

Bendigo Superannuation

Minutes and Q&A of Annual Members' Meeting FY 2023-24

Bendigo Superannuation Plan (the 'Fund')

The minutes of the meeting comprise a summary of key aspects of the presentations, questions asked, and answers provided.

Meeting Details	
Date	Tuesday, 18 February 2025
Time	2.00pm Australian Eastern Daylight Savings Time
Location	Online via GoToWebinar
Presenters	Andrew Dengate, Host Michelene Collopy, Chair Justin Hoare, Head of Superannuation Thad McCrindle, Head of Investments, Superannuation
Attendees	Mary Latham, Director Peter Kirievsky, Head of the Office of Superannuation Trustee Chris Dunn, Head of Superannuation Risk and Compliance Hayley Watson, Ernst & Young, RSE Auditor
Apologies	Gary Williams

The meeting commenced at 2:00pm Australian Eastern Daylight Savings Time	
	Presenter
Introduction Mr. Dengate opened the Bendigo Superannuation Annual Members' Meeting, and began with an Acknowledgement of Country, recognising that he was hosting the meeting on the traditional land of the Gadigal people of the Eora Nation. Mr. Dengate outlined the meeting agenda, introduced the speakers, and mentioned the presence of the Fund's external auditor, Hayley Watson from Ernst & Young. He briefly discussed the Q&A process to be addressed later in the meeting. Mr. Dengate then welcomed Ms. Michelene Collopy, Chair of Bendigo Superannuation Pty Ltd ('Bendigo Super' or 'Trustee'), the trustee of the Fund, to speak on behalf of the Board.	Andrew Dengate

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<p>Chair's Address</p> <p>Ms. Collopy welcomed the audience attending and introduced herself and directors Mary Latham and Gary Williams.</p> <p>She acknowledged the leadership and contributions of the outgoing Chair, Tony Hodges, and outgoing director, Paul Rohan.</p> <p>Ms. Collopy explained that Bendigo Superannuation, supported by Betashares, strives to achieve sustainable retirement outcomes for its members.</p> <p>Ms. Collopy shared the key acquisition milestone, noting that Bendigo Superannuation was successfully acquired by Betashares Australia Holdings Pty Ltd on 1 September 2024 and was now part of the Betashares Group. She highlighted Betashares' long-standing reputation and leadership in the ETF and funds management industry. She discussed Betashares' commitment to improving the member experience and member outcomes in the years to come.</p> <p>Ms. Collopy also provided an overview of the Fund's products and services, including the Bendigo SmartStart MySuper product's top 5 ranking on the Australian Taxation Office's YourSuper comparison tool and the flexibility of the Bendigo SmartStart life insurance product offering.</p> <p>Ms. Collopy confirmed that members can continue to manage their super online via the secure portal and access client services for any account-related queries.</p>	<p>Michelene Collopy – Chair of Bendigo Superannuation Pty Ltd</p>
<p>Fund Update</p> <p>Mr. Hoare provided an update on the Fund, addressed the progress of the strategic review of the current product offering, confirming that any changes introduced would be in the best financial interests of members and to help achieve strong retirement outcomes.</p> <p>Mr. Hoare provided an update on the Fund's performance, highlighting that over the 2024 financial year, the Fund welcomed nearly 1,400 new members and that the funds under administration was over \$1.45 billion.</p> <p>Mr. Hoare discussed changes in the superannuation industry driven by the Federal Government, including the increase in</p>	<p>Justin Hoare – Head of Superannuation</p>

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<p>superannuation guarantee contributions from 11% to 11.5% on 1 July 2024, and also detailed the changes in contribution caps.</p> <p>Mr. Hoare emphasised the Fund’s commitment to strengthening fraud protection, cybersecurity, and ensuring members’ personal information remained secure.</p>	
<p>Investment Update</p> <p>Mr. McCrindle provided an update on market returns in 2024, noting strong performance in both Australian and global shares. Mr. McCrindle detailed the performance of the most popular investment option on the Fund’s menu, the Bendigo Growth Index Fund. Mr. McCrindle highlighted the Bendigo Growth Index Fund’s 11% annual return for the 2024 financial year, and 10-year return of 7.2%.</p> <p>Mr. McCrindle also explained the Trustee’s decision to remove the Bendigo Growth Wholesale Fund and Bendigo High Growth Wholesale Fund from the investment menu in June 2024 following a review.</p> <p>Mr. McCrindle discussed Australia’s economic growth and the decrease in inflation to under 2.5% by December 2024, and commented on the potential impact of interest rates being lowered in 2025. He also explained the current global market conditions, and the potential ramifications of geopolitical tensions on global stability.</p> <p>Mr. McCrindle outlined the investment outlook for the investment options on the menu, highlighting that portfolios are positioned relatively neutrally, with an expectation Australian bonds will outperform global bonds as rates fall further than the US or Japan.</p> <p>Mr. McCrindle confirmed that the Investment Team would continue to monitor for challenges and opportunities that markets present throughout 2025.</p>	<p>Thad McCrindle – Head of Investments, Superannuation</p>

