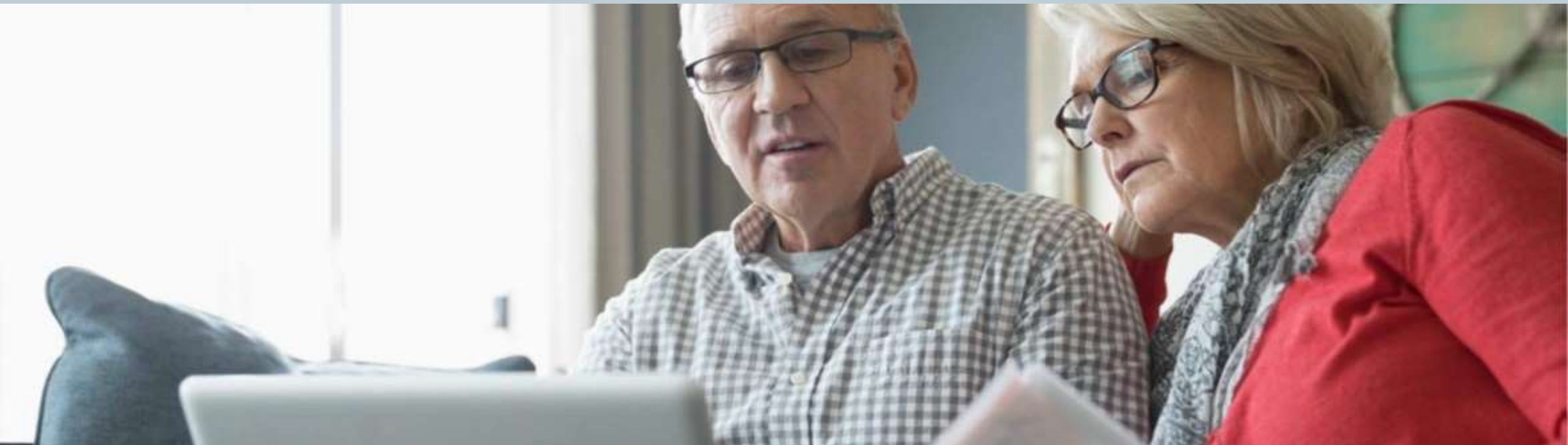




Vision Super ANNUAL MEMBER MEETING



Agenda

01.
WELCOME ADDRESS

Geoff Lake
Chair

02.
FUND UPDATE

Stephen Rowe
CEO

03.
AUDIT COMMITTEE UPDATE

Casey Nunn
Chair

04.
**INVESTMENT COMMITTEE
INVESTMENT OVERVIEW**

Jo Dawson
Chair

05.
INVESTMENT UPDATE

Michael Wyrsh
Chief Investment Officer

06.
**GOVERNANCE, RISK AND
APPOINTMENTS COMMITTEE
AND REMUNERATION
COMMITTEE UPDATE**

Graham Sherry
Chair

07.
**BENEFITS COMMITTEE
UPDATE**

Peter Gebert
Chair

08.
QUESTIONS
Questions from the Audience

09.
MEETING CONCLUDES

Geoff Lake | Chair
Welcome address





ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the traditional owners of the lands from across Australia. We pay our respects to the Elders past, present and emerging, for they hold the memories, the traditions, the culture and hopes of Aboriginal and Torres Strait Islander peoples across the state.

Welcome

- > Welcome
- > This is the sixth year we've held an annual meeting
- > First year to be held completely online
- > Really valuable experience for us to talk directly with our members



Covid-19 response

Operations

- > Initial focus on rapidly shifting workforce to remote work
- > 100% of staff working from home
- > No interruptions to BAU
- > Now exploring future of work and post-covid planning

Investments

- > Volatile markets
- > Focus on asset allocation
- > Increased meetings and reporting

Member services

- > Call centre still available normal business hours
- > No face to face service currently – but webinars very successful
- > Member satisfaction with our service at all time high

