



# 2022-23 Annual Members' Meeting

## WRITTEN RESPONSES TO QUESTIONS NOT ANSWERED ON THE DAY OF THE MEETING

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**IMPORTANT INFORMATION**

These questions and answers may include general financial advice which does not consider the personal objectives, situation or needs of any individual. Before deciding, please consider whether the information is right for you and read the Product Disclosure Statement and Target Market Determination available on the UniSuper website at [unisuper.com.au/pds](https://unisuper.com.au/pds).

Information provided primarily relates to the financial year ending 30 June 2023 except where the context indicates otherwise. Investment returns are not guaranteed, and past performance is not a reliable indicator of future returns. Comments on the companies we invest in are not intended as a recommendation of those companies for inclusion in personal portfolios. UniSuper's portfolios have been designed to suit UniSuper and may not be appropriate for others.

These answers to questions raised at the meeting, but not answered at the meeting, form part of the meeting minutes. In some instances, questions have been summarised and grouped together for response. We cannot respond to some questions, for example those that relate to an individual's personal circumstances or are unrelated to the Fund.

Information presented at the meeting and in these minutes is provided by UniSuper Management Pty Ltd (ABN 91 006 961 799) on behalf of UniSuper Limited (ABN 54 006 027 121, AFSL 492806), Trustee of the UniSuper Fund (ABN 91 385 943 850).

## Investments

### 1. How are Australian stocks and bonds tracking?

CIO John Pearce discusses investment markets in his latest video [here](#). You may also be interested to listen to our monthly [podcast](#), where our economist David Colosimo talks about the latest in financial markets. This podcast comes out at the start of each month and you can subscribe via [Apple Podcasts](#), [SoundCloud](#), [Overcast](#) or wherever you get your podcasts.

### 2. What was the best performing investment over the past year?

CIO John Pearce discussed our best performing significant investments for the 2022-2023 financial year in his [end of financial year reflection](#). Among the best performing significant investments were Apple Inc., Microsoft Corp and BHP Group Ltd.

### 3. How are the Fund's property investments being valued accurately?

Our directly owned unlisted property investments are valued at least once every three months by an independent valuer. We also arrange out of cycle valuations when the circumstances warrant us to do so. Valuations are in line with our asset valuation policy which outlines the process of appointing independent valuers, the frequency of valuations, methodology, and differences in approach between sectors within unlisted assets.

### 4. Why haven't you been able to return at least what we can earn in everyday bank interest of 5% in the past 12 months?

The returns of our investment options for the 2022-23 financial year varied depending on the asset allocation and strategy of the option. For the period to 30 June 2023, the Balanced option returned 10.3% over one year and 8.4% p.a. over ten years, it was one of the top performing options compared to similar options in the industry (SuperRatings Fund Rate Crediting Survey June 2023 report).

For the year to 30 June 2023, the best performing UniSuper option, Global Companies in Asia, returned 21.0% and the worst performing option, Australian Bond, returned 0.9%. Over this same period, the Cash option returned 2.9% - it's worth noting that our published return figures are backward looking (measuring past performance) and net of indirect fees and taxes, while the bank rate is forward looking and before fees and taxes. Over a period of rapid increases in the Reserve Bank's official cash rate, the difference in measuring returns for Cash is particularly acute. CIO John Pearce covers the performance of the options in his [July investment update](#) and [end of year reflection](#). A [UniSuper financial adviser](#) can help you assess your investment options with regards to your personal circumstances.

Investment returns are not guaranteed, and past performance is not a reliable indicator of future returns.

### 5. Why is the cash rate through UniSuper circa 3.5% but I can get up to around 5.2% just in a term deposit?

A key consideration when comparing the rates available on Australian bank deposits and the return on the UniSuper Cash option is that our published return figure is backward looking (measuring past performance), while the bank rate is forward looking. Over a period of rapid increases in the Reserve Bank's official cash rate, the difference in measuring returns is particularly acute. The interest rates advertised by the banks are usually quoted before taxes and fees. UniSuper Cash option returns are quoted after fund taxes, investment fees and transaction costs are deducted.

**6. How long does it take for dividends issued by companies to be added to individuals' super balances? Are they added as the dividends are issued or at particular times during the financial year?**

We credit estimated investment option returns to members daily. These reflect as an increase (or decrease) to the estimated account balance. Any dividends received by the Fund (and other cash flows) are included in the daily crediting rate. See [here](#) for further information on crediting returns.