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<p>Q&A session</p> <p>Mr. Dengate introduced the Q&A session, explaining the first questions to be answered were those pre-submitted. Then, live questions would be answered where possible.</p> <p>He advised written responses to all questions would be available on the website by 18 March 2025.</p> <p>Question 1: Will Bendigo Super continue to run with its investment options after the sale to Betashares?</p> <p>Answered by Justin Hoare</p> <p>Mr. Hoare highlighted that although there have been several changes to the investment menu in the past year, these changes were not related to the acquisition of Bendigo Super by the Betashares Group.</p> <p>Mr. Hoare summarised these changes, being:</p> <ul style="list-style-type: none">• in June 2024, the removal of the Bendigo Growth Wholesale Fund and Bendigo High Growth Wholesale Fund from the investment menu.• that Bendigo Socially Responsible Growth Fund was no longer on the investment menu as Sandhurst Trustees Limited had decided to wind up the managed fund effective from the 28 November 2024. <p>Mr. Hoare referred to the presentation earlier and stated that a comprehensive review of Bendigo Super’s current investment menu was underway. Mr. Hoare advised that members will be notified in writing beforehand if any changes to the investment menu are decided on and encouraged members to ensure their contact details were up-to-date to avoid missing any important updates.</p> <p>Question 2: Can you put our superannuation amounts back on our bank statements?</p> <p>Answered by Justin Hoare</p> <p>Mr. Hoare explained that following the sale of Bendigo Superannuation from the Bendigo and Adelaide Bank (‘the</p>	<p>Andrew Dengate, Justin Hoare, Thad McCrindle</p>
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Bank'), the Bank is no longer a related party of Bendigo Superannuation, meaning that members could no longer view their super balances through the Bank channels due to privacy reasons. Mr. Hoare advised that members could continue to view and manage their super account online by logging in to the secure online portal. Members could register for access at www.betashares.com.au/super, alternatively, members can call the Client Services Team who can assist over the phone.

Question 3: The fees that we are charged are reducing the value of our investment. I would like all fees and charges to be reduced to zero ASAP.

Answered by Justin Hoare

Mr. Hoare confirmed the Trustee is very conscious of the impact of fees on members' retirement savings, and that Bendigo Superannuation continue to strive to run an efficient business to ensure the value for members is as high as possible. Mr. Hoare explained that Bendigo Superannuation benchmarks itself against other super funds and will continue to work hard to keep fees as low as possible.

Mr. Hoare summarised the types of fees that get charged for the Bendigo SmartStart account, being:

- (a) Administration fees which are charged to cover the general cost of managing your super account such as regulatory, administration, platform and technology costs.
- (b) Investment fees or costs which are charged for the professional management of a member's investment and varies for different investment options.

Mr. Hoare noted the relevant product disclosure statement has more detailed information about the fees and costs charged for the various investment options on the menu.

Question 4: What are the short, medium and long term risks (and risk management) for superannuation fund managers and as a consequence, members funds when analysing global geo-political instability?

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Answered by Thad McCrindle

Mr. McCrindle explained that global geopolitics is a constantly changing landscape that can present risks to investments. Mr. McCrindle detailed that geopolitical risk include political events, conflicts, or tensions between countries can impact global markets, economies, and businesses.

Mr. McCrindle advised that these risks can arise from various sources, including wars, terrorism, trade disputes, sanctions, and political instability. He explained that these events often occur without warning and can affect short term returns. Mr. McCrindle stated that to mitigate these risks, strong diversification is employed. For example, government bonds have historically performed well during such events and can offset declines in share markets.

Mr. McCrindle highlighted that these events can come without notice, markets often recover quickly after the event. For example, following the 9-11 terrorist attacks on the US the stock market fell over 10% in a few days but after this the market fully recovered in about 1 month.

Mr. McCrindle stated that there are longer term geopolitical trends that emerge and have more structural impacts on returns. He noted that regular reviews of the investment strategy to include scenarios and stress testing.

