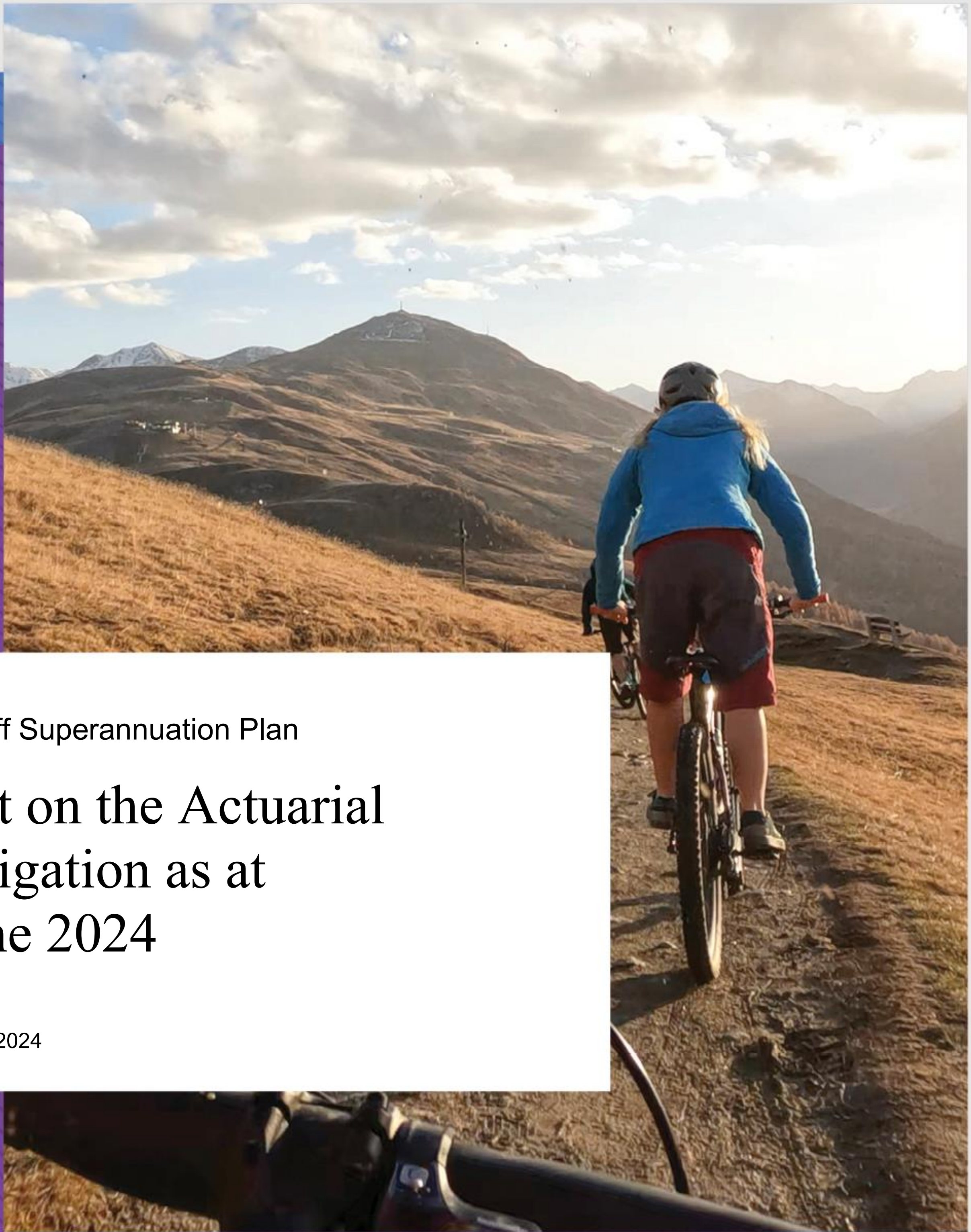

Linfox Staff Superannuation Plan

Report on the Actuarial Investigation as at 30 June 2024

12 December 2024

Towers Watson Australia Pty Ltd
ABN 45 002 415 349 AFSL 229921

Summary

We are pleased to present our report to the Trustee of the Linfox Staff Superannuation Plan, Total Risk Management Pty Ltd (TRM), on the actuarial investigation into the Linfox Staff Superannuation Plan as at 30 June 2024. The Plan is a sub-plan of the Russell Investments Master Trust (RIMT) since a Successor Fund Transfer (SFT) on 1 September 2023.