**7. Are bank bonds a better investment than bank shares at present? If so, how has that affected what UniSuper does, and how does it affect what choices UniSuper retirees should make?**

In his October investment update, CIO John Pearce discusses the question of 'bonds versus shares', you can find his video [here](#).

Each of our investment options may invest in different asset classes (bonds, Australian Shares, International Shares etc.). See our [How we invest your money IBR](#) for further information on asset allocation.

As everyone's circumstances are different you may want to consider talking to a [UniSuper financial adviser](#). Our advisers can help you assess your investment options with regard to your personal circumstances.

**8. Is the bond market crash over?**

CIO John Pearce discusses investment markets in his latest video [here](#). You may also be interested to listen to our monthly [podcast](#), where UniSuper Economist David Colosimo talks about the latest in share and bond markets.

**9. Since AI is developing so rapidly and steadily, does it mean that investing more in these industries can get higher returns? If so, why not act?**

We offer investment options with varying strategies, objectives, and levels of risk. A [UniSuper financial adviser](#) can help you assess your investment options with regard to your personal circumstances.

**10. Could I solicit your esteemed insights on the potential headwinds and tailwinds that may impact investment returns over the next 5–10-year horizon?**

We can't predict what will happen in markets, the key measure that we are focusing on right now is US inflation and inflation more broadly. The path of inflation will drive central bank policy responses, and these will significantly impact the prospects for earnings and growth more generally. We encourage you to watch CIO John Pearce's investment updates, you can find his latest update [here](#), and his next update will be out in February 2024.

**11. Mr Pearce has highlighted the current 6.5% running yield on the Australian Income option. Why does UniSuper not provide this and other relevant data on the UniSuper web page?**

The returns that we publish for all our investment options are 'backward looking' (historical). We don't publish the current yield of our fixed interest portfolio as this figure is likely to change with prevailing market conditions. Investment returns are not guaranteed, and past performance is not a reliable indicator of future returns.

**12. Do you realise that "Net Zero" is a ridiculous goal, climate accounting is incredibly shonky. The only safe option is to stop emitting carbon dioxide from human causes, and to manage methane emission as much as possible.**

UniSuper is targeting net-zero carbon emissions at a whole-of-fund and portfolio level by 2050, and we have an interim target to contribute to a 43% reduction in Australia's carbon emissions by 2030. As at 30 June 2023, we offer the following options with very low fossil fuel exposure: Sustainable High Growth, Sustainable Balanced, Global Environmental Opportunities, Global Companies in Asia, Listed Property, Australian Bond, and Cash. UniSuper advocates for real economy emissions reductions where practical through our direct engagement with our largest Australian holdings and collaborations with like-minded investor groups. UniSuper also engages with policymakers and advocates for mandatory climate-related reporting, which is transparent and comparable. Our role as a responsible investor is to support companies with the capital to make a just and orderly energy transition. We will restrict our exposure to certain industries where we see no viable pathway to decarbonisation. See our [2023 Climate report](#) for further details on our approach.

**13. When will you dump investments in climate destroying investment options?**

At UniSuper we actively manage climate risks and opportunities and apply a risk-based assessment to identify material environmental, social and governance (ESG) factors across our major investment holdings including our 50 largest Australian investments. We do this by engaging with the boards and management of our largest Australian investments on their climate commitments and reporting. We will restrict our exposure to certain industries where we consider it prudent risk management, typically where we see no viable pathway to decarbonisation. You can find more information on our approach [here](#) and in our the 'Understanding our risks' section of our [2023 Climate report](#).

We have options for members who would like to limit their exposure to fossil fuels. As at 30 June 2023, options with low fossil fuel exposure included: Sustainable High Growth, Sustainable Balanced, Global Environmental Opportunities, Global Companies in Asia, Listed Property, Australian Bond, and Cash. Our [2023 Climate report](#) has information on how we calculate fossil fuel exposure. Please also consider the PDS.

**14. Are you factoring the impacts of climate change into your investment decisions?**

At UniSuper, we apply a risk-based assessment to identify material environmental, social and governance (ESG) factors across our major investment holdings including our 50 largest Australian investments. Our [Responsible investment](#) outlines our approach to responsible investment, and you may be interested to read our [2023 Climate report](#) for further information on how we're managing risks and opportunities associated with climate change.

