>• How do investment markets react to US Fed lifting interest rates</li> </ul> <p>Despite uncertainties we think the global economy is on track for above-trend growth over the coming year.</p>	Andrew Pease, Russell Investments Global Head of Investment Strategy
5	<p><b>Investment Q&amp;A</b></p> <p>Luan Atkinson asked Tim Cook a series of questions.</p> <p><b>Stock markets continued to climb, ending the year at near record highs. What happened over the year?</b></p> <ul style="list-style-type: none"> <li>• It has been a challenging year, but the impact of COVID19 on us individually has not been shared by markets</li> <li>• Markets looked beyond the pandemic and continued recovery we saw in Q2 of 2020, gathering pace in Q4 2020.</li> <li>• Despite issues with vaccine rollout and new strains the majority of markets priced in recovery and further gains with the assumed extension of very low interest rates</li> </ul> <p>A chart of market performance was shared.</p> <ul style="list-style-type: none"> <li>• The returns for that 12 month period was very strong with Australian and Global Shares both posting almost 30% returns.</li> <li>• Fixed income and cash didn’t perform so well, posting flat to marginally negative returns.</li> <li>• A similar pattern occurred in the six months to end December 2021 with growth markets pushing on.</li> </ul> <p>A chart of Australian share market performance was shared.</p>	Luan Atkinson, TRM Director and Chair of Investment Committee  Tim Cook, TRM Asset Consultant

Agenda Item	Minutes	Speaker
	<ul style="list-style-type: none"> <li>• The chart illustrates the roller-coaster Australian Share market over the last 2 years</li> <li>• Gladly, the losses from the COVID crash have been recovered and markets have pushed on - with many at all time highs</li> </ul> <p><b>How did Russell Investments navigate through the market volatility?</b></p> <ul style="list-style-type: none"> <li>• We try to take a strategic stance to markets and not jump at every bit of market 'noise' – of which there has been plenty over the last 12-18 months</li> <li>• Strategically we positioned the funds for the re-emergence from lockdown and the recovery in economies around the world. There was a position taken in being overweight equities and within equities by being overweight cyclical stocks. This positioned paid off handsomely over the year with significant outperformance driven during Q4 2020 and Q1 2021 as markets reacted positively to vaccination rollouts in the US and Europe.</li> <li>• This position also is being rewarded early this year as markets start to price in interest rates and return to more 'normal' post-lockdown environments.</li> <li>• Another example is within fixed income where we have been cautious about the potential and actual increases in interest rates and positioned our exposures accordingly in loans or floating rate notes so as to maintain exposure to credit but not to have exposure to interest rates.</li> </ul> <p><b>How has the Master Trust performed during this period?</b></p> <ul style="list-style-type: none"> <li>• The strong market returns translated to strong absolute returns across the diversified options of the Master Trust.</li> </ul> <p>A slide of key fund performance was shared.</p> <ul style="list-style-type: none"> <li>• In the table we see really strong absolute returns across the funds.</li> <li>• Balanced Growth Options returned nearly 20% for the 12 months and High Growth topped 25%.</li> <li>• Despite the falls that were evident on the slide earlier, the options available to members continue to outperform their investment objectives</li> <li>• Despite strong absolute performance against objectives and strong relative performance in 2021, performance over the last few years has lagged where we would like it to be.</li> <li>• The funds took a position against the overpricing we saw in the big US tech names and whilst there have been pockets of return from this positioning (up until 2022), this has dragged on our performance relative to peers.</li> <li>• We moved our MySuper offering from a static asset allocation strategy (in Balanced Growth) to GoalTracker which provides a personalised level of exposure to growth assets that matches an individual's requirements and risk profile.</li> </ul> <p>A slide of GoalTracker performance was shared.</p> <ul style="list-style-type: none"> <li>• The slide illustrates that returns for a selection of GoalTracker scenarios over the 12 months to 30 June 2021 were very strong from an absolute and relative sense.</li> <li>• This illustrates the strength of the offering in terms of its strategy as well as implementation.</li> </ul>	