TOP PRIORITIES



Keeping
staff safe



Protecting
members'
retirement savings

Stephen Rowe | CEO

Fund update



Fund facts and figures

Despite the pandemic,
we grew last year



\$10.51 billion

Total assets



\$269 million

Investment income



\$495 million

Contributions



\$173 million

Transfers in



\$420 million

Paid to members



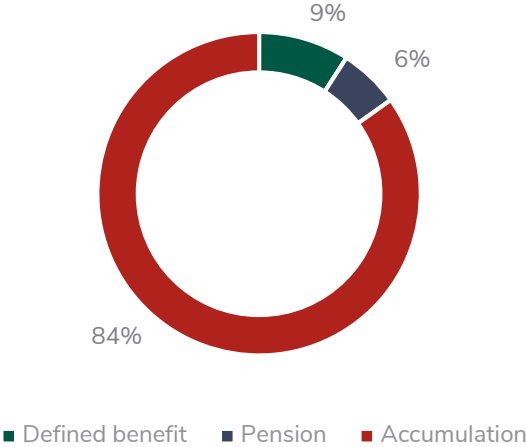
\$25 million

Administration expenses

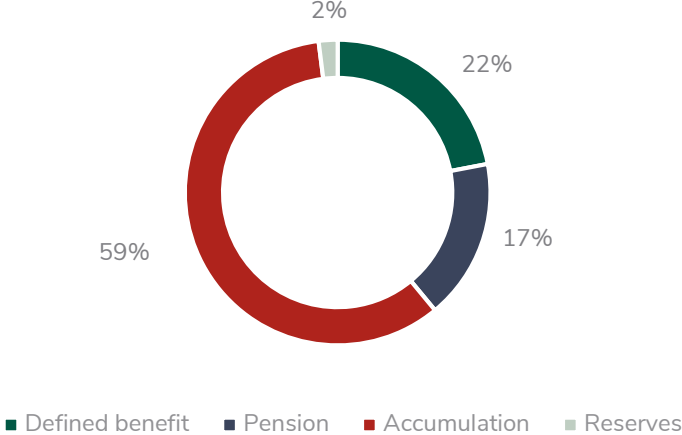
Our 89,000 Vision Super members

Snapshot

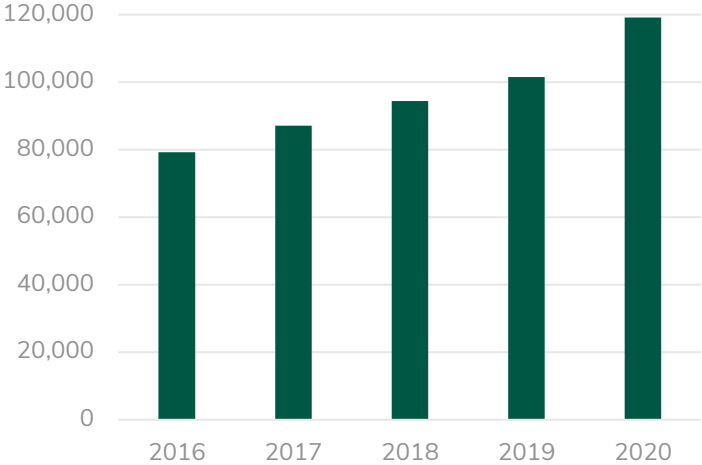
Member accounts



Funds under management

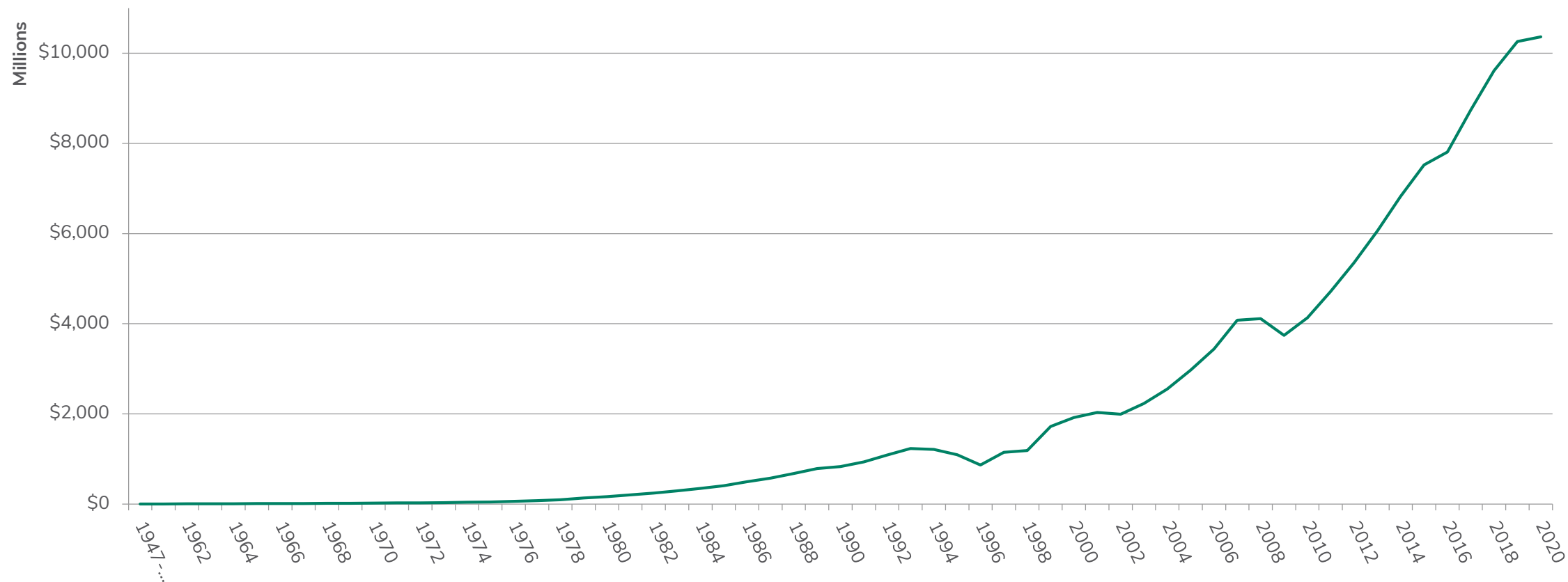


Average balance



Our funds under management

73 years and growing strong



Performance against strategic goals 2019 - 2022



Our goal

Optimise members' and their dependants' standard of living in retirement



Our purpose

We exist to provide retirement benefits to members and their dependants



Goals

Member satisfaction	Employer satisfaction	Employee engagement	FUM	Active membership growth	Retirement division growth	Maintain member density	MER operating	MER investments	Investments performance
8.26	8.26	80%	\$12.5b	1.0%	50%	58%	25bps	40bps – ex.RG97 68bps – RG97	Achieve top quartile 3 year rolling



**Performance
30 Jun 2020**

8.83	9.17	74%	\$10.3b	8.26	5.8%	58%	22.7bps	34bps – ex.RG97 66bps¹ – RG97	6.50%
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Initiatives

Investments

- > Demographic analysis and data management
- > Pilot study insourcing asset management
- > Retirement solution

Cost consciousness

- > Focus on member fees and costs
- > Fee for service review
- > Fee stability and reducing fee

Maturing the risk function

- > High functioning risk and compliance function
- > Managing legislative change
- > Strong risk management framework

Merger

- > Looking for the right partner
- > Extended public offer license
- > Success fund transfer

Brand

- > Developing a cohesive brand strategy to increase engagement
- > Brand as an asset for growth
- > Brand metrics and success

Data and insights

- > Personalisation and experience optimisation for members
- > Performance management reporting
- > Strategic modelling and insights

Optimising business operation

- > Three year technology plan
- > Automation
- > A fit for purpose workforce

Delivering member outcomes

- > Retirement covenant and comprehensive income product in retirement
- > Retirement bonus
- > Delivering the right advice

Met or exceeded target

Within acceptable range and expected to meet

¹ Investment fee effective current PDS

Top ten performance – MySuper balanced growth

1 year rank	3 year rank	5 year rank	7 year rank	10 year rank
3	4	5	7	8
1 year return	3 year return	5 year return	7 year return	10 year return
1.96%	6.50%	6.75%	8.07%	8.13%

Top results – Super options



Superannuation plans (returns show are net of fees and tax)

Returns for the period ending 30 June 2020


	10 years net return (pa)	7 years net return (pa)	5 years net return (pa)	3 years net return (pa)	1 year	Financial year to date net return	Quarter net return	Month net return
Premixed options								
Conservative	5.95%	5.48%	4.83%	4.55%	2.03%	2.03%	4.24%	1.00%
Balanced	7.53%	7.27%	6.29%	5.99%	2.26%	2.26%	6.95%	1.70%
Sustainable balanced	N/A	N/A	N/A	5.30%	-1.30%	-1.30%	9.83%	1.21%
Balanced growth	8.13%	8.07%	6.75%	6.50%	1.96%	1.96%	7.87%	1.89%
Growth	8.91%	9.01%	7.43%	7.10%	1.61%	1.61%	10.68%	2.65%
Single sector options								
Cash	2.76%	2.07%	1.79%	1.63%	0.97%	0.97%	0.12%	0.02%
Diversified bonds	4.68%	4.32%	4.28%	4.78%	5.02%	5.02%	2.02%	0.75%
Australian equities	7.41%	7.37%	6.06%	5.98%	-4.06%	-4.06%	16.72%	3.17%
International equities	11.51%	12.24%	9.34%	9.13%	7.04%	7.04%	15.46%	3.86%
Just shares	9.53%	9.92%	8.03%	7.82%	2.15%	2.15%	16.80%	3.88%
Innovation and disruption	N/A	N/A	N/A	N/A	44.90%	44.90%	29.12%	9.82%

