Oracle Superannuation Plan ("the Plan")

Outcomes assessment – year ending 30 June 2020

All superannuation funds are required to make an annual determination as to whether the financial interests of members are being promoted by the trustee having regard to various prescribed factors. This document summarises the Trustee's determinations for the Plan's Choice product for the year ending 30 June 2020.

To make these determinations the Trustee established a number of outcomes that it sought for members who hold the product. These outcomes covered a number of areas including the following:

- investment strategy, returns and investment risk
- fees and costs
- insurance strategy and insurance fees
- the options, benefits and facilities offered.

The Plan has a single Choice product that covers all accumulation members.

Outcomes determination

In relation to the Plan's Choice product, the Trustee has determined that:

- the financial interests of the members who hold the product are being promoted by the Trustee having regard to a comparison of the product with other Choice products based on various prescribed factors
- the options, benefits and facilities offered are appropriate for the members
- the investment strategy including the level of investment risk and return target for each option is appropriate for the members
- the insurance strategy is appropriate for the members
- the insurance fees charged do not inappropriately erode the retirement incomes of the members
- the members who hold the product are not being disadvantaged because of the scale of and within the Trustee's business operations
- the operating costs of the Trustee's business operations are not inappropriately affecting the financial interests of the members
- the basis for the setting of fees is appropriate for the members.

The Trustee compared its Choice product with a number of other products, which are referred to as peer group funds. Those peer group funds were not limited to any particular size, sector type or profit status. For its investment return comparisons, the Trustee used SuperRatings* survey data for products with a similar level of investment risk.

** Source: SuperRatings Pty Ltd's Survey published on 21 July 2020, www.superratings.com.au. This is not financial product advice; independent professional advice must be obtained before making any financial decisions.*

Summary of assessments and comparisons

Important Note – The information in this publication is general information only and does not take into account the personal financial situation, objectives or needs of any individual. It is not financial product advice. You should obtain professional advice before making any decisions based on the information in this publication.

Investments

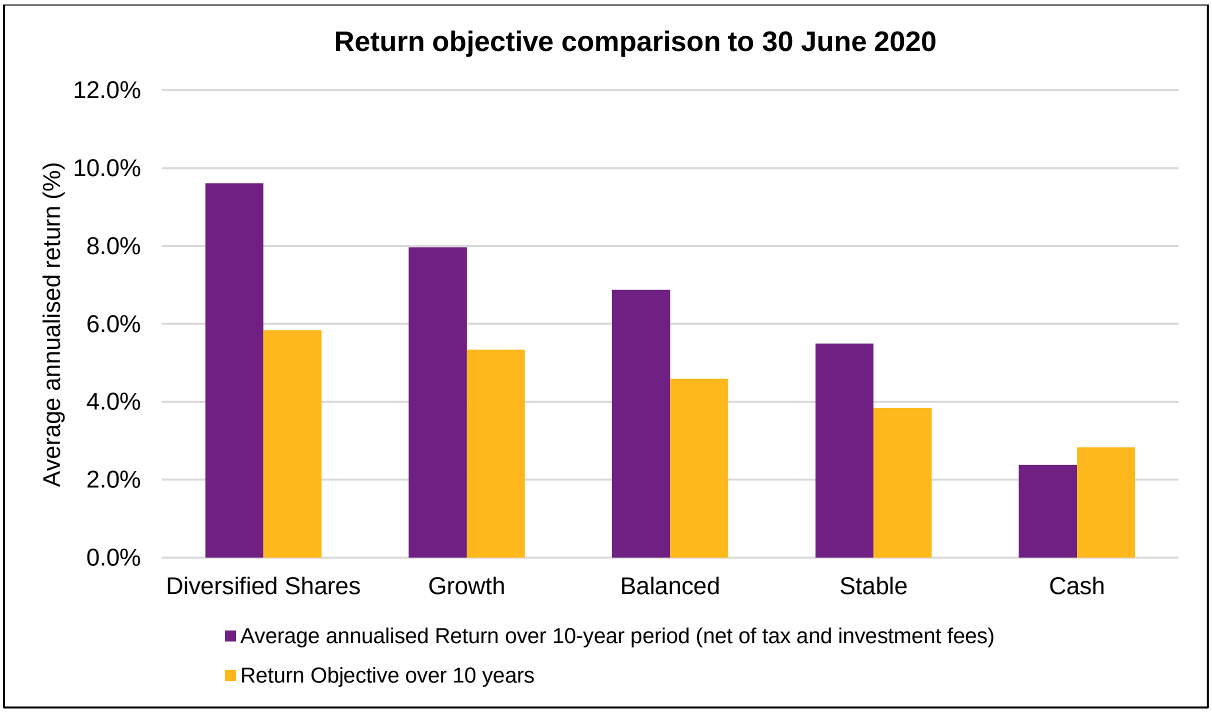
The Trustee considers the Plan's investment arrangements to be a key factor for achieving retirement outcomes for members. The Trustee focuses on measuring the Plan's investment performance against its agreed objectives for investment returns and levels of investment risk. The Trustee also compares the Plan's investment returns against peers. The results of these comparisons to 30 June 2020 are below.