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	<p><b>Can you elaborate on Russell’s investment process to explain how it operates and evolves to account for significant disruptions like a pandemic?</b></p> <ul style="list-style-type: none"> <li>• While we always look for ways to evolve and improve investment process, the same themes and philosophies remain the cornerstone to how we invest</li> <li>• We continue to look for diversification across asset classes, sub-asset classes, investment strategies, factors and managers.</li> <li>• This diversification provides opportunities for growth while also reducing the risk of ‘putting all your eggs in one basket’.</li> </ul> <p>A slide on investment methodology was shared.</p> <ul style="list-style-type: none"> <li>• Our Design, Construct, Manage methodology remains the backbone of how we invest on your behalf and drives the returns we are able to achieve</li> <li>• Designs is where we put together the appropriate strategy to meet the stated investment objectives</li> <li>• Constructs is how we put that strategy to work – selecting funds, underlying strategies and sub-asset classes</li> <li>• Manage is where we react to new information and pre-emptively tilt the allocations to take advantage of opportunities or protect against the downside</li> </ul> <p><b>Can you describe how Russell’s investment approach reflects increasingly important themes like climate change?</b></p> <ul style="list-style-type: none"> <li>• We have a core belief that ESG factors (Environmental, Social and Governance) can impact security prices.</li> <li>• We therefore see this as a critical part of identifying managers with skill in adding value, not a niche part of our business</li> </ul> <p>A slide on 4 investment beliefs was shared.</p> <ul style="list-style-type: none"> <li>• Our beliefs are integrated into all the Master Trust investment options.</li> <li>• Our active managers are researched and ranked on their ESG capabilities from ESG commitment and consideration to actual implementation and advice ownership</li> <li>• ESG is integrated into how we build our funds and manage investments on your behalf.</li> <li>• Members wanting to go further can access specific ESG Managed Solutions in the Responsible Investing Australian Shares option and the Responsible Investing Global Shares option.</li> <li>• These options apply a combination of exclusions and tilts to reduce exposure to certain industries and companies to reduce, for example, carbon footprint</li> <li>• Russell Investments is also committed to net zero and will working towards this in conjunction with TRM in the future.</li> </ul> <p><b>Can you share some analysis that Russell has done on future scenarios and what this means for how the funds are positioned?</b></p> <ul style="list-style-type: none"> <li>• We see a continued emergence from the pandemic and funds are positioned accordingly</li> </ul> <p>A slide on Economic Scenarios was shared</p> <ul style="list-style-type: none"> <li>• Our economic scenarios point to a positive outcome, with even the neutral scenario having a continued re-emergence and above trend growth (though below 2021).</li> </ul>	

Agenda Item	Minutes	Speaker
	<ul style="list-style-type: none"> <li>• While there are risks we believe the potential outcomes are tilted to the upside</li> <li>• We think growth assets will outperform defensive assets and continue to look to buy any dips</li> <li>• If markets continue to rally as the year progresses this stance will moderate and we will become more cautious and look to sell rallies</li> <li>• We continue to monitor COVID risks but from an economic perspective are wary of inflationary risks of central banks raising rates too quickly and derailing the markets</li> <li>• We think inflation will remain above trend through most of 2022 but will trend back down to more acceptable levels</li> <li>• In summary we are cautiously optimistic and this is how we have positioned assets</li> </ul>	
6.	<p><b>GoalTracker</b>            Emma Barrett discussed GoalTracker:</p> <ul style="list-style-type: none"> <li>• We know some key questions around retirement savings are: how much do I need and will I have enough?</li> <li>• We embarked on a journey to help provide you with the answers and launched GoalTracker in 2020 as our response to help you achieve your retirement goals.</li> <li>• <b>So what is GoalTracker?</b> – a program of tools, investment strategies and services designed to take the guesswork out of your super and make it simpler to manage.</li> <li>• GoalTracker can help you think about the lifestyle you want in retirement and translate that into a retirement income goal – which then drives your personal investment strategy and member experience</li> </ul> <p>Emma played a video. <a href="https://youtu.be/q8_bMSpf0Tg">https://youtu.be/q8_bMSpf0Tg</a></p> <p>A slide with MyTracker tool images was shown</p> <ul style="list-style-type: none"> <li>• By telling us a few simple additional facts about yourself such as the age you would like to retire, the MyTracker toolset with show you a projection of how much you're on track to receive and any gap between where you're heading and where you want to be, which is your tracker dial.</li> </ul> <p>A slide with a member scenario was shown</p> <ul style="list-style-type: none"> <li>• The example shows a member with a goal of \$43,000 per year but is heading for \$32,000 per year – a funding gap of \$11,000 pa of income.</li> <li>• We're aware there are complex decisions people need to make so your super will meet your lifestyle aspirations and GoalTracker can help with this.</li> </ul> <p>A slide with investment option details was shown</p> <ul style="list-style-type: none"> <li>• A key consideration is how your super is invested. The GoalTracker Investment is our default MySuper investment option and takes into account your age to determine your asset allocation – meaning your savings will be allocated to less risky investments as you near retirement age</li> <li>• Once you've used the MyTracker tools, you can choose to have GoalTracker use all of that additional information to generate a personalised investment strategy. We call this service GoalTracker Plus, and it automatically reviews your recommended investment strategy quarterly and will make updates as required.</li> <li>• Another key consideration is contributions and the MyTracker tool also lets you simulate the potential impact</li> </ul>	Emma Barrett, Russell Investments Director of Member Services