**15. How much more obvious and damaging does global warming have to be before UniSuper follows funds like Future Super and divests from fossil fuel companies, rather than persisting in the fiction of engaging with them?**

Engagement, voting, and advocacy are the core pillars of our approach to managing climate risks and opportunities. Divestment is an option that we consider depending on the circumstances. While divestment can reduce the carbon footprint of our portfolio, it fails to address real world emissions reductions. We are committed to transparently communicating our approach to managing climate risk to our members. We report on the fossil fuel exposure of our Fund and investment options annually, for details of our approach and our exposures please refer to our [2023 Climate Report](#). We publish details of our proxy voting (from 1 January 2023 onwards) [here](#). Proxy voting activity up to 31 December 2022 can be found in the appendix section of our [Responsible Investment reports](#).

**16. Will UniSuper invest in oil, gas and/or coal companies as part of its Sustainable Balanced option?**

This option excludes companies which generate more than 10% of their reported revenues from fossil fuel exploration and production. As at 30 June 2023, the Sustainable Balanced option had no exposure to fossil fuel exploration and production companies, based on data available to UniSuper. See [here](#) for further information about how we screen investments in this option.

**17. Will there be a greater emphasis on investing in green energy during 2024?**

We're continuing to consider investment in the energy transition in areas such as renewable energy, electric vehicles, sustainable agriculture, and more. We will act in the best financial interests of our members when considering these opportunities. The UniSuper option with the greatest exposure to 'green themes' (being opportunities and investments that seek to contribute to a more environmentally sustainable economy) is Global Environmental Opportunities—this option aims to invest in companies that derive at least 40% of their reported revenue from products and services that seek to deliver solutions to environmental challenges. These include alternative energy, energy efficiency, sustainable water, green buildings, pollution prevention and sustainable agriculture. Please refer to the [How we invest your money IBR](#) and to our [2023 Climate report](#) for details of our approach.

**18. Will UniSuper consider participation in the planned Aust. Carbon Exchange (ACX) organised by the ASX, as part of UniSuper's climate ambitions?**

We evaluate a diverse range of investment opportunities that are emerging as part of the shift towards a low carbon economy. Some of the low carbon opportunities we consider include wind, solar, hydropower, bioenergy, and critical minerals in the resource sector. Additionally, we closely monitor developments in carbon exchange infrastructure. Many low carbon opportunities are still developing, we will act in the best financial interests of our members when considering these opportunities.

**19. Global Environmental Opportunities had very poor results over the last 3 years. I would like to continue to invest in this climate conscious initiative but am not confident with its overall volatility, high level of Tesla exposure for example, and lack of Australian climate initiatives. Comments?**

The Global Environmental Opportunities option invests in a diversified portfolio of shares and securities in international companies and some Australian companies whose business activities seek to address current and emerging environmental issues and opportunities. As an established manufacturer of electric vehicles, Tesla Inc aligns with the objective of this option and has been a long-term holding\*. Due to the very high-risk nature of this option and its concentration, short term volatility is expected from time to time. The high interest rate environment in particular has contributed to recent volatility.

It's important to note that Global Environmental Opportunities is designed to form part of a strategy to be held over a longer time horizon (see [the PDS](#) for more information). Sector investment options are less diversified and aren't intended to be used in isolation but are intended to be combined with other investment options to build a diversified portfolio. A [UniSuper financial adviser](#) can help you assess your investment options with regards to your personal circumstances.

\*Comments on the companies we invest in aren't intended as a recommendation of those companies for inclusion in personal portfolios. Our portfolios have been designed to suit us and may not be appropriate for others.

**20. The return for the Global Environmental Opportunities option over the last 3 years has been more than negative 7%. All the boom happened pre-Dec 2020. Is this still a valid Investment option going forward? What is the outlook?**

As CIO John Pearce discussed during the Annual Members' Meeting, this is a very high-risk investment option and a long-term strategy. Global Environmental Opportunities seeks to include quality companies which derive at least 40% of their reported revenues from business activities are addressing global environmental challenges. Our investments team actively manages this option in-house; we assess market opportunities on an ongoing basis and seek quality companies which we expect to deliver over the long term.

Sector investment options are less diversified and aren't intended to be used in isolation but are intended to be combined with other investment options to build a diversified portfolio. A [UniSuper financial adviser](#) can help you assess your investment options with regards to your personal circumstances. Investment returns are not guaranteed, and past performance is not a reliable indicator of future returns.

**21. What companies are in the Sustainable Balance option? Does this option include investments in Google Inc and Apple? If yes, why aren't these companies included in the Global Environmental Opportunities option?**

As at 30 June 2023, the Sustainable Balanced option held investments in Apple Inc. and Alphabet Inc (the parent company of Google).<sup>\*</sup> A list of our option holdings as at 30 June 2023 is [here](#).