This Summary sets out the key results and recommendations contained in this report.

Solvency

The financial position of the Plan has deteriorated over the inter-valuation period, as shown in the reduced Vested Benefits Index from 119.5% as at 30 June 2021 to 103.4% as at 30 June 2024.

The solvency measures[1] as at 30 June 2021 and 30 June 2024 are also shown below:

Measure	30 June 2021	30 June 2024
VBI	119.5%	103.4%
PVABI	134.4%	109.9%
MRBI	309.8%	309.0%

Funding

The long-term Company contribution rate determined under the Attained Age funding method is calculated as 16.0% as at 30 June 2024, with the following rates applying per member category:

Category of Members	Long-Term Contribution Rate
A (Senior Executives)	16.6%
B (Executives)	13.4%
1A (Staff)[2]	14.4%
1N (Senior Staff)[2]	14.4%
1C (Award)	No members remaining

[1] Solvency measures are in respect of Defined Benefit liabilities only, excluding members' additional voluntary accumulation accounts.

[2] Contribution rates include an allowance of 5.9% for member deemed or salary sacrifice contributions.

Contents

Throughout this report the following terms are used:

Plan
Linfox Staff Superannuation Plan (a sub-plan of the Russell Investment Master Trust (RIMT))

Trustee
Total Risk Management Pty Ltd (AFSL 238790)

Company
Linfox Pty Ltd

Trust Deed or Rules
The Plan's Trust Deed and Rules dated 10 September 1980 with subsequent amendments from time to time.

The design has been reproduced in RIMT and the Plan is now governed by the Employer Application Deed dated 30 August 2023 and the Trust Deed of the RIMT Fund established 1 July 2003.

The Investigation Date or Valuation Date
30 June 2024

Taking into account the projected financial position of the Plan over the next three years, and in recognition of the Company contributions already being made to the Plan, we recommend the Company continue to contribute at the following rates of members' superannuation salaries, until at least 30 June 2027:

Category of Members	Contribution Rate
A (Senior Executives)	17.8%
B (Executives)	14.4%
1A (Staff)[1]	17.4%
1N (Senior Staff)[1]	17.3%

In addition, we recommend that the Company continue to contribute at the required Superannuation Guarantee (SG) rates on bonuses and allowances that form part of Ordinary Time Earnings but are not included in base superannuation salary (after allowance for the Maximum Contributions Base), as well as the required amounts to meet any SG obligations in respect of accumulation liabilities in the Plan (i.e. members whose defined benefits are crystallised upon late retirement).

Other Matters involving Actuarial Oversight

We further recommend that:

- The Trustee retains the shortfall limit at 97% based on the current investment structure of the Plan;
- The Trustee monitors the financial position of the Plan at least semi-annually throughout the following investigation period;
- Current external insurance arrangements for death and disablement benefits be retained; and
- Current investment arrangements are appropriate given the liabilities of the Plan.

In line with requirements under legislation and the Trust Deed, the next actuarial investigation of the Plan should be conducted with an effective date of no later than 30 June 2027. The recommended Company contribution rates will be reviewed at that time or at an earlier date if considered appropriate as a consequence of the regular review of the VBI or as required by legislation.

We are not aware of any event since 30 June 2024 that warrants review of the recommendations in this report.

Hadas Danziger
Fellow of the Institute of Actuaries of Australia
RSE Actuary of the Linfox Staff Superannuation Plan

12 December 2024

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[1] Contribution rates include an allowance of 5.9% for member deemed or salary sacrifice contributions.