Agenda Item	Minutes	Speaker
	<p>of additional contributions on closing any gap you might have</p> <p>A slide on member support services was shown</p> <ul style="list-style-type: none"> <li>• We've created a range of member support services to guide you along the way, including online tools, videos, proactive emails and educational content.</li> <li>• By understanding more about you and your goals we're able to provide the little nudges you may need to take action.</li> <li>• <b>So, who is using GoalTracker?</b></li> <li>• There are plenty of members who have jumped on board over the last 18 months</li> </ul> <p>A slide with GoalTracker usage stats was shown</p> <ul style="list-style-type: none"> <li>• Two thirds of our members are invested in the GoalTracker option – over 48,000 people</li> <li>• Over 12,000 member have used the MyTracker tools</li> <li>• Over 5,000 members have set a retirement income goal</li> <li>• Over 6,000 members have downloaded the Super Tracker App</li> <li>• <b>What are members saying?</b></li> </ul> <p>A slide with member quotes was shown</p> <ul style="list-style-type: none"> <li>• We have received really positive feedback from members who have used GoalTracker – refers to slide</li> <li>• We also receive feedback on where we can improve and we're using this to help determine where we can continue to evolve and enhance the program</li> </ul> <p>A member case study slide was shown</p> <ul style="list-style-type: none"> <li>• Here is a case study of one of our members (de-identified)</li> <li>• Mary is 60 and in Sept 2020 she set her retirement income goal at \$44,000 per year, while her projected income was \$35,000 – leaving a \$9,000 funding gap each year</li> <li>• Since that time, Mary made an additional contribution of \$100,000 on top of her regular contributions</li> <li>• Her balance has increased and her projected income is now \$42,000 per year – much closer to her goal.</li> </ul> <p>A slide with instructions on getting started with GoalTracker was shown</p> <ul style="list-style-type: none"> <li>• It's really simple to get started with GoalTracker. Simply log into your online account or download the app</li> </ul> <p>A slide with account dashboard image was shown</p> <ul style="list-style-type: none"> <li>• In your online account, you can view your personalised dashboard which shows a view of your account balance and other handy account information</li> </ul> <p>A slide with Super Tracker screen images was shown</p> <ul style="list-style-type: none"> <li>• Finally, there's Super Tracker – the new mobile App that brings together all of this functionality and is available for both iOS and Android devices.</li> <li>• We will email eligible members with more information about GoalTracker after the meeting, and there's information on our website including demonstration videos</li> </ul>	
7	<p><b>Managing Finances in Retirement</b></p> <p>Paul Basso explains the relationship between Russell Investments and Link Advice and provide a general information warning.</p> <ul style="list-style-type: none"> <li>• I have been invited to share some tips to consider during retirement including the following</li> </ul> <p>A slide with 4 money management tips was shown</p> <ul style="list-style-type: none"> <li>• Managing your cashflow</li> </ul>	Paul Basso, Advice Coach, Link Advice

Agenda Item	Minutes	Speaker
	<ul style="list-style-type: none"> <li>• Reviewing your investments</li> <li>• Checking your entitlements</li> <li>• Planning ahead</li> </ul> <p><b>1. Managing Cash Flow</b></p> <ul style="list-style-type: none"> <li>• A key to being financially comfortable is managing cash flow</li> <li>• With the average person now living to 87, for most this means generating enough savings during our working life to provide income for 20+ years.</li> <li>• Not everyone will be eligible for all or even part of the Age Pension</li> <li>• It starts with a budget to track the money you've got coming in and where it's flowing out</li> <li>• When tracking your income it's important to note the amount that comes through, the timing and the frequency.</li> <li>• You might need to adjust the timing of your account-based pension payments to match your spending requirements</li> <li>• Once you have looked at in-flows the next step is to look at where your money is going. An important step as this is where you may now have a little more control over your areas of spending and can see if there are opportunities to reduce or remove certain expenses</li> <li>• A few tips are:</li> </ul> <p>A slide with two tips was shown</p> <ul style="list-style-type: none"> <li>• Apply for senior's discounts with service providers</li> <li>• Join a group like National Seniors to get further benefits and savings as well as keep you up to date with issues affecting retirees</li> <li>• We often see people afraid to spend money because they don't want it to run out. Basic budgeting can alleviate this fear and there are budgeting programs available on the internet or various Apps.