Top results – Pension options



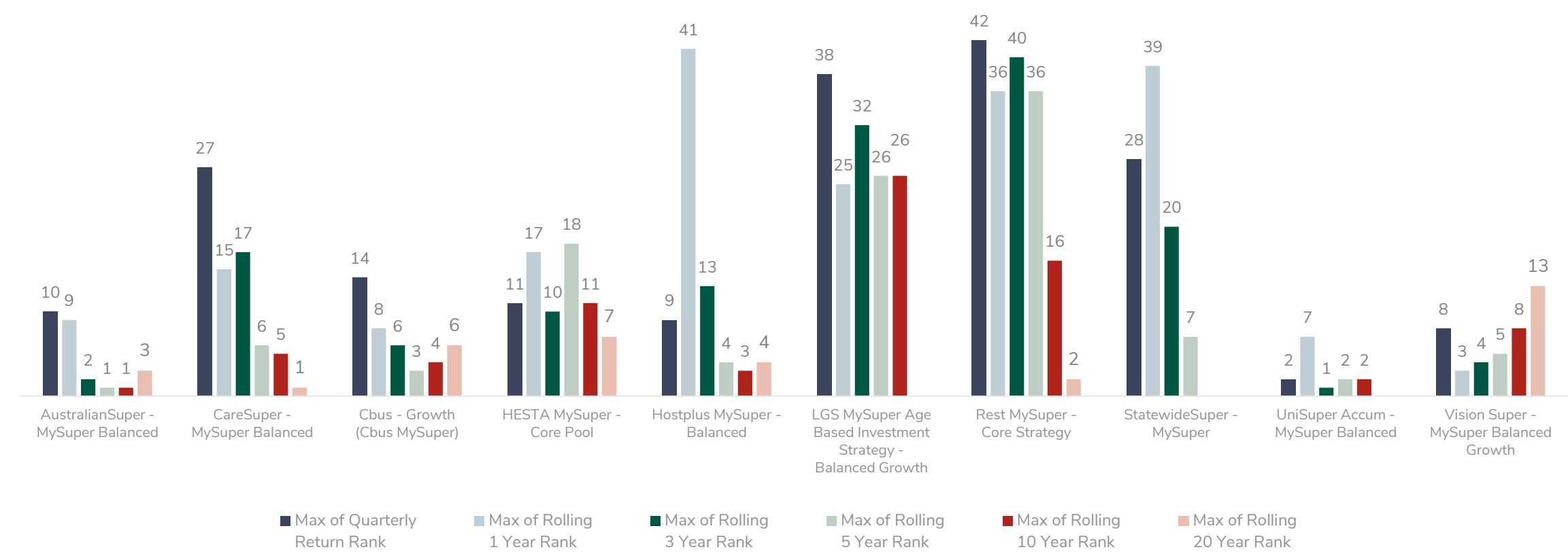
Pension plans (pension plans are untaxed, returns shown are net of fees)

Returns for the period ending 30 June 2020

	10 years net return (pa)	7 years net return (pa)	5 years net return (pa)	3 years net return (pa)	1 year	Financial year to date net return	Quarter net return	Month net return
Premixed options								
Conservative	 Number 1 pension option of the year for balanced growth section							
Balanced								
Sustainable balanced								
Balanced growth	9.11%	8.97%	7.49%	7.26%	2.22%	2.22%	8.28%	1.80%
Growth	9.99%	9.99%	8.20%	7.99%	1.58%	1.58%	10.96%	2.24%
Single sector options								
Cash	3.21%	2.36%	2.05%	1.84%	1.14%	1.14%	0.13%	0.02%
Diversified bonds	5.47%	5.02%	4.92%	5.55%	6.03%	6.03%	2.15%	0.69%
Australian equities	8.78%	8.60%	7.11%	6.93%	-4.34%	-4.34%	18.10%	3.15%
International equities	12.49%	13.03%	9.67%	9.52%	6.42%	6.42%	15.87%	3.32%
Just shares	10.72%	10.90%	8.73%	8.52%	1.51%	1.51%	17.82%	3.56%
Innovation and disruption	N/A	N/A	N/A	N/A	64.22%	64.22%	31.45%	9.51%

Comparative performance

SR50 MySuper index rankings* (low is good)



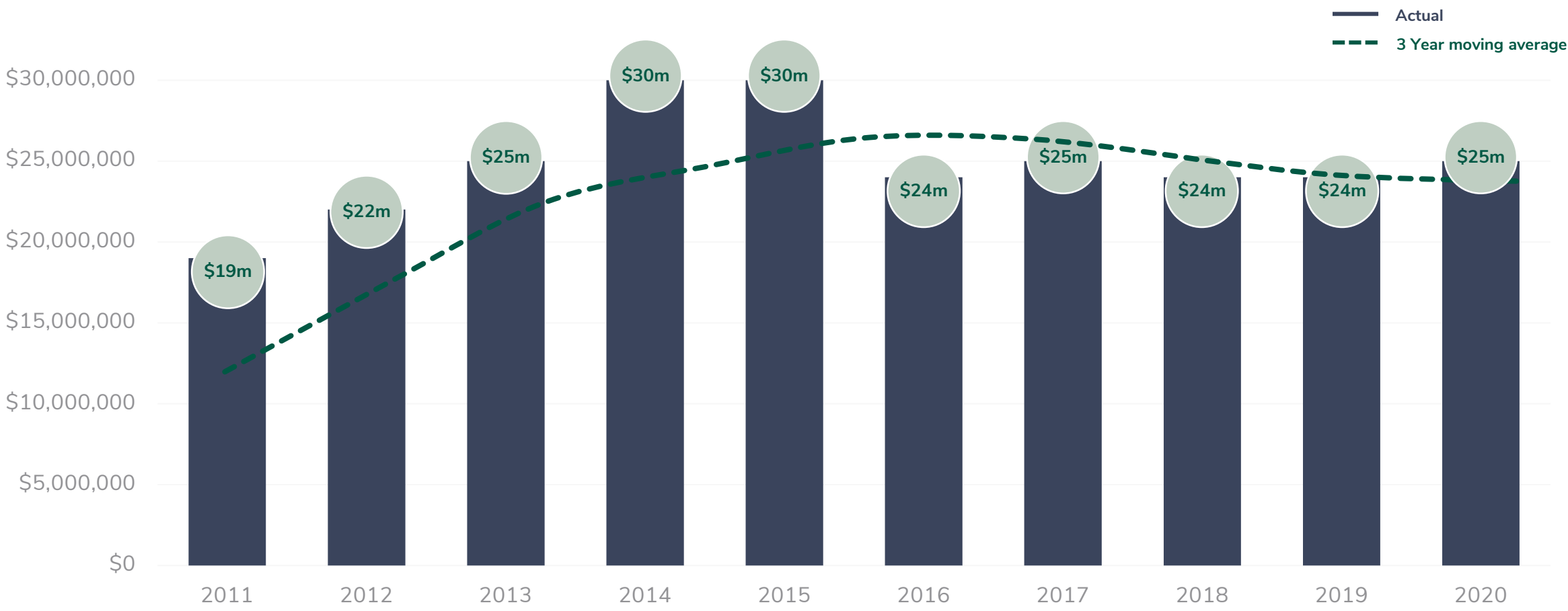
*As at 30 June 2020



LASF defined benefit plan

Date	VBI
30 June 2019 (actual)	107.1%
30 Sept 2019 (est)	107.3%
31 Dec 2019 (est)	107.7%
31 March 2020 (est)	102.1%
30 June 2020 (actual)	104.6%

Cost conscious



Reduced fees

\$50,000 balance	PLAN	SEPTEMBER 2017 FEES	30 JUNE 2020 FEES	CURRENT TOTAL FEES	REDUCTION OVER 3 YEARS	INDUSTRY AVERAGE ¹
	Super Saver	\$538 pa	\$488	\$463	\$75 pa (14%)	\$646 pa
	Vision Personal	\$243 pa	\$238	\$223	\$20 pa (8%)	\$646 pa
	Pension	\$545 pa	\$515	\$490	\$55 pa (10%)	\$718 pa

1 SuperRating fundamentals report August 2020

We've delivered



Gold as a portfolio asset class



Pension join online



Property



Infrastructure

Award
winning

**Vision Super wins
Money Magazine's
Best of the best
award**



Climate risk

Flames from the LNU Lightning Complex fires burn in unincorporated Napa County, CA, on August 18th, as both a heatwave and the coronavirus pandemic also ravaged the state.



