

# Minutes

Annual Members' Meeting (AMM)

Fiducian Superannuation Service, Pearl Superannuation, Auxilium Superannuation Service, AMFG Superannuation, Loyalty Wealth Superannuation and I AM Superannuation

**Held at 1 York Street Sydney via Video Link**

**Thursday 5 December 2024**

**11.00am – 12.00pm AEDT**

<b>Present</b>	
Drew Vaughan	Board Chair, Trustee Director
Catherine Lynch	Trustee Director
Maria-Ann Camilleri	Trustee Director
Sam Hallab	Trustee Director
Jai Singh	Trustee Director
Ramani Venkatramani	Trustee Director
<b>Attendees</b>	
Jonathan Green	General Manager Superannuation
Conrad Burge	Executive Chairman - FIMS
Paul Gubecka	General Counsel - FSL
Jessica Dass	Chief Risk Officer - FSL
Rahul Guha	Executive Chairman – FSL
Luke Grbin	Head of Operations – FSL
Sebastian Lander	Investment analyst – FIMS
Michael Pinto	General Manager, Finance & HR - FSL
Aakash Godara	Senior Manager, KPMG - external auditor

**The meeting commenced at 11.00pm AEDT.**

## **1 Welcome to Members and Introductions**

### **Drew Vaughan**

Mr Vaughan welcomed members to the 2024 Annual Members Meeting (AMM), noting:

- The AMM is for members of the Fiducian Superannuation Service (FSS), Pearl Superannuation (PSS), Auxilium Superannuation Service (AXS), AMFG Superannuation (AMFGS), Loyalty wealth Superannuation (LWS) and I AM Superannuation (IAMS) – collectively referred to as the “Service”
- The meeting is being held via video link in accordance with regulatory requirements.
- The Agenda that would be followed for the Meeting

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- All six Trustee Directors are in attendance at the meeting and the meeting therefore has a quorum
- Member questions of an individual or personal nature are unable to be answered during the meeting but can be dealt with via the member's financial planner or the Fiducian contact centre.
- The meeting will include an introduction to the Trustee Directors and updates on investment returns, member operations and the economic outlook
- The Annual Reports for each of the funds will be available online at [Fiducian.com.au](http://Fiducian.com.au), which contains the formal reports from the Chair to members
- The AMM, together with any questions and answers, will be published following the meeting, at [Fiducian.com.au](http://Fiducian.com.au)

Mr Vaughan introduced the following people in attendance at the meeting:

- Jonathan Green as the General Manager Superannuation
- Conrad Burge representing the Investment Team
- Jessica Dass as the Chief Risk Officer for the Service
- Rahul Guha as the Executive Chairman – FSL
- Luke Grbin as the Head of Operations - FSL
- Paul Gubecka as General Counsel – FSL
- Aakash Godara as Senior Manager from the Fund's auditor - KPMG

Mr Vaughan introduced to members each of the Service's Trustee Directors, with each Trustee Director providing a short summary of their role:

- Ms Catherine Lynch
- Mrs Maria-Ann Camilleri
- Mr Sam Hallab
- Mr Jai Singh
- Mr Ramani Venkatramani

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Mr Vaughan noted:

- FSS, PSS, AXS, AMFGS, LWS and IAMS are public offer superannuation funds regulated and licensed by APRA and ASIC
- Each fund operates through a corporate trustee, Fiducian Portfolio Services Limited, of which all Trustees are Directors
- The role of the Trustee is to be independent and ensure the Service is run in the best financial interests of members
- A wide range of investment products are offered to members to enable them to structure a suitably diversified portfolio
- Investment products include multi asset strategies, asset sector specific products, and managed portfolios
- The Service continues its long-term growth with assets of over \$2.6 billion, contributions during the year exceeding \$460 million and membership of over 8,800
- The Service is designed to support members who chose to use the services of a professional financial adviser, and for whom strong long term investment returns are a priority
- The strong long term investment performance of two of the Service's most widely used investments, the Fiducian Active Moderate Growth Portfolio and the Fiducian Active Growth Portfolio
- The Trustee continues to focus on the strength of long-term returns, with details of each investment option available through the website and the relevant annual report
- The range of Fiducian diversified investment products had been restructured to allow members additional investment selection flexibility
- The retirement of Ross Martin as General Manager Superannuation, with Jonathan Green being appointed as the new General Manager Superannuation

Mr Vaughan thanked the fund members and their professional financial advisers for their continuing support.

Mr Vaughan thanked the fund's management team and colleagues on the Board for their dedication and contribution.

Mr Vaughan introduced the Fund's Chief Risk Officer, Ms Jessica Dass, who would be providing a summary of the operational aspects of the Service over the past year.