</li> </ul> <p><b>2. Review Your Investments</b></p> <ul style="list-style-type: none"> <li>• As a rule of thumb we suggest members hold 12 months' worth of expenses in cash</li> <li>• The remaining funds can then be invested to achieve a balance between savings growth and income</li> <li>• It's important to get some growth from your investments too, which you're unlikely to get from cash options – so you'll need to be comfortable taking on at least a little more risk. This can help you keep pace with the rising cost of living</li> <li>• Your Account-Based Pension gives you the ability to invest your funds in a range of options to achieve that balance of capital growth and income. These investment returns are completely tax free.</li> </ul> <p><b>3. Check Your Entitlements</b></p> <ul style="list-style-type: none"> <li>• A home owning couple can receive a part age pension if their total assessable assets are below \$891,500. If you only get even \$1 of age pension, you still get all the other entitlements like reduced costs for things like utilities and medication.</li> <li>• Two things to note are:</li> </ul> <p>A slide with two points was shown</p> <ul style="list-style-type: none"> <li>• When calculating your assessable assets, the value of personal items is the fire-sale value, not the insurance or replacement value</li> </ul>	

Agenda Item	Minutes	Speaker
	<ul style="list-style-type: none"> <li>• If you are close to the threshold there are things you can do to get across the line and it's best to speak to an adviser about this.</li> <li>• If you aren't eligible for the Age Pension then you may be able to get the Commonwealth Seniors Health Care Card, if you are a couple earning under \$92,416. This will help you get the benefit of cheaper medication etc.</li> </ul> <p><b>4. Plan Ahead</b></p> <ul style="list-style-type: none"> <li>• This can be a tough conversation to have, but a few things you should consider are:</li> </ul> <p>A slide with Estate Planning considerations was shown</p> <ul style="list-style-type: none"> <li>• Power of Attorney – this allows others to act on your behalf. There are various types and different state laws that apply to it's best to speak to a solicitor about your circumstances</li> <li>• Power of Attorney (Medical Treatment) – this allows a person you nominate to make medical decisions on your behalf when you are unable to make those decisions yourself. You should discuss and document your views on medications, treatment and end of life matters</li> <li>• Wills – as a rule of thumb we suggest people review their Will every three years or whenever there's a significant change to your situation. It's always best to get a will drawn up by a solicitor rather than a will kit at the post office. It may cost more but there is less chance of it being contested. You can also include things like a Testamentary Trust if you have children or grandchildren who may need additional assistance in managing an inheritance wisely.</li> <li>• Aged Care Arrangements – this has a few implications on where you live and the care arrangements you want in place. There are a range of options including home care, short-term care or living in and aged care home. Once again, it's better to make this decision earlier and on your terms. There are large variations between the options and cost involved.</li> </ul> <p>Paul provided a further reminder about General Information.</p>	
8	<p><b>Member Questions</b></p> <p>Patricia reminded everyone that any member questions that are not answered today will be included in the Q&amp;As available to members published after the event, and that responses were general information only.</p> <p><b>1. If there is a major shock in the global equities and market, such as major shocks in the Chinese property, how do fund managers react?</b></p> <p><u>Response from Tim Cook, TRM Asset Consultant</u></p> <p>Each shock is different and therefore the reaction of fund managers is different. Equally, the reaction will vary from fund manager to fund manager. A couple of examples as to how we have reacted to provide context.</p> <p>Chinese Property Market Shock: we viewed this as contained within the Chinese system and therefore limited risk of contagion to global share markets. Over time, the extent to which the crisis impacts China's GDP growth and demand from the rest of the world will emerge – but this is likely to be stock by stock and therefore active fund management will be key rather than a full hit to global markets.</p> <p>2022 to date: we view this as a standard market correction, no reason for concern, and a repricing of expensive stocks. We view it more as a potential buying opportunity. We have rebalanced our</p>	Various

Agenda Item	Minutes	Speaker
