

MINUTES OF ANNUAL MEMBERS' MEETING
Held on 3 December 2024 at 6.00PM via zoom

1. Attendance and apologies

First Super Directors	
Mike Radda	(Co-Chair) – Member Representative
Lisa Marty	Independent Director
Casey Thompson	Member Representative
Denise Campbell-Burns	Member Representative
Robyn Burns	Employer Representative
Janet Gilbert	Employer Representative
Anthony Pavey	Member Representative
Debbie Smith	Employer Representative
Tri Nguyen	Independent Director
Apologies	
Michael O'Connor	(Co-Chair) – Member Representative
Scott McDine	Member Representative
Dean Brakell	Employer Representative
Mick Stephens	Employer Representative (Associate Director)
First Super Staff	
Bill Watson	CEO
Michelle Boucher	Deputy CEO
Hayley Pope	Executive Manager, Governance
Andrew Jewell	Executive Manager, Financial Advice and Education
Laurie Kennedy	Risk Manager
Jennifer Glass	Senior Counsel and Company Secretary
Melinda Caswell	Marketing & Events Coordinator
Mia Allen	Communications and Content Specialist
Invited	
James Dixon	Partner and external auditor, BDO
Mark Samuels	Mercer (Actuary)

2. Welcome

Deputy CEO, Michelle Boucher, welcomed everyone to First Super's Annual Members' Meeting 2024. Ms Boucher noted that these meetings are essential forums, providing members with an opportunity to hear from the Fund's leaders and ask questions.

Ms Boucher noted that the meeting would hear from both the Fund's Co-Chair, Mr Mike Radda and its CEO, Mr Bill Watson on the achievements of the Fund over the last 12 months, including investment returns and other significant operational matters.

Ms Boucher acknowledged First Super's Board Directors and Executives in attendance, in addition to the Fund's auditor.

The meeting acknowledged the Traditional Owners of the many lands that this meeting is held upon and paid respects to the Traditional Elders from all those lands, their Elders past and present. The meeting also acknowledged all other cultures present at this meeting.

It was noted that this meeting would be recorded, with the recording and the meeting minutes to be published on the Fund's website.

3. How to ask Questions

Ms Boucher advised the meeting on how to ask questions and encouraged them to do so, although noted that personal advice or member specific details would not be able to be addressed in this forum. Any questions unable to be answered will be personally addressed in the coming days.

4. Disclaimers

The general advice warning and disclaimer was advised to the meeting.

5. About First Super

Ms Boucher provided a description of First Super and its membership, funds under management and the importance of member service.

Ms Boucher noted the multiple ways members can reach First Super's member services team including via phone, email or by a face-to-face meeting with one of the Fund's regional coordinators. It was noted that members also have access to information and support via the First Super website and its mobile app.

Ms Boucher introduced the Fund's Co-Chair, Mr Mike Radda.

6. Fund Update

Mr Radda provided an update to the meeting on the Fund's performance in the last financial year. Mr Radda noted in particular:

- Positive returns for all investment options, with returns in the Balanced option better than many larger super funds;
- Membership growth of 40%, contributing to Fund sustainability and further opportunities to reduce investment fees;
- The Fund's continued focus on its members and member services, with high levels of member and employer satisfaction;
- The financial success of the Fund with member funds, member benefit flows and the Fund's net position all increasing; and
- That both accumulation and pension fees would be reducing in 2025.

Mr Radda noted the changes made at the Board level during the year.

Mr Radda introduced the Fund's CEO, Bill Watson.

7. CEO Update

Mr Watson presented a report on the Fund's activities during the 2023-24 Financial Year, including that of the Trustee office.

Mr Watson noted the following matters:

- Current stability of the Executive team, with new ideas and intellectual engagement resulting in a period of growth and substantial engagement with the regulators;
- Solid investment returns achieved, outperforming a number of substantially larger funds;
- Investment made to build out the Marketing team and develop a digital technology capability, all to enhance communication with the Fund membership;
- Increasing fund inflows, particularly the result of the Fund's KiwiSaver initiative;
- The focus on the member contact centre and the work done to reduce call wait times; and
- Achievements of the Financial Planning team.