As at 30 June 2023, Global Environmental Opportunities did not include Alphabet Inc or Apple Inc. Global Environmental Opportunities invests in companies that derive at least 40% of their reported revenues from activities seeking to address current and emerging environmental issues and opportunities; these include products and services in alternative energy, energy efficiency, sustainable water, pollution prevention and other areas. See our [How we invest your money IBR](#) for further information.

<sup>\*</sup>Comments on the companies we invest in aren't intended as a recommendation of those companies for inclusion in personal portfolios. Our portfolios have been designed to suit us and may not be appropriate for others.

**22. In regard to the Global Environmental Opportunities option, which companies have had good returns and which companies have had poor returns? Is the investment strategy for this option conducted in-house or is it outsourced? Are you pleased with the investment decisions of the managers of this fund? When members invest in this, are they assigned a number of units in the fund?**

Global Environmental Opportunities seeks to invest in companies whose business activities seek to address environmental issues, for example, manufacturers of solar panels, wind turbines, electric vehicles and batteries.

The Global Environmental Opportunities option is very high risk, and because of the nature of the companies it invests in short-term volatility is expected. Sector investment options are less diversified and aren't intended to be used in isolation but are intended to be combined with other investment options to build a diversified portfolio.

During the year to 30 June 2023, the option was largely impacted by higher interest rates and inflation. Tesla Inc., which is one of the largest investments held within this option, returned positively but the option has an exposure to green buildings which performed relatively poorly, and that had the greatest negative impact on returns.<sup>\*</sup>

Our investments team actively manages this option in-house; we assess market opportunities on an ongoing basis and seek quality companies which we expect to deliver over the long term. Where underperformance is associated with negative developments or a weak outlook, we may divest holdings. Underperformance can also be an opportunity to buy attractive assets at lower prices. We note that Global Environmental Opportunities has been a strong performer over the long term, it has returned 9.85% p.a. over 10 years to 30 September 2023.

UniSuper is not a unitised fund, so members aren't assigned units when they invest in one of our options. We use crediting rates to apply positive (or negative) returns to member accounts, see [here](#) for more information.

A [UniSuper financial adviser](#) can help you assess your investment options with regards to your personal circumstances. Investment returns are not guaranteed, and past performance is not a reliable indicator of future returns.

<sup>\*</sup>Comments on the companies we invest in aren't intended as a recommendation of those companies for inclusion in personal portfolios. Our portfolios have been designed to suit us and may not be appropriate for others.

**23. When will you change the "ESG" themed investment portfolios to climate positive investments - not just climate neutral investments?**

Sustainable and environmental investing can mean different things to different people. We offer three sustainable and environmental branded options for members who want to limit their exposure to certain industries or to invest in companies addressing global environmental challenges. These three options limit exposure to a variety of sectors (e.g., fossil fuels, alcohol, gambling, tobacco, weapons). See [here](#) for more information. Our Global Environmental Opportunities option in particular invests in companies which derive more than 40% of reported revenue from products and services that seek to deliver solutions to environmental challenges and contribute to a more environmentally sustainable economy. These include alternative energy, clean technology, sustainable water, green buildings, pollution prevention and sustainable agriculture. See the [How we invest your money IBR](#) for further information and our [2023 Climate report](#) for further information on our climate approach.

**24. How does UniSuper assess the environmental credentials of companies and organisations for inclusion in its Sustainable Balanced funds? Can this assessment process by UniSuper be made more transparent to its investors?**

When assessing a company for inclusion in our sustainable and environmental branded options, we use third party data to identify and exclude companies whose reported revenues from fossil fuel exploration and production exceed 10%. These options also seek to include companies that have quality ESG practices as assessed by third parties or by UniSuper's internal ESG team—the credibility of climate management plans among other factors is considered. Our [Responsible investment and proxy voting policy](#) outlines our approach to responsible investment. See our [How we invest your money IBR](#) for further information on our approach.

**25. Is the Federal government intending to force Superannuation funds to invest in more Green Energy even though the returns on these investments have been poor in the past.**

As a superannuation fund, it is our role to identify appropriate investments for our members. Investments need to be in line with the sole purpose test and our duty to act in our members' best financial interests. We consider any investment on a case-by-case basis, and we have a stringent approval process via our Investment Committee.