Investment returns against objectives

Each of the Plan's investment options has an objective to achieve a return (net of investment fees and tax) that exceeds movements in the Consumer Price Index (CPI) by a specific amount over rolling 10-year periods. These objectives are shown in the table below.

Investment option	Investment return objective over rolling 10-year periods
Diversified Shares	CPI + 4.0% p.a.
Growth	CPI + 3.5% p.a.
Balanced	CPI + 2.5% p.a.
Stable	CPI + 1.5% p.a.
Cash	CPI + 0.5% p.a.

The Trustee has achieved these return objectives (net of investment fees and tax) over the 10-year period to 30 June 2020 for all options except Cash, as shown in the chart below.



Level of investment risk

Each of the Plan's investment options has a different tolerance limit for negative annual returns as shown in the table below. The Trustee regularly monitors the frequency of negative returns and aims to deliver strong positive returns in the long term while minimising short-term fluctuations. The Trustee has achieved the Plan's negative annual return objectives, as set out in the Plan's Product Disclosure Statement, in the 20 years to 30 June 2020. As can be seen from the table below, the frequency of negative annual returns, net of investment fees and tax, is below the tolerance limit set by the Trustee for each option.

Investment option	Target frequency of negative annual returns	Achieved – frequency of negative annual returns no more than target
Diversified Shares	Approximately 6 in 20 years	✓
Growth	Approximately 5 in 20 years	✓
Balanced	Approximately 4 in 20 years	✓
Stable	Approximately 3 in 20 years	✓
Cash	Approximately 0 in 20 years	✓

Investment strategy

The Trustee reviews the investment strategy at least annually and the review conducted during the year ending 30 June 2020 concluded that the strategic asset allocations for each option remain appropriate based on the return and risk objectives for each option.

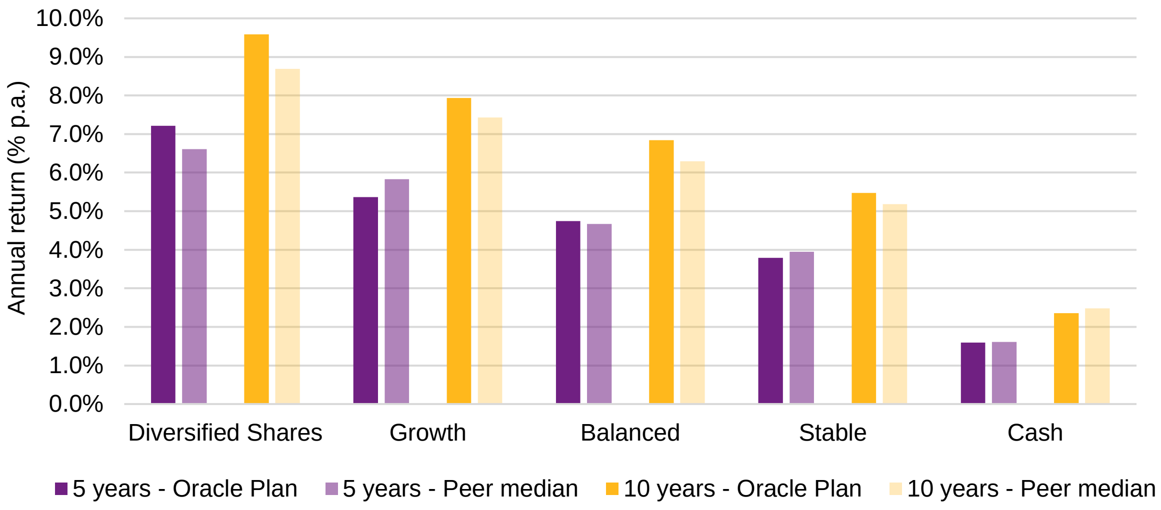
Investment returns against peers

The Trustee aims to achieve medium and long-term investment returns, net of investment fees and tax, that are at or above the median for peer group funds with comparable levels of investment risk.

The Trustee compared the 5 and 10-year compound average net returns for each option over various periods ending on 30 June. The comparisons to 30 June 2020 for Employee and Spouse members showed that the 10-year net returns were generally above the median for all options except Cash. Over 5 years, net returns were generally close to the median for all options except Cash. The Cash option's net returns were below the median over 5 and 10-year periods.