Vision Super's response

- > The market is still underestimating the impact of climate change
- > Vision Super has divested from thermal coal and tar sands, two of the worst contributors to climate change
- > We're also a tobacco-free fund and divested from controversial weapons
- > We announced our plan to be zero net carbon by 2030
- > We continue to work on our transition plan



Focus on ESG



We vote our shares – Australasian Centre for Corporate Responsibility report “Vote like you mean it” found we are in the top two funds in the country for supporting shareholder proposals on ESG



We disclose our votes in full on our website – one of only 11 who do so of the 50 largest funds



Recognised as one of only six Australian super funds at the cutting edge of responsible investment by the Principles for Responsible Investment (PRI)



The 2019 PRI Leaders' Group showcases signatories who are excelling in external manager selection, appointment and management

THE PRI LEADERS' GROUP 2019

ASSET OWNERS: SELECTING, APPOINTING AND MONITORING EXTERNAL MANAGERS

IN LISTED EQUITY AND PRIVATE EQUITY



BHP resolution



BHP is funding a number of industry associations that are lobbying against their long-term interests, and Vision Super members' long-term interests, for public policy that's in direct opposition to effective action on climate change.



Vision Super co-filed a resolution for their AGM, calling on BHP to suspend membership of industry associations that are lobbying for coal or against Paris-aligned policy.



We need a political environment in which sensible, market-based bipartisan policy on energy and climate change can be developed, which will give companies the confidence to invest at the same time as protecting all our futures.

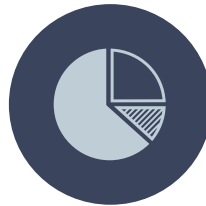


The resolution has supporters with assets under management of AUD \$12.3 trillion collectively. Resolution gained high levels of shareholder support.

Social



Traditionally much more attention has been paid to the 'E' and 'G' in ESG because the 'S' is hard to measure



Vision Super has been working with ACSI and the McKell Institute to develop measurable indicators for the 'S' factor in ESG, looking at issues like:



Occupational health
and safety



Supply chain
management and
slavery



Wage theft

Our service

We haven't been able to meet you in person this year, but our commitment to personal service hasn't changed.



66,422

Phone calls with members



2,379

Planning meetings



7,389

Members with our app



8.83

Member satisfaction



92%

Easy to deal with



86%

Trust

What's planned for the next year?

Continue to focus on delivering
strong risk-adjusted returns for our members



Casey Nunn | Chair, Audit Committee

Audit Committee report





The purpose of the Audit Committee

The Audit Committee provides an objective non-executive review of the effectiveness of Vision Super's financial reporting framework and audit arrangements.



Unqualified audit opinion

Jo Dawson | Chair, Investment Committee

Investment overview



The purpose of the Investment Committee

The Investment Committee assists the Board in its implementation of Vision Super's Investment Governance Policy and Framework including by developing, selecting, managing and monitoring the Trustee's investments and investment strategies.





Volatile market

Despite sharp falls in the market due to the pandemic our decisive action, technology stocks and markets recovering meant our default Balanced growth option was positive for the 11th year in a row

Michael Wyrsh | cio
Investment outlook



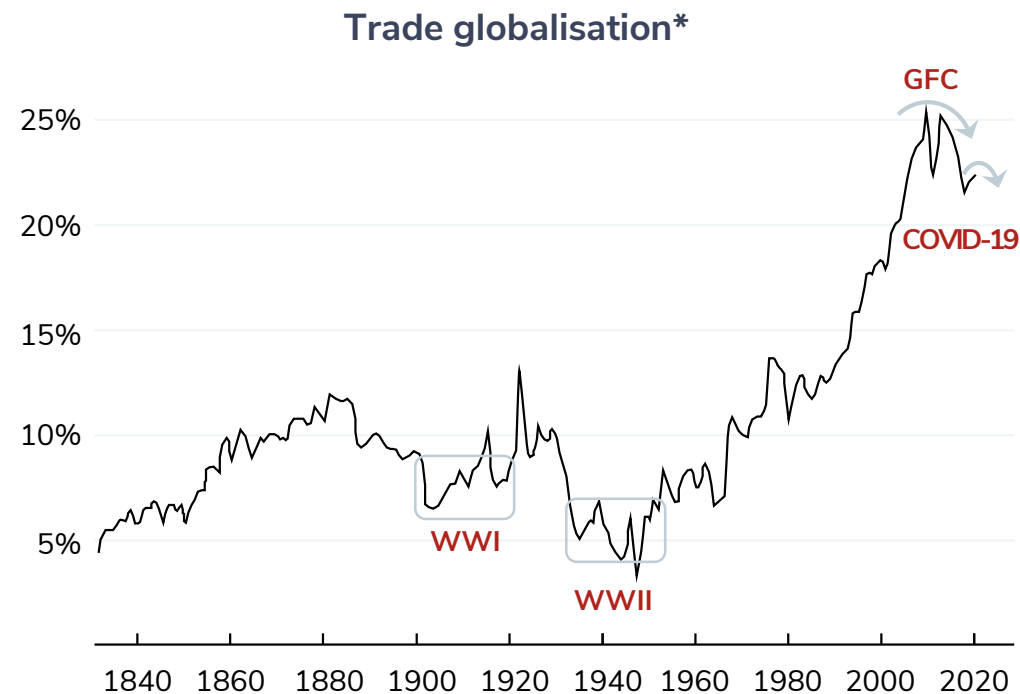


US election

- > Republicans – more chaotic foreign policy, less stimulus
- > Democrats – higher taxes, more stimulus, more conventional foreign policy and trade negotiations
- > Doesn't really matter short term for markets
- > Longer term – less action on climate, further fracturing of global cooperation if there is a Republican victory

Global tensions

- > US/China tensions will continue irrespective of who wins US November elections
- > Likely to spur further deglobalisation
- > Globalisation peaked around the GFC
- > Inequality and unrest – rising inequality spurs on nationalism