**26. Does UniSuper give members options of making investments in multi-currency products? As of now it is 100% AUD, is this not a currency risk?**

UniSuper denominates account balances in Australian dollars only. Options which include overseas investments (for example, international shares) are exposed to overseas currencies, meaning that foreign exchange rates may impact the overall return of the option. Some portion of the allocation to international investments may be hedged against currency movements. See the [How we invest your money IBR](#) for further information.

**27. What options do we have for investing in USD instead of AUD? As a retiree I would like to keep some of my cash in USD to prevent against currency risk.**

The UniSuper Cash option, and the cash components of pre-mixed investment options, invests in Australian dollar deposits only.

**28. A number of competing superannuation funds offer a mechanism for members to invest in a controlled way in diversified index funds via ETFs (e.g. ASX 200 or S&P 500) from within their super fund. Does UniSuper have plans to roll out similar offers and if so when is it expected to be released?**

UniSuper currently offers a wide range of investment options—our fees for these options are competitive. Introducing new options can be costly, and we don't have plans to add to this range at the moment.



**29. Given the increasing prevalence of low-cost index funds, will UniSuper lower their investment fees and/or are there plans to introduce low-cost passive indexing investment options to members?**

UniSuper currently offers a wide range of investment options—our fees for these options are competitive. Our research shows that our options meet the needs of the majority of our members, as introducing new options can be costly, we need to strike the right balance, and we don't have plans to add to this range at the moment.

**30. Will UniSuper be offering low fee market index investment options? For example, indexed international shares or index Australian shares.**

UniSuper currently offers a wide range of investment options—our fees for these options are competitive. Our research shows that our options meet the needs of the majority of our members, as introducing new options can be costly, we need to strike the right balance, and we don't have plans to add to this range at the moment.

**31. Can you please elaborate on the future plans for members to gain exposure to Bitcoin within UniSuper funds? Is there plans to take up the pending ETF?**

These investments don't currently form part of our investment universe.

**32. What plans does UniSuper have for Bitcoin? Has UniSuper begun evaluating Bitcoin's value proposition as digital gold and when will Bitcoin form part of UniSuper's offering?**

These investments don't currently form part of our investment universe.

**33. Why does UniSuper refuse to consider a small allocation to Bitcoin?**

These investments don't currently form part of our investment universe.

**34. Bitcoin is up 160% year on year and has massively outperformed every other asset / investment in the UniSuper portfolios. What is stopping UniSuper from taking advantage of these opportunities for members?**

These investments don't currently form part of our investment universe.

**35. Is UniSuper planning to invest in federal government infrastructure and other initiatives such as defence programs, as recently raised by Treasurer Chalmers?**

As a superannuation fund, it is our role to identify appropriate investments for our members. Investments need to be in line with the sole purpose test and our duty to act in our members' best financial interests. We consider any investment on a case-by-case basis, and we have a stringent approval process via our Investment Committee.

**36. Could the panel please address UniSuper's ongoing investment in Elbit Systems in light of the crisis in the Middle East? Are there plans for divestment? If not, why? What is the benefit of ongoing investment in a company that is funding and providing weaponry for violent warfare?**

As at 30 September 2023, UniSuper had a very small exposure to Elbit Systems Ltd. The exposure of our Balanced option (in which most UniSuper members are invested) to this company represented 0.00007% of the value of the option. Other options with a very small exposure were High Growth, Growth, International Shares, Conservative Balanced and Conservative, all other options and the Defined Benefit Division (DBD) had zero exposure. We will continue to monitor our holdings in the region, and in line with our fiduciary duty will act in the best financial interests of our members where appropriate.

**37. Will UniSuper commit to divesting of its Israeli investments, and particularly investments in Elbit, and if not, why not?**

As at 30 September 2023, UniSuper had a very small exposure to Elbit Systems Ltd. The exposure of our Balanced option (in which most UniSuper members are invested) to this company represented 0.00007% of the value of the option. Other options with a very small exposure were High Growth, Growth, International Shares, Conservative Balanced and Conservative, all other options and the Defined Benefit Division (DBD) had zero exposure. We will continue to monitor our holdings in the region, and in line with our fiduciary duty will act in the best financial interests of our members where appropriate.

**38. Does UniSuper invest in weapons manufacturers, and would you consider stopping this practice if so?**

UniSuper has a very low exposure, our direct exposure to listed companies in the Aerospace and Defence sector classification was 0.28% of the fund at 30 September 2023 based on third party data. The Aerospace and Defence classification includes listed companies primarily involved in commercial and military aircraft (including drones), weapons, tanks, and naval vessels.