Question 5: Can you explain the difference between Bendigo returns and very high average returns for super this past year?**Answered by Thad McCrindle**

Mr. McCrindle acknowledged that, over the medium term (3-5 years), many of Bendigo Super's investment options had underperformed relative to peers. However, he highlighted a positive development in that several of the investment options had outperformed their peers in both the 2024 financial year and the calendar year.

When comparing Bendigo Super's investment options to those with similar asset allocations, Mr. McCrindle noted that 6 out of 9 funds in the 2024 financial year exceeded the industry average in terms of annual returns. Specifically, he cited the

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1-year return for the Bendigo Growth Index Fund, the most popular investment option, which was 11.6%. In comparison, the average 1-year return for investment options with an asset allocation within 5% of the Bendigo Growth Index Fund was 9.1%.

Mr. McCrindle also emphasised that each superannuation fund has its own unique investment strategy and exposure to different asset classes, which contributes to variations in performance.

Question 6: The USA has introduced tariffs that will change international and Australian investments. What plan of action is Betashares developing or has developed?

Answered by Thad McCrindle

Mr. McCrindle confirmed the Bendigo Super investment team is closely monitoring the actions and communications from the Trump administration as they are gradually released. He highlighted flexibility as a key advantage of the tactical asset allocation approach which enables the team to incorporate emerging issues such as those related to U.S trade policy in real time.

Mr. McCrindle explained the team have already reduced the equity exposure to manage the risk of negative returns from the announcement of tariffs, and noted some tariffs are already reflected in current prices.

Mr. McCrindle stated that there are currently no tariffs planned on Australian exports. However, he noted that any unexpected announcements regarding trade policies could lead to short-term underperformance in the market. Additionally, the team is considering the potential impacts of a shifting global trade landscape as part of the preparation for the upcoming strategic asset allocation review.

Question 7: What mix of investments for Bendigo Super is proposed once the Reserve Bank lowers the Australia interest rate?

Answered by Thad McCrindle


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<p>Mr. McCrindle explained that the team has been anticipating cuts in the Australian interest rates for several months. In preparation of this, a tactical tilt towards Australian government bonds over global bonds.</p> <p>Mr. McCrindle stated that the Reserve Bank was due to announce potential rate cut and the team will continue to maintain current positions and will adjust them accordingly as new information becomes available</p> <p>Mr. McCrindle further noted that interest rates in Australia and other developed countries will have a significant impact on returns across other asset classes. These developments will influence both our strategic asset allocation and our tactical positions moving forward, requiring adjustments as the situation evolves</p>	
<p>Q&A session – LIVE submission</p> <p>Question 8: Will there be a rebranding of Bendigo Super to Betashares? Will the team be integrated with Betashares and will we be migrated to the Betashares platform/products?</p> <p>Answered by Justin Hoare</p> <p>Mr. Hoare explained that members would be notified of rebranding to align with Betashares brand in due course.</p> <p>Mr. Hoare noted the team’s integration for the past six months and explained that the team remained dedicated to providing services to members.</p> <p>Mr. Hoare provided update on the migration to Betashares platform and products as a process that aligns with the ongoing strategic review discussed earlier in the meeting. He explained that it was too early to detail specifics regarding the migration but emphasised that any changes will be carefully considered and all changes will be subject to approval by the Board of Directors and will be implemented with the focus on the best financial interests of members.</p> <p>Q&A session – LIVE submission but not answered by presenters</p> <p>Question 9: Will this meeting be video recorded for future viewing?</p>	<p>Andrew Dengate, Justin Hoare</p>

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A recording of the meeting will be published on the Betashares website by 18 March 2024, along with minutes of the meeting.	
Close of meeting Andrew thanked the attendees for making the time to attend the meeting and advised that the minutes and Q&A would be published on the Betashares website once approved and within one month.	Andrew Dengate
The meeting concluded at 2:31pm Australian Eastern Daylight Savings Time.	

Signed as true and correct record.

Signed by:

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Chair: Michelene Collopy

Date: 11 March 2025

The presentation relates to financial year ending 30 June 2024. Investment returns are not guaranteed and past performance is not a reliable indicator of future returns. The presentation and the minutes may include general financial advice. It doesn't take into account your personal objectives, financial situation and needs. Please consider your situation and read the relevant PDS available from www.betashares.com.au/super/documents before making an investment decision. To see target market determinations please refer to www.betashares.com.au