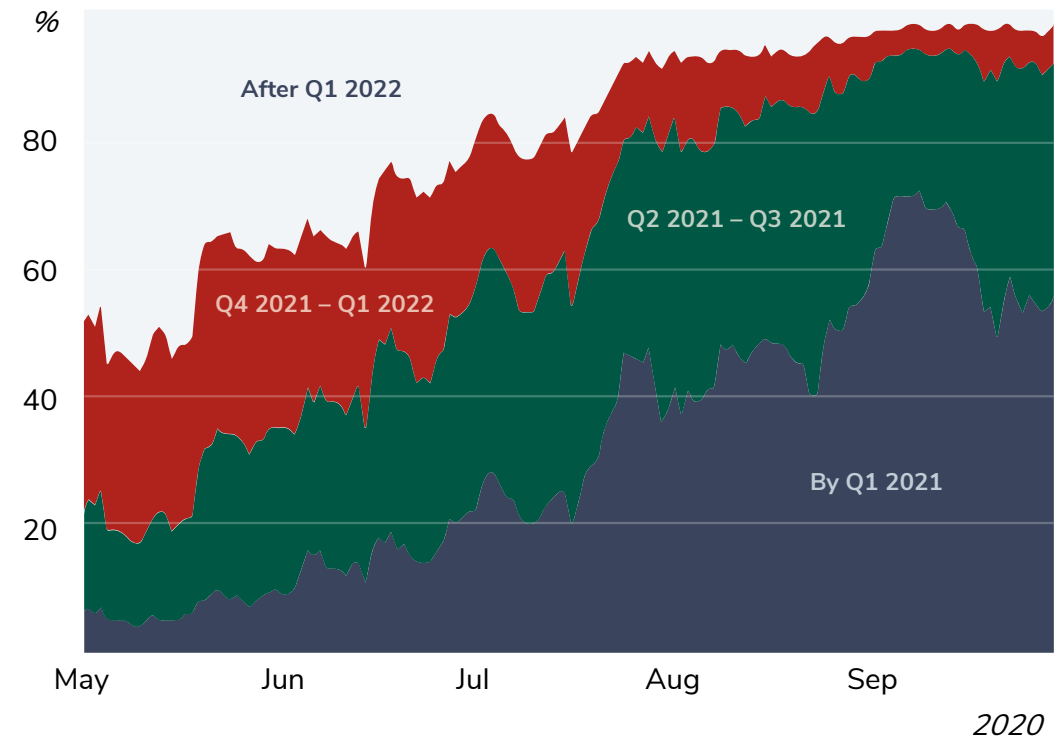
* Measured by imports as a percent of GDP weighted by population.
BCA calculation since 1795 waves of integration in the world system.
American Sociological Review 651, 2000.
Note: Number of countries varies based on data availability

Pandemic

- > Vaccine likely and more quickly than first thought
- > As with the polio vaccine, the first vaccine unlikely to be the most effective
- > Problems with logistics (the cold-chain), anti-vaxxers and priorities
- > Innovation - US new business creations up 18.5% ytd vs same time in 2019

When will a vaccine become available?

When will enough doses of FDA-approved COVID-19 vaccine(s) to inoculate 25 million people be distributed in the United States?

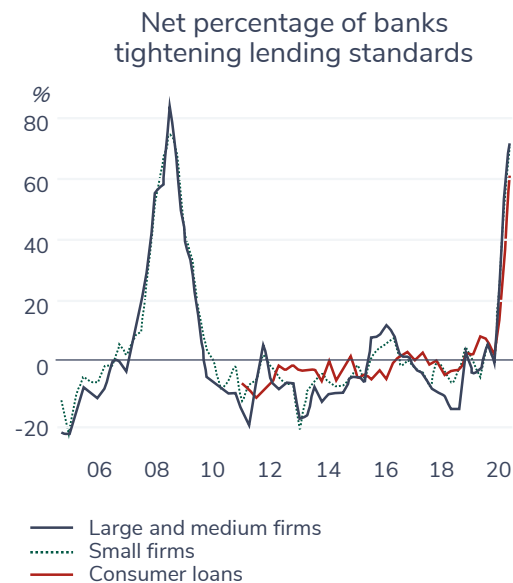
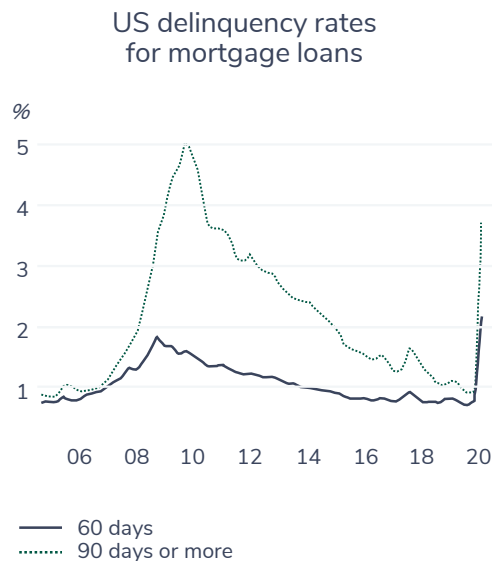


Source: Good Judgement Inc. Forecasts from Good Judgement's professional Superforecasters. Data accessed Sept 29, 2020.

Fiscal stimulus

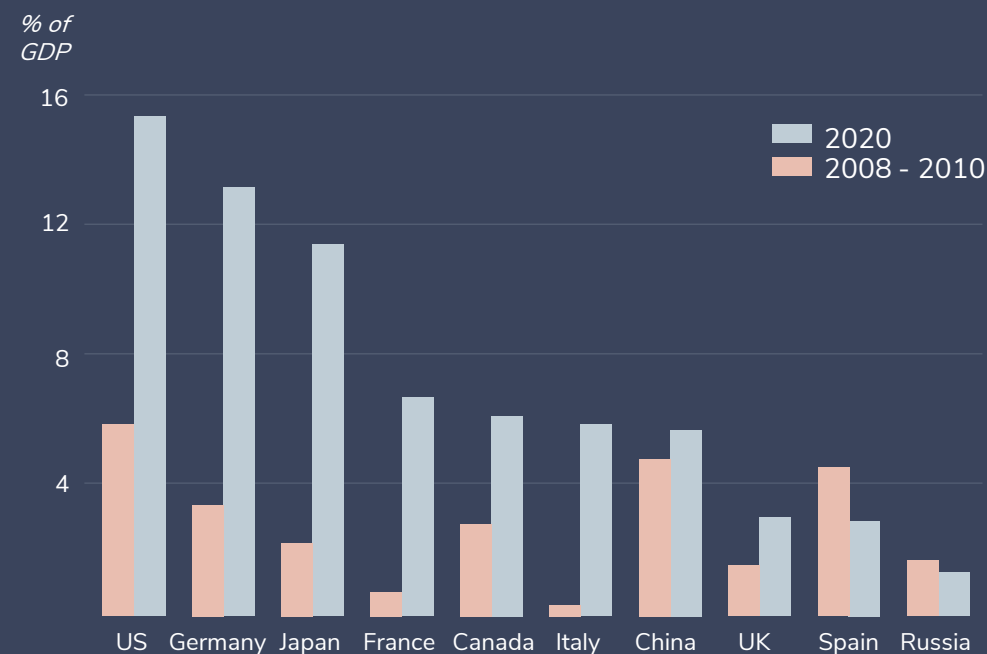
- > Governments everywhere looking to pull back stimulus and control debt
- > Many businesses will not survive the pull back
- > Potential for a policy mistake and a second recessions (W-shaped recovery)

Corporate bankruptcy and mortgage delinquency rates are moving up... while bank lending standards have tightened significantly



Fiscal policy has been very stimulative this year

Fiscal stimulus* as a % of GDP (excluding guarantees)



Note: Loan guarantees are excluded if there is a specific amount in the news.