Our three sustainable and environmental branded options exclude companies with more than 1% of reported revenues associated with weapons. Additionally, the following options did not contain known exposure to weapons as at 30 September 2023: Cash, Australian Bond, Australian Income, Listed Property, Australian Dividend Income.

**39. What will happen to our investments after WWII starts?**

Our investments team considers a range of risks and factors when making decisions, including issues concerning geopolitics. As noted by CIO John Pearce during the Annual Members' Meeting, geopolitical events in the past have not had a lasting impact on financial markets in recent decades, but we do monitor this. Investment returns are not guaranteed, and past performance is not a reliable indicator of future returns.

**40. Is UniSuper entering the private equity market?**

UniSuper has a private markets portfolio valued at approximately \$15 billion as at 30 June 2023. This includes investments such as airports, timber plantations, digital infrastructure, and other infrastructure assets. Private markets investments are included in our pre-mixed options. You can view the asset allocations for each option [here](#).

**41. How big are the trends in UniSuper investment switches. And how does UniSuper handle big swings - are investments changed within days, weeks, or months. E.g., what happens if a substantial number of members suddenly want to switch to the "cash" sector?**

Investment switches generally take 2-3 business days to complete. To support flows between options and in and out of the Fund, our investments team may buy or sell liquid assets as needed. Residual cash balances may also be held within different asset classes for portfolio management purposes. See [here](#) for further information on switching.

## Cybersecurity

### 1. On cyber security: has UniSuper considered adding a date and time of last login to the webpage?

Members can view their login history at any time when they log in to Member Online. Navigate to the Profile section on the sidebar menu to see the date and time of your last login. We recently added information so members can see what platform they last signed in on – mobile app or Member Online.

## Retirement

### 1. Is the fund considering any new products for retirees that may help with longevity risk?

As CEO Peter Chun explained in the Annual Members' Meeting, we currently offer a comprehensive suite of products for retirees. Our main retirement product is Flexi Pension which offers 16 investment options, some of which are ideally suited for our retirees.

In addition to Flexi Pension, we offer Lifetime Income, which is a product that solves for longevity risk. Lifetime Income enables our members to secure a lifetime income stream to address the worry of running out of money and being solely reliant on the Government Age Pension.

We are always assessing the development of new retirement income products to address the diverse risks faced by our members.

### 2. Can you explain the bucket strategy and when is it the best time to apply this strategy?

A bucket strategy involves holding different “buckets” of money to cover the different phases of your retirement. These buckets can be held within an account-based pension. Each bucket has a different purpose, and therefore, tends to hold different types of assets in each bucket - such as a short-term bucket with cash assets for liquidity to fund pension payments, or a long-term bucket for capital growth, holding growth assets.

In retirement, it's important that your savings can fund your spending now and grow to fund spending later. See our article [here](#) for more insights. We offer the flexibility to choose one or more of our 16 investment options, each with varying strategies, objectives, and levels of risk. If you have a Flexi Pension account invested in more than one investment option, you can choose where your income payments (and lump sum withdrawals) come from—this is known as a drawdown method. You can update this at any time by logging in to your account. See the [Flexi Pension Product Disclosure Statement](#) (PDS) for more information. A [UniSuper financial adviser](#) can help you assess your investment options with regard to your personal circumstances.

### 3. After turning 65 years old and retiring, if I am to get a pension, how is this calculated and paid?

UniSuper's [retirement pension products](#) include Flexi Pension and Lifetime Income, available to members who have met a condition of release. See [here](#) for when you can access your super.

When you open a retirement Flexi Pension, you can choose a level of income (and payment frequency) which is at or above the age-based minimum rate set by the Government. You can also select which investments your payments are made from, by setting up a drawdown strategy. See [here](#) for more information. Where you select the Lifetime Income product, your regular pension payment is calculated by UniSuper upon creation of the pension, and indexed by CPI each 1 July. Please contact our Member Services team on **1800 331 685** for a lifetime pension quote.

- 4. If I am a DBD member, is there a way to compare the amount of retirement pension I will receive if I choose to retire at 60, 61, 70? I wonder how accurate the retirement calculator is. May I also ask where I could find formula (parameters used) to calculate the retirement pension?**

Our retirement calculators aren't designed for Defined Benefit Division (DBD) members, please call our Member Services team on **1800 331 685** for future estimates of your defined benefit entitlement. See the [How Defined Benefit Indexed Pensions are calculated factsheet](#) and [here](#) for further information regarding the defined benefit formula.