Section 1: Introduction

Scope

This investigation has been prepared effective 30 June 2024 for Total Risk Management Pty Ltd, the Trustee of the Plan, by the actuary to the Plan, Hadas Danziger, FIAA.

The Plan is a sub-plan of the Russell Investments Master Trust (RIMT) since 1 September 2023 following a Successor Fund Transfer at that date. Prior to this, the benefits were provided by the Linfox Staff Superannuation Fund. In this report, references to the Plan include references to the Linfox Staff Superannuation Fund prior to 1 September 2023.

Current legislation and the Trust Deed require an actuarial investigation and report to be due at least every three years for defined benefit funds not paying a defined benefit pension. The main aims of the investigation are to examine the current financial position of the Plan and the long-term funding of the Plan's benefits, and to provide advice to the Trustee on the contribution rate at which the Company should contribute and on any other matters the actuary considers relevant.

This investigation is primarily interested in the defined benefit liabilities of the Plan, and unless otherwise specified, this report relates only to such defined benefit liabilities. The net market value of assets of the Plan relate only to defined benefits consistent with the liabilities, excluding any amount held to meet the Operational Risk Financial Requirement (ORFR).

The Accumulation liabilities of the Plan, including those that relate to defined benefit members, are fully funded and do not impact upon the Defined Benefit liabilities. No investigation is required regarding the Accumulation liabilities, although in our recommendations we have continued to recommend that the Company contribute to meet any Superannuation Guarantee, contractual or any other obligations in respect of such liabilities.

This actuarial investigation has been conducted in order to meet the Trustee's obligations in accordance with Prudential Standard SPS 160 (SPS160) issued under section 34C of the Superannuation Industry (Supervision) Act (SIS Act).

This report has been prepared in accordance with Professional Standard 400, dated March 2021, issued by the Institute of Actuaries of Australia.

Previous Actuarial Investigation

The previous actuarial investigation of the Plan was carried out by Tracy Polldore, FIAA as at 30 June 2021, with the results of that investigation set out in a report dated 21 December 2021.

The report concluded that the Plan was not in an unsatisfactory financial position (as defined by SIS legislation) at that date, and recommended that the Company could reduce the contribution rates to the Plan in recognition of the Plan's strong financial position at the time.

The Company continued to contribute at the higher rates per the actuarial investigation as at 30 June 2018. In 2022, the Plan's financial position deteriorated due to higher-than-expected salary increases, and the recommendation was made to maintain the higher rates, which are noted below:

Category of Members	Long-Term Contribution Rate
A (Senior Executives)	17.8%
B (Executives)	14.4%
1A (Staff)[1]	17.4%
1N (Senior Staff)[1]	17.3%
1C (Award)	8.7%

It was also recommended that the Company continue to pay contributions at the SG rate on bonuses and allowances that form part of Ordinary Time Earnings but are not included in base superannuation salary (after allowance for the Maximum Contributions Base).

We understand that the Employer has contributed amounts consistent with these recommendations.

Experience since 30 June 2024

Since 30 June 2024 the experience of the Plan has been as follows:

- The net return on the Plan's assets from the valuation date to 30 September 2024 was approximately 3.4%; and
- One member who had reached their Normal Retirement date has had their defined benefit crystallised and transferred to an accumulation benefit.

The actual experience since 30 June 2024 has not had a material impact on the Plan. Nonetheless, we have made allowance for the experience to 30 September 2024 when carrying out the projection of the financial position of the Plan from that date.

Limitations

This report is provided subject to the terms set out herein and in our agreement with TRM dated 25 October 2023 and the accompanying Terms and Conditions of Engagement. This report is provided solely for the Trustee's use and for the specific purposes indicated above. It may not be suitable for use in any other context or for any other purpose.

Except where we expressly agree in writing, this report should not be disclosed or provided to any third party, other than as provided below. In the absence of such consent and an express assumption of responsibility, no responsibility whatsoever is accepted by us for any consequences arising from any third party relying on this report or any advice relating to its contents.

