

Welcome to this **Significant Events** edition of *Super News*. In this issue, we explain how you can receive your invitation for the upcoming Annual Members' Meeting. We also update you on Plan news, including some investment changes and reduced administration fees for Retained Benefit members. On page 3 there is a reminder on the steps you can take to compare your contributions to the annual contribution caps to avoid paying extra tax.

Join the first Annual Members' Meeting – update your email

The Trustee invites you to join the Annual Members' Meeting on Thursday, 5 November 2020, where we will provide an overview of the Plan and the Plan's investment performance. You will also have an opportunity to ask questions about the Plan. To receive your email invitation, **ensure we have your current email address by Friday 16 October 2020**. Either log into the Member Centre on the Plan's website and confirm/update your email address or call the Plan Administrator (see 'Contact us').

Investment changes

The Trustee, together with its investment advisers, has completed a review of the Plan's fixed income and cash portfolios. As a result, there will be some changes to:

- investment managers (for all options except the Diversified Shares option);
- the Strategic Asset Allocation (of the Stable option only); and
- investment fees (for the Balanced, Stable and Cash options).

The review followed the closure of one of the fixed interest products that the Plan invested in, the BlackRock iShares Australian Government Inflation Linked Bond Index Fund, on 16 March 2020. As advised in the March 2020 *Super News*, the proceeds were held in the State Street Global Advisors (SSgA) Australian Cash Trust while a wider review of the Plan's fixed income and cash portfolios took place.

The changes are detailed below and are expected to add value, after investment fees, for members in the medium-to-long term.

Investment changes from 1 September 2020

Cash

- **The Macquarie Treasury Cash Fund replaced the State Street Global Advisors (SSgA) Australian Cash Trust**

The Macquarie Treasury Cash Fund invests in cash, bank bills and short-dated term deposits. It is relatively more conservative than the SSgA fund and is being provided at a lower cost.

Fixed interest

- **The Macquarie Enhanced Fixed Interest Fund replaced the Macquarie True Index Australian Fixed Interest Fund**

The Enhanced Fixed Interest Fund is similar to the True Index Fund (which invests in government, government-related and corporate bonds) but also aims to add value through low-risk security selection.

Investment changes from 1 November 2020

Fixed interest/Cash

- **Allocating assets previously in the closed BlackRock iShares Australian Government Inflation-Linked Bond Index Fund, to the Ardea Real Outcome Fund**

This is a move from one type of inflation-linked bond manager to a different type of strategy, which still provides some inflation protection whilst adding diversification.

- **Removing allocations to the BlackRock iShares Global Bond Index Fund**

This removal is being made on the basis that a significant proportion of the global bond index is currently producing low or negative returns as interest rates have fallen. The current allocation will be transferred to the new Macquarie fixed income funds.

- **Appointing the Macquarie Australian Diversified Income Fund**

A small allocation will be made to the Macquarie Australian Diversified Income Fund as a low risk strategy intended to incrementally improve expected returns for the Plan's Balanced and Stable options.

- **Changes to the Strategic Asset Allocation for the Stable option**

For the Stable option, the allocation to cash will reduce from 20% to 10%, with a corresponding increase to fixed interest assets from 40% to 50%. This change is expected to improve the probability of achieving the medium to long term investment objectives for the Stable option.

Investment fees

There will be no investment fee changes for the Diversified Shares or Growth options as a result of these investment changes. Investment fees for the Cash option reduced from 1 September 2020, and the Balanced and Stable options will see small increases to investment fees from 1 November 2020, as notified with your Annual Benefit Statement.

Reduced administration fees for Retained Benefit members

From 1 September 2020, the administration fee for Retained Benefit members reduced from 0.65% per year to 0.62% per year. This is mainly due to the Trustee successfully negotiating a fee reduction with its administrator. Employee members continue to have their administration fees paid for by Oracle.

The Plan's Product Disclosure Statements have been updated for the changes and are available at <https://super.towerswatson.com/super/oracle>.

Policy Committee changes

The Plan's Policy Committee provides input to the Trustee on the management of the Plan and is made up of equal representation from Oracle and from members.