	<p>fund so far but will look for more signs of panic from investors before moving overweight.</p> <p>Covid Crash: Our approach is the same as most significant crashes – to hold firm to your strategic asset allocation (as this if correctly defined has the acceptable level of risk you are willing to face). Then increase exposure on the other side (equities, high yield debt) and benefit from the rebound. Rebounds tend to be very quick and so trying to time the market by exiting and re-entering can be very hard. It is also a 2-leg decision – getting out and then getting back in. Often when you look at individual investors they will exit when the pain gets too much and then miss the beginning of the recovery and end up worse off. This is why the Design part of our process is key and having faith that it is designed effectively and holding the course</p> <p><b>2. How is Russell performing to the top-rated super funds and why?</b></p> <p><u>Response from Luan Atkinson, Chair of the Investment Committee</u></p> <p>The options are considered by Russell and TRM against multiple benchmarks i.e. Objectives, Peers, and industry benchmarks. All of these feed into the assessment as to how the options are performing. In all of that, we focus on the long-term whilst paying attention and querying/understanding/inspecting periods of poor (or disappointing) performance, enabling informed decisions to be taken.</p> <p>The performance of our default investment option, GoalTracker, in the 2020/21 financial year returned 24.5% for members aged 50 and under – being among the best returns in the market. And as mentioned previously, the aim with the creation of this option, is to maximise investment returns and reduce the investment risk as members near retirement age.</p> <p>Over the last few years performance in some options against some peers has lagged. This has been for a number of reasons which TRM are aware of and have been discussed extensively and is one of the reasons that we designed GoalTracker to be smarter in the way it approaches risk and return.</p> <p>As noted in the formal Q&amp;A and by Jim the principal reason has been underperformance of the underlying equity strategies in view of being underweight the US and expensive tech or growth names. This was at odds of some of the top performing funds over the last few years who are overweight such factors. This positioning has been constantly debated and paid off handsomely in Q4 2020/Q1 2021 and again now in Q1 2022. As the historical periods are offset by new positive periods, we anticipate upward momentum relative to peers especially as we anticipate they will have equal and opposite negative performance.</p> <p><b>3. Other super funds have a self-invest option, why doesn't Russell offer one?</b></p> <p><u>Response from Jim O'Connor, Chair of the TRM Board</u></p> <p>Over the years, we have considered the development of this type of investment platform which is generally offered as an alternative to Self-Managed Super Funds (SMSFs), but due to the significant development costs and a low level of interest from members to date, we have directed our efforts to other areas including improving member services and the GoalTracker program. We do want to make sure that any significant investment we make provides a benefit to all members.</p>	

Agenda Item	Minutes	Speaker
	<p>Should there be a significant increase in interest by members for this type of investment platform, we would of course consider it in future</p> <p><b>4. Now that many super funds are being compared more transparently when can we expect to see Russell in the top 10 for any of the categories. E.g performance, fees or insurance. Members rightly expect constant improvements and not excuses. I would like to see a plan of how you will be improving your services so that you are in the top 10 within 2-3 years</b></p> <p><u>Response from Jim O'Connor, Chair of the TRM Board</u>            Independent ratings agency, The Heron Partnership, recently awarded Russell Investments Master Trust as a Top 10 Fund for both Insurance features and Investment features.            Also, in late 2021 an external review of the services provided to members ranked Russell in the top 5 of 60 funds when it came to facilities and services it offered its members, including a 1st ranking for the MyTracker tools and calculators within GoalTracker. Along with the many innovation awards won for GoalTracker and its positive performance, for now, this provides us with acknowledgement that this area is a strength.            As the Trustee, we undertake this regular independent benchmarking on our members offerings to gauge how we compare to peers, and also regularly review the investment strategy and performance through our Investment Committee. In addition to the benchmarking and our own reviews, as you mention, there are more tools available in the market today that help provide transparency to members on how their fund is performing.            Reviews of fees are undertaken annually. There was a large fee reduction implemented on 1 October 2020 and now another planned for pension members in June this year. While the Trustee aims to have competitive fees for its offering to date, we have not aimed to be in the cheapest 10 funds</p> <p><b>5. We've received a few questions relating to our member web and App services and specifically issues around slow page loading and response times and login errors</b></p> <p><u>Response from Patricia Montague, TRM Director</u>            This is an area where we will look for continuous improvement and appreciate any feedback to help identify areas requiring attention. One of our Trustee committees is also focused on ensuring issues are promptly addressed and services are provided as expected.            