We consent to the Trustee making a copy of this report available on the Plan's website where required in accordance with the relevant legislation.

The Trustee may make a copy of this report available to its auditors, the Company and to any person to whom the Trustee may be required to provide a copy under relevant legislation, but we make no representation as to the suitability of this report for any purpose other than that for which it was originally provided and accept no responsibility or liability to the Trustee's auditors, the Company or any third party in this regard. The Trustee should draw the provisions of this paragraph to the attention of its auditors and the Company when passing this report to them.

[1] Contribution rates include an allowance of 5.9% for member deemed or salary sacrifice contributions.

In preparing this valuation, we have relied upon information and data provided to us orally and in writing by the Trustee and other persons or organisations designated by the Trustee. We have relied on all the data and information provided, including Plan provisions, membership data and asset information, as being complete and accurate. We have not independently verified the accuracy or completeness of the data or information provided, but we have performed limited checks for consistency. The data and information we have relied upon is shown in the "Additional Information" section of this report.

In our opinion, all calculations are in accordance with requirements of applicable legislative requirements, and the procedures followed and the results presented conform to applicable actuarial standards of practice.

Section 2: Solvency

When assessing the adequacy of the assets and future contribution rates, both the long-term and short-term solvency positions should be considered. To assess the solvency position, we have considered the following funding solvency measures:

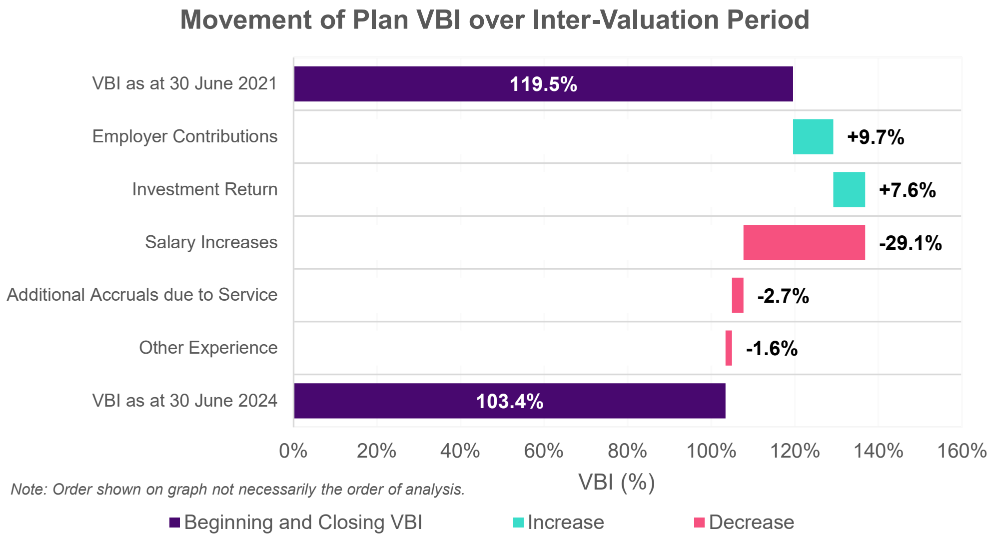
- Vested Benefits Index (VBI), the ratio of assets to the vested benefits, which represent the total amount which the Plan would be required to pay if all members were to voluntarily leave service (or are payable for benefits in the form of lifetime pension or deferred benefits if relevant) on the investigation date;
- The Present Value of Accrued Benefits Index (PVABI), the ratio of assets to the present value of accrued benefits, which represents the value in today's dollars, of expected future benefits payable based on membership completed to the valuation date[1], and
- The MRBI, the ratio of assets to the portion of the Minimum Requisite Benefits (MRB) as defined in the Plan's Benefit Certificate that relates to defined benefits.

The following table shows the above indices as at the valuation date, as well as the prior valuation date.