In July 2020, Member-elected representative Cathy Meng left Oracle and resigned from the Policy Committee. Gareth Hunt stepped down as Company-appointed representative to ensure the equal representation was maintained. Your current Policy Committee Members are:

Member-elected	Company-appointed
Mark Ferguson	Gina Bensley
James Kellagher	Tushar Bind
Paul Kortenhorst	Brett Reeves

Electronic communications

The Trustee is keen to deliver communications to you more efficiently, as well as to save on printing costs and also help the environment. It therefore intends to send you information about your super, electronically, using your email address. This may be your work email address or, if you have provided us with a personal email address, that address. The information we may send to you electronically may include Product Disclosure Statements, Benefit Statements, Exit Statements, Annual Reports, newsletters and information on material changes to your super and significant events.

Check your email address

To ensure you receive the communications, please check and update the email address we hold for you if necessary. You can do this by logging into the Member Centre on the Plan's website or by calling the Plan Administrator (see 'Contact us').

Opting out

If you do not want to receive information electronically in future, you have seven days from the date you receive this *Super News* to opt out. To opt out, you should contact the Plan Administrator (see 'Contact us'). If you choose to opt out, we will send you information about the Plan and your super by post.



Track your contributions to avoid paying extra tax

If you are an Employee member, you can give your retirement savings a boost by adding to your super, either from before-tax salary (i.e. via salary sacrifice) or after-tax salary. You can arrange this by logging into the Member Centre on the Plan's website, or if you are an Oracle Financial Services Software employee, by contacting your Payroll team.

If you become a Retained Benefit member, remember that you can only make after-tax contributions to the Plan, and only within 30 days of leaving Oracle.

You should check how your contributions compare to the annual limits, to avoid having to pay extra tax.

What are the limits for 2020/21?

The **concessional contributions** limit is generally \$25,000, which includes:

- the super contributions that Oracle makes for you;
- any voluntary salary sacrifice super contributions you make;
- any personal contributions for which you claim a tax deduction; and
- amounts that Oracle pays to cover the administration and insurance costs for Employee members.

A higher limit may apply if, in the previous tax year (to 30 June 2020) you did not use all of your concessional limit and your total superannuation balance at 30 June 2020 was under \$500,000#.

Note that a separate limit of \$100,000 generally applies to **non-concessional** contributions.

In some cases, you may be able to make non-concessional contributions of up to \$300,000 over three years in one lump sum or a combination of amounts.#

Further details are in the *How Super is Taxed* section in the *Additional Information factsheet*, which is available under 'Forms and Publications' at <https://super.towerswatson.com/super/oracle>.

How close am I to the concessional contributions limit?

To check how your concessional contributions are tracking against the limit for the year to 30 June 2021:

1. Log into the Member Centre at <https://super.towerswatson.com/super/oracle>.
2. Under 'Transaction History', use the 'Transaction Type' box to find the amount of your contributions for each type of concessional contribution, and add them up. Employee members need to also add the cost of insurance and administration that Oracle pays for you.

For the 2020/21 year this is expected to be approximately 0.7% of your salary for insurance and \$510 for administration costs.

3. Add your concessional contributions to any other super funds you belong to. This is because the limit applies to the total concessional contributions to all your funds. You do not have a separate limit for each fund.

Contact us

If you have any questions about the information in this newsletter or about the Plan in general, please contact the **Plan Administrator** on **1800 127 953** (+61 2 8571 6288 if calling from overseas) or visit the Plan's website at <https://super.towerswatson.com/super/oracle>.



This newsletter contains general information only and does not take into account your particular objectives, financial circumstances or needs. It is not personal or tax advice. Please note that neither the Trustee, the Plan Administrator, nor any representative of Oracle Corporation Australia Pty Limited, Oracle Global Services Australia Pty Ltd or Oracle Financial Services Software Pte. Ltd. will provide you with taxation or superannuation advice. If you need help making a decision about your super, you should speak to a licensed financial adviser.

Issued by Towers Watson Superannuation Pty Ltd (ABN 56 098 527 256, AFSL 236049), as Trustee for the Oracle Superannuation Plan (ABN 17 608 890 083). September 2020.