Please note, our Member Services team can provide you with a future benefit estimate for up to 10 years in the future if you are currently a contributing or deferred DBD member. We are unable to estimate your future accumulation component balance. A [UniSuper financial adviser](#) can assist if you would like a defined benefit estimate beyond 10 years in the future.

## Digital/mobile app

- 1. When will the app be enhanced for use while overseas?**

On 8 September 2023, the UniSuper mobile app was opened up for use in several overseas countries, so members can now easily keep track of their super while travelling abroad in numerous places.

- 2. Will you be implementing enhanced multi-factor authentication soon [additional to SMS]?**

We are currently exploring an additional authentication service. Cybersecurity is one of our highest priorities and we always continue to make enhancements. These are often inconspicuous and happen behind the scenes. We continue to invest in the app, and in all our digital capabilities, to keep your data safe.

- 3. Why should I use the mobile app rather than using the website? Does it have additional features?**

Both the UniSuper mobile app and our website channel allow you to seamlessly track and manage your super. The advantage of the mobile app is that it makes it even easier for you to take control of your super - anywhere, anytime in the palm of your hand. It remains permanently installed on your personal device and takes just seconds to access your account.

## Marketing

- 1. Noting that UniSuper has spent over \$10m in advertising this year (as per the supporting info provided), I was wondering how many net-new members have joined the fund? Therefore, what is the cost of the per member acquisition and is the ROI there in terms of overall lower individual fees due to increased scale?**

**Noting too that the CEO stated we didn't want to grow to be the biggest, so why spend \$10m of member funds on advertising?**

Like most superannuation funds, UniSuper regularly advertises and promotes its products and services in the public domain through a variety of communications channels. We know these activities help to grow our fund's profile in the market. A key reason for the need to grow our fund's profile is to attract new members. This helps us gain scale and create cost efficiencies, which benefits all our members by helping to keep our costs low. In our analysis, compared to other large superannuation funds, UniSuper's marketing budget expenditure is relatively modest. All our marketing and advertising activity goes through regular assessment for effectiveness and value for money and is considered in the context of our obligations under the best financial interest duties for members.

**2. Why has UniSuper started advertising on TV? Is membership now open to people outside the higher education sector? Is this new? Why has UniSuper done this, and what effect is it likely to have on long-term members?**

As mentioned in the response above, we regularly advertise and promote our products and services to help grow our fund's profile in the market, and in turn, to attract new members.

UniSuper opened its doors to all Australians in July 2021. In a highly competitive landscape, scale is crucial, and we will grow the fund strategically. The right scale enables us to continue to offer low fees to members and will ensure our investment team continues to access great investment opportunities to help maintain the superior investment performance we've provided our members.

As a fund open to all Australians, we will be able to help create great retirement outcomes for all members, well into the future.

## Operations

**1. All UniSuper correspondence related to my defined benefit indexed pension comes via post. Why is it so difficult to send them via email (especially when you are already sending other correspondence via email)?**

The option to receive certain correspondence digitally (via your online account) is available only for super accounts and certain pension accounts. We don't currently provide online access for Defined Benefit Indexed Pensions (DBIP), so we're continuing to deliver correspondence for these accounts via post. To protect our members' information, we don't deliver regular correspondence directly via email. We will notify our members should the option to receive DBIP correspondence digitally becomes available.

## Mergers

**1. Can you explain how Catholic Super was accepted to join UniSuper?**

An extensive due diligence process was conducted before the decision to merge was made. That process identified that the merger was in the best financial interest of UniSuper members.

The transfer of Australian Catholic Super (ACS) into UniSuper delivered \$10 billion in funds under management and over 80,000 additional members. This type of growth and scale enables us to continue to support our ability to offer low fees to our members and secure investment opportunities that are not open to smaller funds. This in turn helps deliver great retirement outcomes for our members.

Our aligned values also made this merger a great fit. One being our strong common focus on delivering the best retirement outcomes for all members. The second being our common deep connection with the education sector.

A majority of former ACS members are either teachers or associated with education, offering a clear synergy with UniSuper's membership and heritage in the higher education and research sectors.