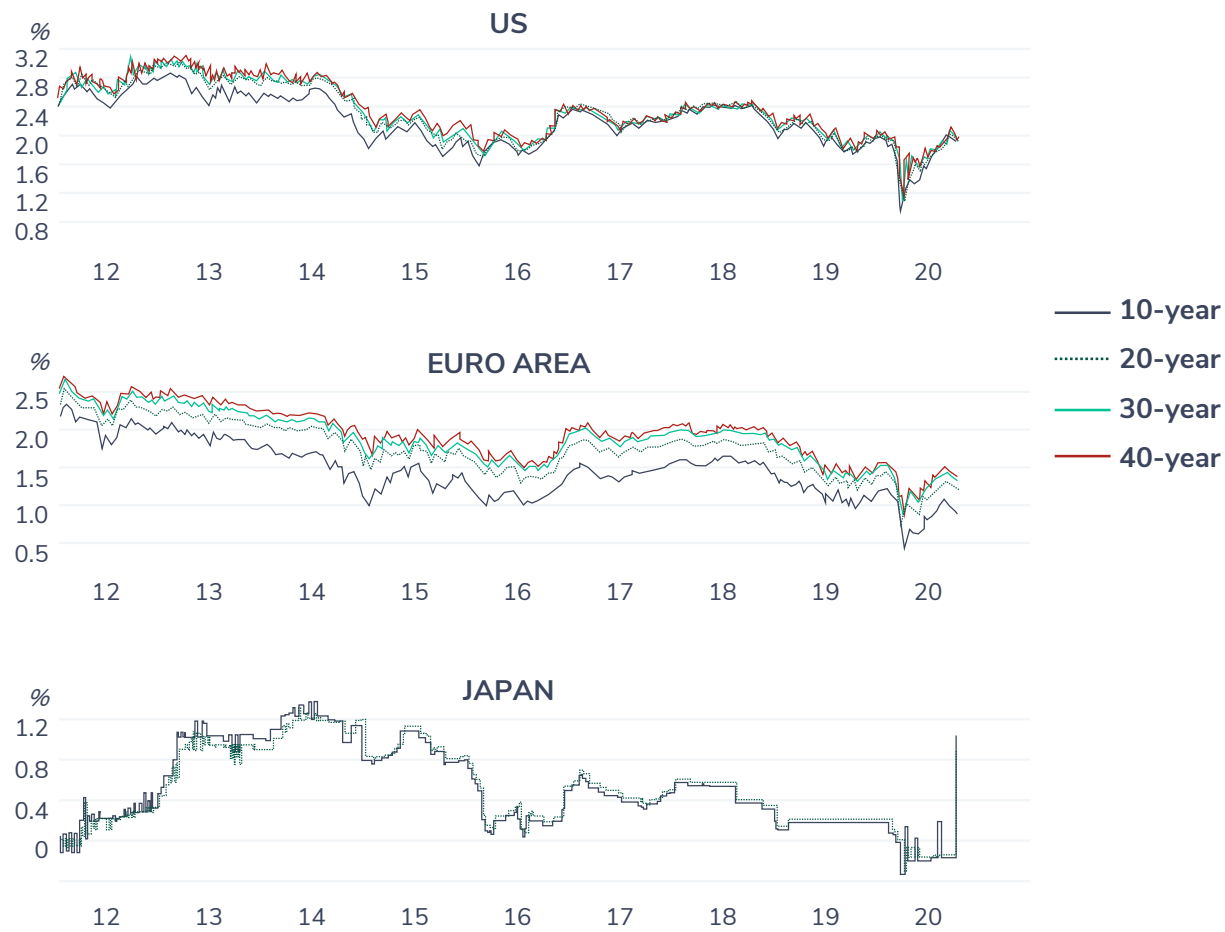
* Source: various news and government agencies, Brookings, the IMF and BCA calculations.