Mr Watson confirmed the Fund's ongoing commitment to helping members achieve and sustain a dignified retirement, with a strong focus on high quality personal service. Mr Watson noted that the Fund would be holding itself accountable in 2025 by introducing Fund performance metrics for its member service promise.

Mr Watson handed over to Mr Radda to facilitate questions and answers.

8. Questions

Questions submitted in advance:

Question 1:

How stable is the Fund?

Response from Bill Watson, CEO.

The results for the 2023-24 Financial Year were strong, with positive net inflows, member growth and solid returns. This growth contributes to a stable and sustainable Fund where we can continue to provide service to our members.

Question 2:

Why is Aggregate Political Donations displayed as Nil? And what is the amount?

Response from Hayley Pope, Executive Manager, Governance.

The reason for this is that First Super does not make any political donations.

Question 3:

How may current proceedings against the CFMEU and the disqualification of Michael O'Connor effect First Super and its members?

Response from Bill Watson, CEO.

The recent proceedings to appoint an administrator are concerned with the construction division of the CFMEU. First Super is associated with the manufacturing division which has not had an administrator appointed.

Separate proceedings have been initiated against Mr O'Connor, but First Super has no comment to make on these. There have been no proceedings brought against First Super or its other directors, so business continues as usual.

Question 4:

What about interest rate and why admin fee?

Response from Michelle Boucher, Deputy CEO.

First Super does charge an administration fee to cover the cost of providing service to members, which is comprised of a fixed amount and a percentage amount applied to a member's account balance. These costs are common, however the good news is that the weekly administration fee will be reduced in 2025.

Question 5:

When is First Super introducing new option age steps (like moving funds from risky fund to low risk funds according to age)?

Response from Bill Watson, CEO.

In the past, First Super's Investment Committee and Board have evaluated the feasibility of age option steps, where younger members are invested in more growth assets and older members moved to 50-50 growth/defensive assets to protect against negative returns. Factors considered as part of this evaluation included the cost of the increased complexity of managing this arrangement and the risk of errors resulting from members being moved at the wrong time. For these reasons, a decision was made not to implement such a strategy.

It should be noted that with five investment options, First Super members are able to choose to risk or derisk as and when they wish to do so, based on their own risk appetite. First Super's Financial Planning team are also available to provide advice to members as to the most appropriate option for them based on their age and risk appetite, and members are encouraged to make use of this advice.

Other Questions

Question 6:

Am I allowed to withdraw my super?

Response from Andrew Jewell, Executive Manager Financial Advice and Education.

Certain rules apply regarding access to super, generally only accessible once a member reaches preservation age. There are circumstances where early release can happen, such as in instances

of financial hardship or on compassionate grounds, but specific criteria must be met. Members can contact First Super for assistance.

Question 7:**Will First Super get to a stage where members can change investment options online?****Response from Bill Watson, CEO.**

This is a possibility. In the past, First Super has considered whether providing this functionality could create a risk of members switching investment options too frequently or missing the market, noting the balance required between long term investment and member returns.

Whether to provide this functionality is reconsidered by the Board every 18 months and will be considered again in 2025.

Question 8:**Where can we find information on investment options?****Response from Bill Watson, CEO.**

Information on First Super's investment options can be found very easily on the website in the Investment section. There is also available on the website material that can be downloaded including the Fund's PDS and an Investment Booklet which describes in detail all the options available. Information sheets are also available, as is the Contact Centre if members would like to discuss further. First Super's Financial Planning team is available for members seeking personal advice.

Mr Radda handed over to Mr Watson to close the meeting.

Conclusion

Mr Watson thanked everyone for attending and reiterated that any further questions should be directed to the Fund.

Mr Watson thanked the Board, First Super's service providers and its shareholders for the support provided and thanked the Fund's members for entrusting their retirement savings to First Super.

The meeting was closed at 6.35 pm.



Signed

Date