## Insurance

1. **There has been recent media coverage about people being denied life insurance because of mental health grounds. Does this happen to members who apply for life, TPD or income protection insurance through UniSuper? If so, what proportion of people who make mental health disclosures during their application are denied coverage on a mental health basis?**

We confirm that UniSuper has experienced an increase in the incidence of mental health disclosures in recent years, however we are not observing a higher proportion of declined applications as a result. Approximately 9% of insurance applications are declined for a variety of reasons. If the member has made mental health disclosures, they are more likely to have a condition placed on their cover, rather than being declined altogether. Additionally, the insurer will look more favourably on a condition (including mental health) which is well-controlled and medicated than one which has more recently been diagnosed or is not otherwise well-controlled. UniSuper obtains monthly reporting and regularly reviews the underwriting assessments made by our insurer.

## Miscellaneous

1. **I know that the ATO says that to qualify for permanent incapacity, you not be able to “work again in a job you were qualified to do”. Do you ever think it will change to “reduced hours”? I know we have to contact our Super fund, and wondering if you had some flexibility in this?**

There are certain circumstances where your super fund may be able to provide access to your preserved benefits (and/or any insurance benefits) due to injury or illness. Defined Benefit members also have access to inbuilt benefits in certain circumstances. Our UniSuper Claims team will assess each member’s situation on a case-by-case basis, please see [here](#) for more information about our claims process or call **1800 825 246** to start a claim. See [here](#) for other circumstances where you may be able to access super.

2. **If the employer's contribution is over \$25,000 per year, what should we do to reduce tax? We are about 45 years old, so still have many years before retirement. Over the past year, our accumulation 2 super is mainly in cash. Should we switch it into more risky and higher return investment options now?**

We offer 16 investment options, each with varying strategies, objectives, and levels of risk. A [UniSuper financial adviser](#) can help you assess your contribution strategy and investment options with regard to your personal circumstances.

3. **Do I have two options to get my preserved benefits, all at once and monthly payment? Can I mix these two? If I reach my preservation age with my Australian permanent resident visa and live overseas, can I withdraw all of my preserved benefits without paying the tax? How do I prove permanent retirement from the workforce or termination of employment after reaching preservation age? If I reach age 65, can I withdraw all or part of my preserved benefits regardless of whether or not I work?**

If you are, or have ever been, a permanent resident or citizen of Australia, you can access your preserved benefits once you meet a [condition of release](#). This applies irrespective of country of residence. Once you turn 65, you can access your super whether you’re working or not. Eligible members can receive their UniSuper benefit as a lump sum, as a regular income, or a mix of both—when completing the relevant [application form](#), members need to declare their eligibility. UniSuper will contact members if further information is required.

Lump sum withdrawals and income payments are generally tax-free in Australia for members over the age of 60. Members residing overseas may wish to discuss any overseas tax considerations with a tax accountant.

**4. There are 16 investment options, where can I learn a bit more about what exactly these options are?**

Explore our 16 investment options [here](#). These include seven pre-mixed options which are ready-made portfolios including a diverse range of asset classes and nine sector options, which invest in one asset class or theme and allow you to be more hands on in setting your strategy. A [UniSuper financial adviser](#) can help you assess your investment options with regard to your personal circumstances.

We provide a wealth of investments content on our website, including the [basics of investing](#), [webcasts](#) and [news and insights](#) articles. You may also be interested to hear CIO John Pearce discuss the latest in financial markets in his recent [quarterly update video](#) and listen to our monthly [podcast](#). This podcast comes out at the start of each month and you can subscribe via [Apple Podcasts](#), [SoundCloud](#), [Overcast](#) or wherever you get your podcasts.

**5. What is the average percentage increase to base salary for FY24 for:**

- 1) members of the executive leadership team,**
- 2) people leaders not forming part of the executive leadership team, and**
- 3) all other employees.**

**If the answer to any of the above is less than 6% (being the increase in CPI in the 12 months ending June 2023) an explanation as to why UniSuper employees' salaries have been increased at a rate less than the increase in cost of living.**

The FY23 Executive remuneration has been externally published with an overall uplift to fixed remuneration, on average at 5.6%. Once the FY24 financial year is closed, the Executive remuneration will be published in our Remuneration report in October 2024. Across the rest of Fund during FY23, for those people covered under an Enterprise Agreement they received a 4.6% uplift and for all others, an overall budget of 4.5% was allocated to fixed remuneration uplifts.

UniSuper relies on Financial Services market data to understand our positioning for fixed remuneration, considers the wage price index as well as affordability this is within the best interests of our members.

**6. I came a bit late - will you share the recording?**

Yes, the recording and minutes of the meeting can be found [here](#).