What the markets are saying

Real bond yields and what they mean for the future

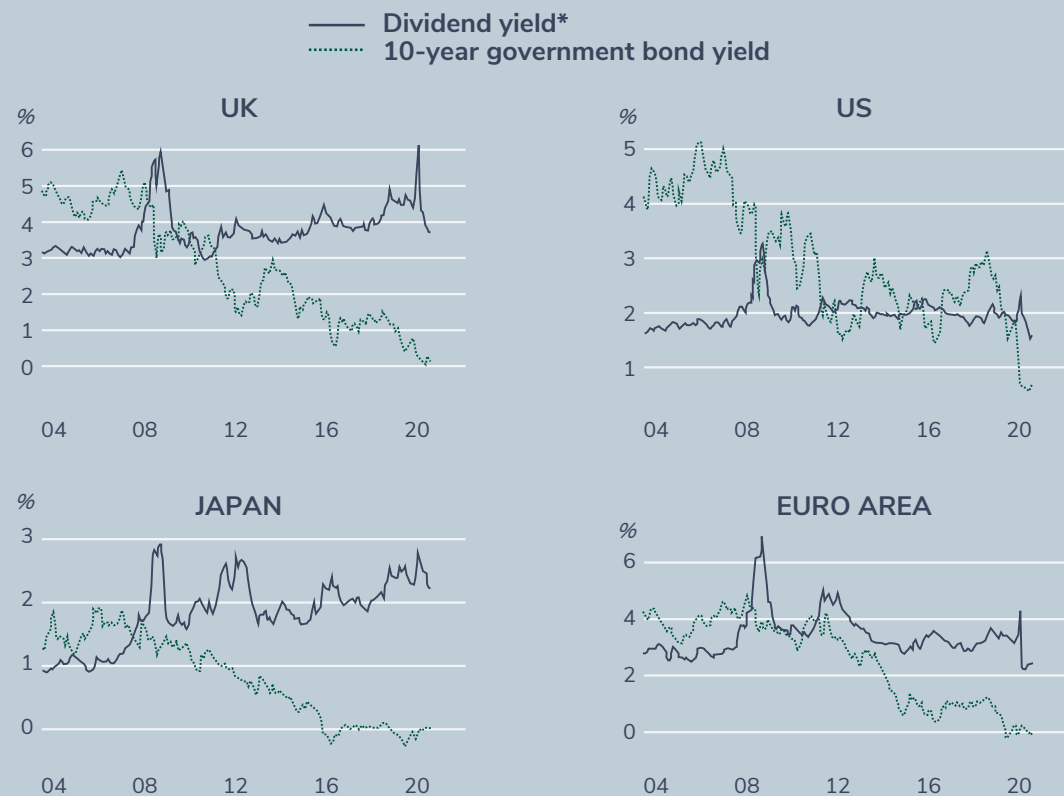


Markets expect no inflation – period



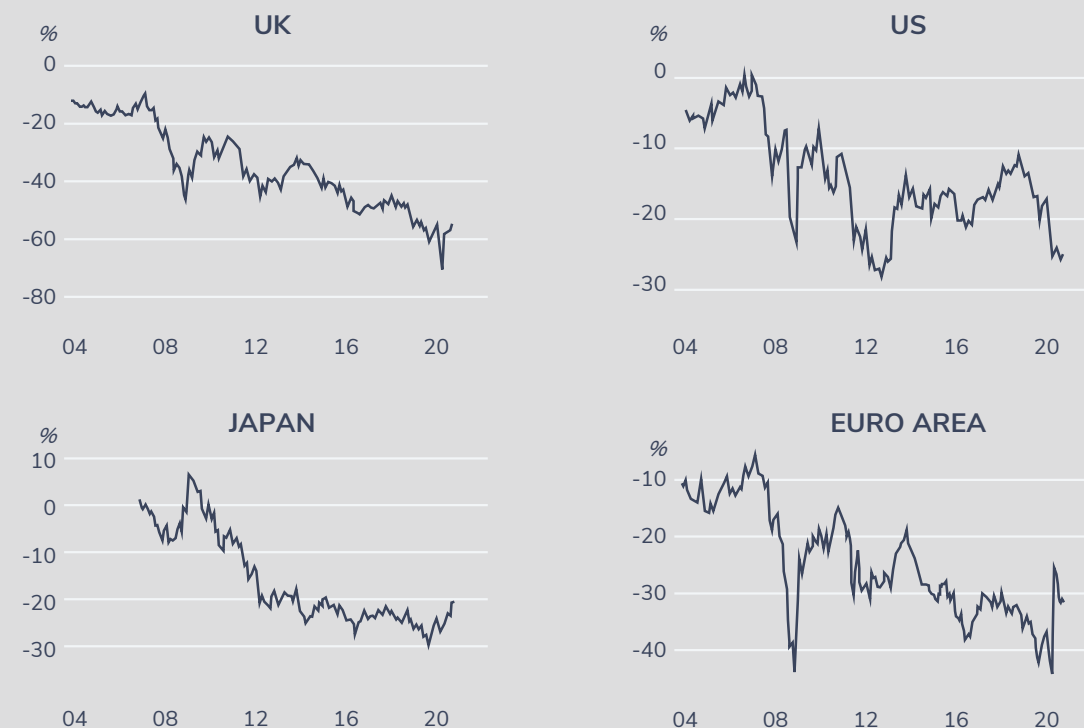
What the markets are saying

TINA: there is no alternative (to equities)



* Source: MSCI Inc. data

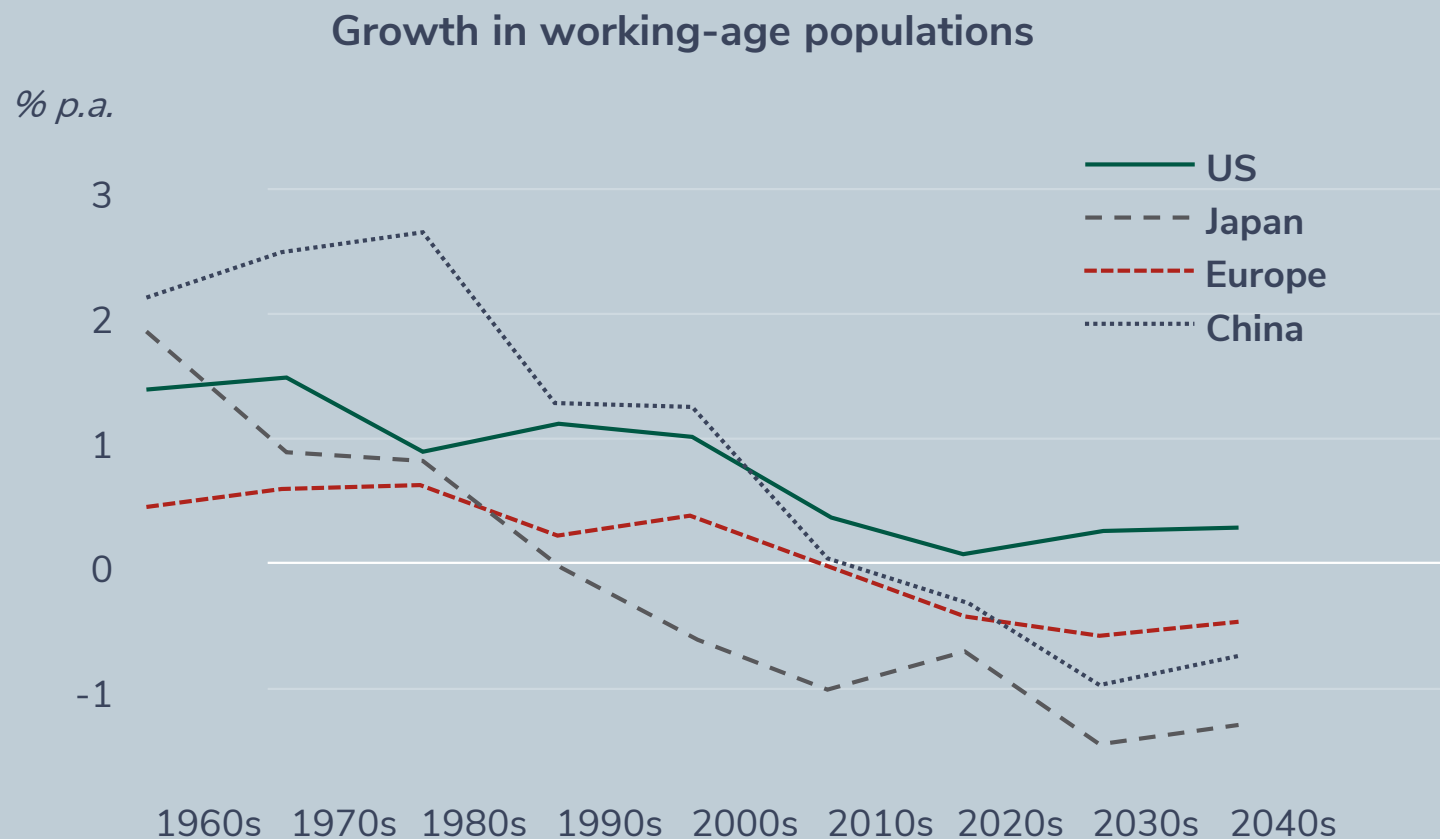
Percentage decline in real equity prices needed over following ten years for stocks to match the performance of bonds assuming no change in nominal dividend payments*



* Calculations are based on the difference between interest and dividend income over 10 years (deflated by the 10-year inflation swap rate). Assumes that nominal dividends do not change during the 10-year horizon based on MSCI Inc. data

The other longer term issues

- > Demographics –
negative for growth
- > Biodiversity collapse



Source: United Nations – 2019 population projections

Graham Sherry | Chair
Governance, Risk and Appointments
Committee and Remuneration Committee

Update



Governance, Risk and Appointments Committee

The Governance, Risk and Appointments Committee (GRAC) assists the Board by providing an objective non-executive review of the effectiveness of Vision Super's governance and risk management frameworks, including the risk appetite and risk culture.



GRAC update



Strengthened
internal
function



Continuous
changes in
legislation and
regulation



Greater focus
on risk



Remuneration Committee

As part of the Vision Super Board's responsibility for sound governance, it has established a Remuneration Committee to:

- > Review the effectiveness of the remuneration structure and remuneration policy
- > Assess compliance of remuneration arrangements with the APRA Prudential Standard SPS 510: Governance (SPS 510: Governance)
- > Make annual recommendations to the Board about remuneration of Responsible persons and other staff whose activities may, in the Committee's opinion, affect the financial soundness of Vision Super's operations and any category of person covered by the Vision Super remuneration policy.



Remuneration Committee update

- > Vision Super uses the FIRG survey to set remuneration
- > Our Remuneration policy states executive remuneration should be within 15% of the FIRG median
- > Given the circumstances:
 - no increase to Director remuneration this year
 - no increases to Executive remuneration (with one exception where remuneration was outside the 15% set by policy).