The following chart shows the Plan’s 5 and 10-year net returns to 30 June 2020 for each option, for Employee and Spouse members:

Investment option returns vs. Peer group median returns (% p.a.) for the 5 and 10 years to 30 June 2020



Returns are net of investment fees and tax. Oracle Plan returns are those applicable to Employee and Spouse members.

Past performance is not necessarily a reliable guide to future performance.

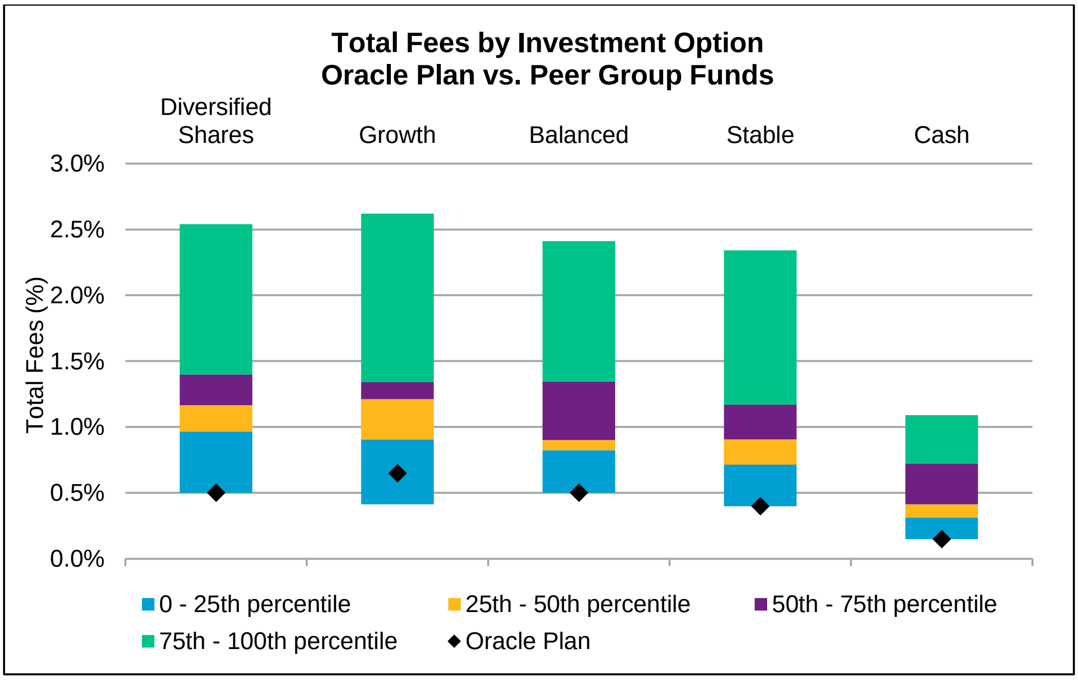
Investment returns for Retained Benefit members (after allowing for the Plan’s asset-based administration fee) were generally below the median for all options over the various periods to 30 June. The Plan deducts the asset-based administration fee from investment returns before they are applied to members’ accounts. The Trustee notes that some funds charge asset-based administration fees that are deducted from members’ accounts rather than investment returns, which means the comparison of net investment returns is not always on a like for like basis.

Fees and costs

The Company meets the ongoing administration fees for Employee and Spouse members. Retained Benefit members pay an asset-based administration fee that is deducted from investment returns before investment returns are applied to their accounts. Investment fees are deducted from investment returns before they are applied to all members’ accounts. Activity fees (e.g. switching fees) are deducted from accounts on a user pays basis.

The charts below compare the annual fees and costs for each investment option as a percentage of a member's account balance, for each category of membership.