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## 2 Chief Risk Officer Report

### Jessica Dass

Ms Dass advised that her presentation would provide a summary of the areas that the Trustee is paying particular attention to in the current environment, and the Fund's activities and achievements over the year, including:

- Cyber Security
  - The Trustee has a critical focus on the Service's cyber security framework, including internal IT operations and links with external service providers and communications with members and advisers
  - A mandatory two factor authentication process for online account access applied to all members and their financial planners
  - The industry regulator, APRA, has also placed a high emphasis on cyber security across all sectors of the financial industry
  - Members are encouraged to be vigilant in relation to all email, text and telephone communications
- Modern Day Slavery
  - The Trustee reviews its legislative requirements annually based on the size of the fund and has in place appropriate service provider and policy review strategies
- Industry Focus Points
  - APRA has determined supervision priorities as system stress testing, investment governance, fund expenditure, operational resilience, performance transparency and retirement outcomes
- Custodial Arrangements
  - The Trustee is responsible for ensuring the custodial security of member assets, and has outsourced this material service to Citi for this important function

Ms Dass commented that while the Trustee has the ultimate responsibility for the operation of the Service in the best financial interests of members, specialist outsourced service providers are appointed by the Trustee to fulfil specific tasks. The service providers include both resources from within the broader Fiducian group, and from external organisations as follows:

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From within the Fiducian group

- Administration and contact centre services
- Finance and accounting services
- Investment management services
- Risk management services
- Information technology services
- Legal and compliance services

From external organisations

- External audit services – KPMG
- Internal audit services – Ernst & Young
- Custodial services – Citi
- Insurance services – TAL

Ms Dass noted that all service providers have met the service levels set by the Trustee.

Ms Dass highlighted a number of financial achievements of the Service over the year to June 2024, noting:

- Contributions of \$208 million received during the year
- Rollovers of \$252 million received during the year
- Member numbers of 8,825
- Members' average account balance of approximately \$300,000 at June 2024
- Member benefit and pension payments of \$332 million during the year

Ms Dass commented that the operational service standards of the Service continued to be met and thanked all service providers and staff for their dedication and excellence during the year.

Ms Dass passed the meeting back to Mr Vaughan.

Mr Vaughan introduced Conrad Burge to provide a summary of the economic outlook and investment aspects of the Service over the past year.

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## 3 Economic Outlook

### Conrad Burge – Executive Chairman, Fiducian Investment Management Services

Mr Burge discussed a number of investment topics relevant to members of the Service, supported by a range of investment data and charts, noting:

- The Service's investment strategy provides members with a broad range of investment products, including both multi manager and single manager products, and both diversified and single asset sector products
- The strong long term performance of the multi manager products is due to two factors: a careful selection process for underlying managers and an investment strategy based on careful analysis of the economic environment
- Fiducian's multi manager product approach provides the added benefits of high levels of liquidity and diversification
- The Fiducian Active Moderate Growth Portfolio, as an example of the multi manager products offered, provides diversification across 5 asset sectors, as well as across investment products from 28 different investment managers and across hundreds of individual securities
- The same managers are used for the Fiducian Active Growth and Active Conservative Growth Portfolios, but with different asset allocation percentages
- A feature of the multi manager funds is that assets are liquid and containing mostly listed securities
- Asset allocation depends upon an assessment of the current economic environment, both domestic and international
- The International Monetary Fund (IMF) is forecasting solid growth in the global economy for 2025, however projections more subdued in the advanced economies
- The IMF believes economies should pursue three major pivots; monetary policy; fiscal policy; and domestic reforms
- Most economies are out of recession, with some just barely so, and manufacturing indices remain mostly weak
- Global interest rates appear to have peaked in the main have begun to fall

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- Leading economic indicators are improving in the US, are close to long term averages in India and China, and have returned to trend in Australia however the economy remains in a per capita recession
- An economic recovery in major economies appears to be underway
- Global consumer and business sentiment could rise as interest rates come down
- Corporate earnings are forecast to grow by a solid 12% globally in 2025
- Most share markets still appear fully priced, and could enjoy some further upside during 2025

Mr Burge passed the meeting back to Mr Vaughan.

## 4 Questions

Mr Vaughan noted that no questions had been received during the meeting.

## 5 Meeting Conclusion

Mr Vaughan thanked members of the Service and representatives of service providers for their attendance at the meeting, reminded members that the meeting video will be posted on the Fund website, and that should they have any specific questions in relation to the structure of or investments of their superannuation or pension accounts in the Service that they should in the first instance contact their professional financial planner.

**The meeting was declared closed at 11.45 am.**

Signed as a true record



**Drew Vaughan**  
Chair

**Date: 5/12/2024**