In response to some of these questions though, our web and phone App are both based and managed in Australia, so any issues being experienced are not related to the geographic location of servers. Specifically, regarding the web response and app loading times, we continue to address some technical issues users have raised - these were affecting mainly the mobile App. There were changes implemented in late 2021 that improved page load times, particularly at login to just a few seconds.            The Member Centre and App both complete complex calculations at login to project your retirement income and how you're tracking towards any goals you have told us about. It's a live snapshot and not just stored data as many other websites provide, so that accounts for some of the time taken to load these screens.            We are also continuing to address the known technical issues with the login process where some members are being required to login twice. This appears to be specific to certain web browsers including Chrome, Safari and Microsoft Edge. We are working on fixing the</p>	

Agenda Item	Minutes	Speaker
	<p>issue and will also take another look at response times based on your feedback, so thank you for raising this.</p> <p><b>6. Can you provide more information around retirement and how the pension fund works?</b></p> <p><u>Response from Jim O'Connor, Chair of the Board</u></p> <p>You heard earlier from Paul Basso at Link Advice, and they can offer personal advice over the phone for both members in retirement and those approaching retirement, often at no cost to you. You can also access a no cost meeting with a Retirement Consultant to provide information on how to make the most of super savings, both now and during retirement, including detailed information on how our pension fund works.</p> <p>In general, unless you instruct us otherwise, when you retire your super will stay in your accumulation account, which is where you've been adding to your super.</p> <p>Once you reach your preservation age and have retired from work, you have the option to move your super into an account-based pension paying you a regular income to fund your lifestyle in retirement. This can have a number of tax benefits vs leaving it in an accumulation super account or putting it into a bank account. For example, investment earnings are tax free and there's no tax on your pension payments if you're over 60. Another benefit is that your money stays invested in an investment option/s of your choosing, so your savings can keep working for you over the course of your retirement.</p> <p>The Russell Investments Master Trust account-based pension is called iQ Retirement. It is similar to your super account now; in that you have flexibility on how your money is invested and you have online access to your account and our other member services. The difference obviously is that through iQ Retirement you can pay yourself a regular income from your super savings and access lump sum withdrawals.</p> <p>For members over preservation age but still working, iQ Retirement can also be used as part of a transition to retirement strategy, where you can reduce your working hours or increase your super savings without affecting day-to-day income.</p> <p><b>7. How can you boost your superannuation in last 5-10 years before retirement?</b></p> <p><u>Response from Emma Barrett, Russell Investments Director of Member Services</u></p> <p>That's a common question we receive, and the answer really depends on your personal circumstances. It's one of the reasons we introduced our Retire Ready meetings, and while the Retirement Consultant can't advise you on your personal circumstances, they can give you information on the options that are available to you. You can get in touch with us to arrange a meeting with our consultants.</p> <p>In general, there's a few things you can consider to help boost your super savings:</p> <p>Firstly, making additional contributions are an option to boost your super, and include both before and after-tax contributions;</p> <ul style="list-style-type: none"> <li>• Before-tax contributions are also known as concessional contributions, and include salary sacrifice and employer super contributions.</li> <li>• After-tax contributions are also known as non-concessional contributions, these are super contributions made by you from your own money either as one-off or ongoing payments.</li> </ul>	

Agenda Item	Minutes	Speaker