Employee and Spouse members

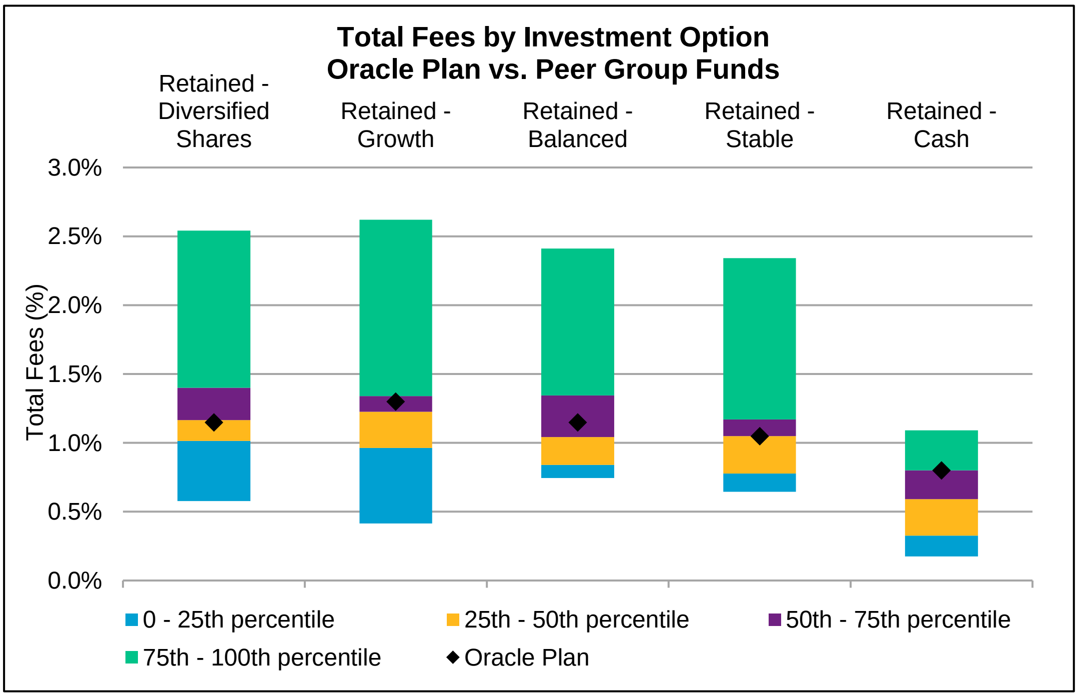


The chart to the left shows total annual fees (investment fees, administration fees and indirect costs) for an **Employee** or **Spouse** member with an account balance of $50,000 compared to the peer group funds (see page 1).

The Plan's total fees are consistently below the median.

Note – activity fees are excluded.

Retained Benefit members



The chart to the left shows total annual fees (investment fees, administration fees and indirect costs) for a **Retained Benefit** member with an account balance of $50,000 compared to the peer group funds (see page 1).

The Plan's total fees, with the exception of the Cash option, are generally in line with the median.

Note – activity fees are excluded.

The Trustee reviews the administration fee charged to Retained Benefit members at least annually to ensure it represents a fair and reasonable allocation of the Plan's costs and does not lead to inappropriate cross-subsidisation between cohorts of members. The Trustee recently negotiated a reduction in the administration fee charged by the Plan's administrator which resulted in a reduction in the administration fee charged to Retained Benefit members from 1 September 2020. This fee reduction is not reflected in the two charts above.

Insurance strategy and insurance fees

Employee members – The Trustee, in conjunction with the Company, has elected to provide a standard level of death (including terminal illness) and total and permanent disablement (TPD) cover to all eligible Employee members. The cost of this standard cover is paid for by the Company.

The Trustee has compared the Plan's standard cover levels with those of peer group funds and notes that the cover is generally significantly higher than default cover in peer group funds.

Employee members have the option to apply for voluntary death & TPD insurance cover. The cost of any additional cover is deducted from the member's account balance and any voluntary cover can be reduced or cancelled at any time. The insurance fee for one unit of cover is $3.57 per month ($42.84 p.a.). The insurance fee for this voluntary insurance cover compares favourably against the insurance fees in peer group funds for the same level of cover.

The Trustee notes that the Company provides disability income (or salary continuance) benefits to its employees via an insurance policy owned by the Company outside the Plan. This policy includes an offset clause such that the benefit payable to an insured life who becomes disabled is reduced having regard to the amount of any other disability income benefit received by the insured life. Accordingly, the Trustee has determined not to offer salary continuance benefits to Employee members of the Plan.

Spouse members – These members can apply for voluntary death cover. The cost of this cover is deducted from the member's account. The insurance fee for one unit of cover is $3.00 per month ($36.00 p.a.). The insurance fee for this voluntary death cover compares favourably against the insurance fees in the majority of the peer group funds for the same level of cover.

The Trustee considers that such an arrangement ensures that Spouse members can determine the level of death cover having regard to their personal circumstances including need, the cost of cover and the amount of their account balance, so that insurance fees in the Plan are not inappropriately eroding their retirement savings.

Retained Benefit members – These members are not eligible for insured benefits under the Plan's Trust Deed. The Trustee believes this strategy is appropriate because Retained Benefit members do not have their employer's Superannuation Guarantee contributions paid into the Plan. The Trustee expects that Retained Benefit members will therefore have another superannuation fund through which they will have access to insurance benefits.

Options, benefits and facilities

The Trustee assessed the options, benefits and facilities available to members and determined that they are in line with peer group funds and appropriate given the Plan's membership base. The Trustee considers it important to minimise the impact of the cost of ancillary benefits on members' retirement savings.

Scale

The Trustee noted that the Plan has sufficient scale to provide desired member outcomes due to the appointment of large third party providers and the ongoing support for the Plan provided by the Company.