Peter Gebert | Chair, Benefits Committee

Benefits Committee update












Benefits committee

- > The Benefits Committee assists the Board in fulfilling its governance responsibilities and oversight of the Insurance Management Framework (IMF)
- > The primary duty and responsibility of the Committee is to serve as an independent and objective party when determining whether or not to approve or reject a member's insurance benefit payment/s and other discretionary claims on behalf of the Trustee.

Premiums and benefits

2019/20 FINANCIAL YEAR – PREMIUMS VS BENEFITS		
	IP	Group life (Death/TPD)
 Premiums paid	\$10,201,137	\$9,593,442
 Benefits paid	\$6,052,131*	\$6,391,384

CLAIM	NUMBER OF CLAIMS PAID	NUMBER OF CLAIM DECISIONS	% APPROVED
 IP	224	182 	96% 
 Death	72	76	97%
 TPD	34	46	87%

Member questions



What will be the impact if the **super guarantee doesn't go to 12%?**

Our hypothetical member, Nicola, has \$95,000 in her account and was 45 years old on 1 July 2020.

> **If the SG doesn't get frozen**

If the SG increases proceed as legislated, in today's dollars Nicola will have \$358,538 when she reaches 67.

> **If the SG is frozen**

If the government decides to leave the SG rate at 9.5% it will cost Nicola – she'll only have a projected \$319,762 in her account when she reaches 67. That would mean the government's super freeze would cost Nicola \$38,776.



Nicola
45 years old



Annual income
\$80,000



Superannuation
\$95,000

Retirement age
67 years old

\$319,762*

Super balance if SG
remains at 9.5%
(no increase)



\$38,776*

Additional super if SG
increases to 12%
(as legislated)

What are you doing to manage the risk of climate change?

- > Divestments – thermal coal and tar sands
- > Engagement – BHP resolution
- > Voting our shares
- > PRI A+ rating
- > PRI Leaders' Group
- > Recognised by RIAA



What are you doing to reduce your investments in fossil fuels?

Significant action on climate change



**Divested from thermal coal
and tar sands**



**Low carbon approach to index
mandates**



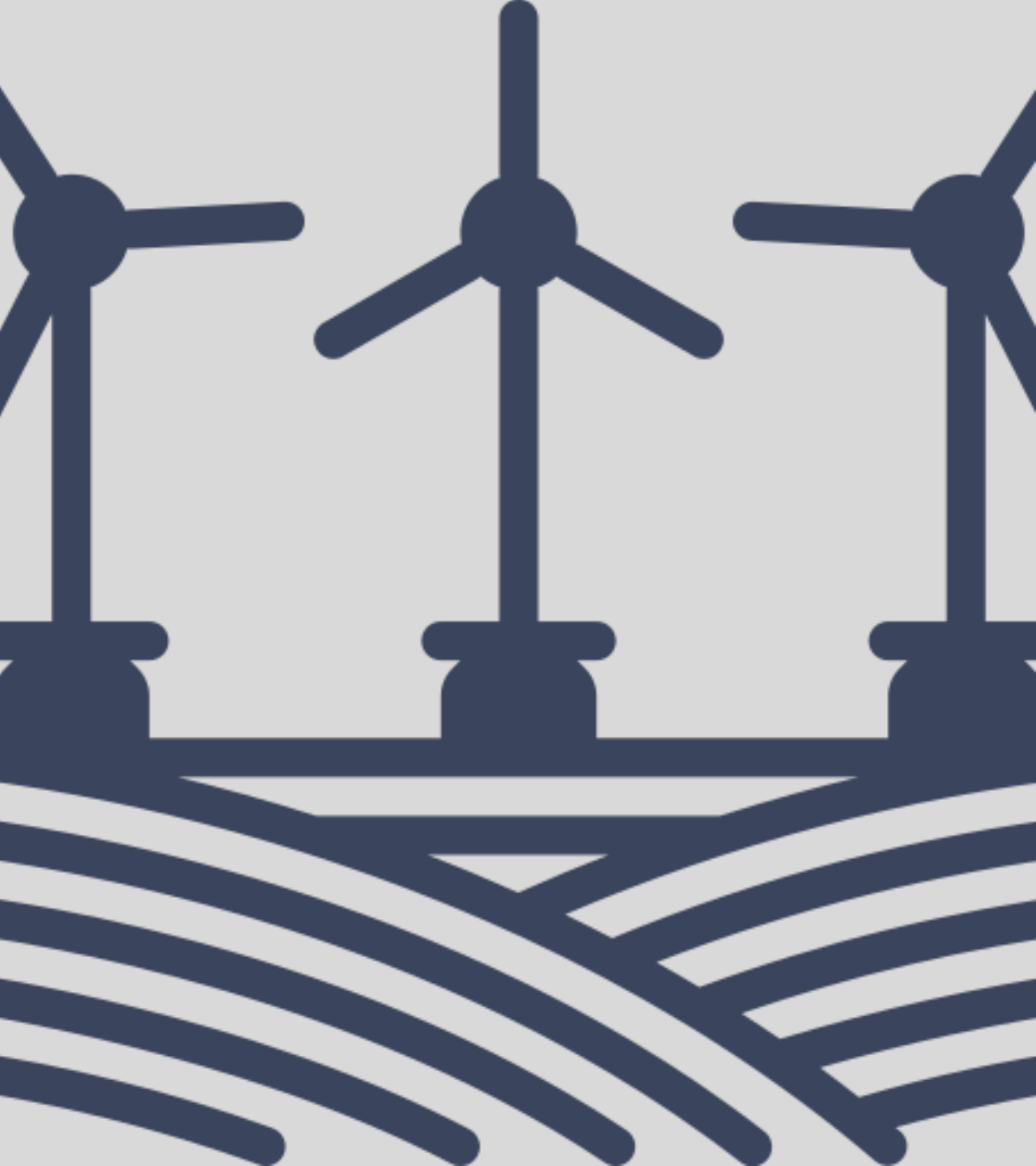
**Member of Climate Action 100+
encouraging better reporting**

Marketing and sponsorship agreements

How much was paid to each of the ASU, MAV or LGPro over the last year?

Organisation	2019/20
Australian Services Union, Victoria and Tasmania	\$43,614
FinPro	\$14,545
VicWater	\$12,500
Municipal Association of Victoria	\$6,000
LGPro	\$4,850
Other	\$2,136
TOTAL	<u>\$83,645</u>

Please note: These arrangements do not include Directors fees. Director remuneration details can be found on our website at www.visionsuper.com.au/about-us/fund-information



Off-shore windfarm

We recently agreed to invest with a manager that – legislation allowing – will build Australia's first off-shore windfarm

Women on Boards

What is Vision Super doing to ensure the companies our super is invested in have adequate female representation on Boards?



Vision Super has a majority female Board



We regularly vote against Director nominations or renominations where Boards have no women



We expect Boards to achieve at least 30% women on their Boards

What's the percentage of shares in Australian-owned investments?

For our Balanced growth (MySuper) option the strategic asset allocation to Australian shares is 24%

The actual allocation may vary over time depending on the market outlook and market movements

You can find the strategic asset allocations for other options in our PDS



24%

Thank you