	<p>There are limits on how much you can contribute to their super account each year, so that's something you'll need to be aware of. For some people, a Transition to Retirement or TTR strategy may be appropriate. Once you reach your preservation age this strategy becomes available and in its simplest form, is putting money (Salary Sacrificing) into super in a tax effective manner and taking money from the Transition to Retirement account to ensure your take home pay is not affected by contributing more to super. There is a number of requirements to make this strategy compliant and individual results will vary, but we're happy to put you in touch with Link Advice to advise you on your circumstances.</p> <p>Another option is considering where your super savings are invested. Being in an investment option that suits your circumstances and goals can make a significant difference to your super savings. There are currently 23 investment options for you to choose from and you can mix of any of those. This is something we can also help out with by putting you in touch with an expert to advise you based on your circumstances.</p> <p><b>8. We have received a question relating to the termination of life insurance policies, particularly for members aged over 50</b></p> <p><u>Response from Jim O'Connor, Chair of the TRM Board</u>  The Trustee does not cancel any insurance policies simply because a member is over 50. However, there are legislative requirements including the 'Protecting Your Super' legislation that we must comply with, and this includes the cancelling of insurance policies where your account has been inactive for a period of 16 months. We may also cancel insurance if you do not have a sufficient balance to pay for premiums. We will write to you before we cancel any insurance, so it is important that your contact details are up to date.</p> <p>There are also age-based limits on insurance cover imposed by insurers – eg. at age 65 or 70 – where there is no insurance cover provided beyond those ages</p> <p><b>9. We've also had a few questions asking for our view of likely returns and share market performance over the next year or two.</b></p> <p><u>Response from Tim Cook, TRM Asset Consultant</u>  We are already over 6 months into this financial year and performance to December was strong. However, the market correction in January 2022 has negated the majority of those gains. Looking forward we expect that growth assets will outperform defensive assets as the local and global economies continue to emerge after the pandemic. Working against this are central banks increasing rates (depressing traditional growth stock valuations) and current lofty valuations.</p> <p>As such we would anticipate a recovery from the poor start to the year but will not expect returns similar to prior years (i.e. post-Covid).</p> <p>Looking a little further forward and based on where we see central banks and base rates moving over the next couple of years, we would anticipate growth assets continuing to outperform defensive assets. Again, as we emerge from the impacts and effects of the pandemic, towards the end of the timeframe indicated would be where closer attention needs to be paid to where rates are, how economies have recovered and whether or when recessionary concerns may start to rise.</p>	

Agenda Item	Minutes	Speaker
	<p><b>10. What plan is there to allow additional contributions into Super fund past 73 years age even though retired from full time work?</b></p> <p><u>Response from Jim O'Connor, Chair of the TRM Board</u> The Government has proposed to scrap the work test as of 1 July this year. This will allow individuals aged between 67 and 74 years old to make concessional and non-concessional contributions to their super without having to meet the work test. Please note, this proposal is not yet law and we'll be monitoring progress of the legislation</p> <p><b>11. The average annual return on high growth/balance growth is between 7-8%, it is below the top 20 super funds, why?</b></p> <p><u>Response from Tim Cook, TRM Asset Consultant</u> Over the last 10 years the High Growth option has returned nearly 11% pa and the Balanced Growth option nearly 9% pa. Irrespective, as I noted earlier, we strive to offer fund returns in the top 20 or top 10 funds and continue to focus our attention on improving peer relative returns (along with meeting the stated objectives and passing the Your Future, Your Super benchmarking test). We expect strong peer relative returns going forward as we emerge from the pandemic and look to return to more positive peer relative rankings as we maintained prior to the last 3 years or so.</p> <p><b>12. Can we make sustainable / green investments?</b></p> <p><u>Response from Luan Atkinson, Chair of the Investment Committee</u> As we touched on in the Investment Q&amp;A segment, we recognise that some members consider sustainable, green or socially responsible approaches an important part of their investment selection process, for which we have our two 'Responsible Investing' options. In our investment menu, you are able to choose the Responsible Investing Australian Shares Option and the Responsible Investing Global Shares Option. These options apply a combination of exclusions and tilts to reduce exposure to certain industries and companies in order to reduce things like the carbon footprint</p>	
9	<p><b>Meeting Close</b> Patricia reminded members the event was created for them and so their feedback would be greatly appreciated and directed members to the feedback form. Patricia thanked everyone for attending the event, thanked the presenters and then called the meeting to a close at 1.14pm.</p>	Patricia Montague, TRM Director