	As at 30 June 2024			As at 30 June 2021		
Measure	**Value of Liability**	**Value of Net Assets**	**Index**	**Value of Liability**	**Value of Net Assets**	**Index**
VBI	$50,005,000	$51,707,000	103.4%	$43,203,000	$51,648,000	119.5%
PVABI	$47,040,000	$51,707,000	109.9%	$38,422,000	$51,648,000	134.4%
MRBI	$16,731,000	$51,707,000	309.0%	$16,674,000	$51,648,000	309.8%

Overall, the indices have reduced from those at the previous investigation date. This is primarily as a result of higher than expected salary increases over the period relative to lower than expected investment performance.

The following graph illustrates the movement of the VBI over the inter-valuation period:



[1] Benefits have been apportioned to past service by calculating the projected benefit payable using only service that is completed to the valuation date in the benefits formula.

The PVABI has decreased largely as a result of the Plan experience with the maturing membership. The gap between the expected level of future investment returns and salary increases has otherwise remained stable since the previous investigation.

The MRBI has remained stable as the design of the MRBs moves largely in line with the assets.

The VBI is above 100% as at the valuation date, and as such, the Plan is to be treated as being in a satisfactory financial position as at that date.

Retrenchment Benefits, Other Discretionary or Contingent Benefits

Upon retrenchment, the majority of benefits are determined as an equitable share of the Plan. The assets therefore cover these benefits.

The Plan has not historically paid any material discretionary benefits so we have not analysed the impact of such discretionary benefits. There are no other material contingent benefits offered by the Plan.

Termination Benefits

Under the Trust Deed, the benefits required to be paid on termination are amounts determined by the Trustee with the advice of the actuary. In any case, the amounts to be paid would be limited by the amount of assets available in the Plan.

Further, upon termination, it could become necessary to liquidate existing assets. The net assets adopted at the valuation are based on the unit prices of investment units which are used within the RIMT to transact inflow and outflow from the Plan in the normal course of events. It should be noted, however, that a lower price may be applied if the Plan is terminated.

If the Plan was ever terminated, the Trustee would need to seek both actuarial and legal advice at that time to consider the method of determining the payment form of benefits from the Plan.

Section 3: Funding

This section considers the long-term funding of the Plan and assesses the contributions required in order to fund benefits payable in future years. To determine the long-term contribution rates, we have used the Attained Age funding method as described in the "Additional Information" section of this report.

Long Term Funding results

The long-term Company contribution rate is calculated in the table below.

Calculation of Company Contribution Rate	$'000
Future Service Liability	4,288
Less Present Value of Member Contributions	(30)
Liability to be funded by Employer Contributions	4,258
Present Value of 1% of Salaries	352
Liability to be funded as a % of salaries	**12.1%**
Long-term employer contribution rate, after allowing for tax and other costs	**16.0%**
Fair Value of Net Assets	51,707
Less Present Value of Accrued Benefits	47,040
Equals Surplus/(Deficit)	4,667

The long-term contribution rate at the previous investigation was 19.6%.

The long-term Company contribution rates applicable to the members of each defined benefit category are shown below as a percentage of members' superannuation salaries:

Category of Members	Current Contribution Rate	Long-Term Contribution Rate – 30 June 2021	Long-Term Contribution Rate – 30 June 2024
A (Senior Executives)	17.8%	20.8%	16.6%
B (Executives)	14.4%	16.7%	13.4%
1A (Staff)[1]	17.4%	18.1%	14.4%
1N (Senior Staff)[1]	17.3%	18.0%	14.4%
1C (Award)	8.7%	7.9%	N/A - No members remaining

The long-term Company contribution rates above include an allowance for administration and operational expenses, and insurance premiums associated with Death and Total and Permanent Disablement (TPD) benefits at the rate of 1.25% of salaries in line with the Plan's experience and expected expenses going forward in the RIMT. This is lower than the rate of 4.70% allowed for in the previous investigation 30 June 2021.

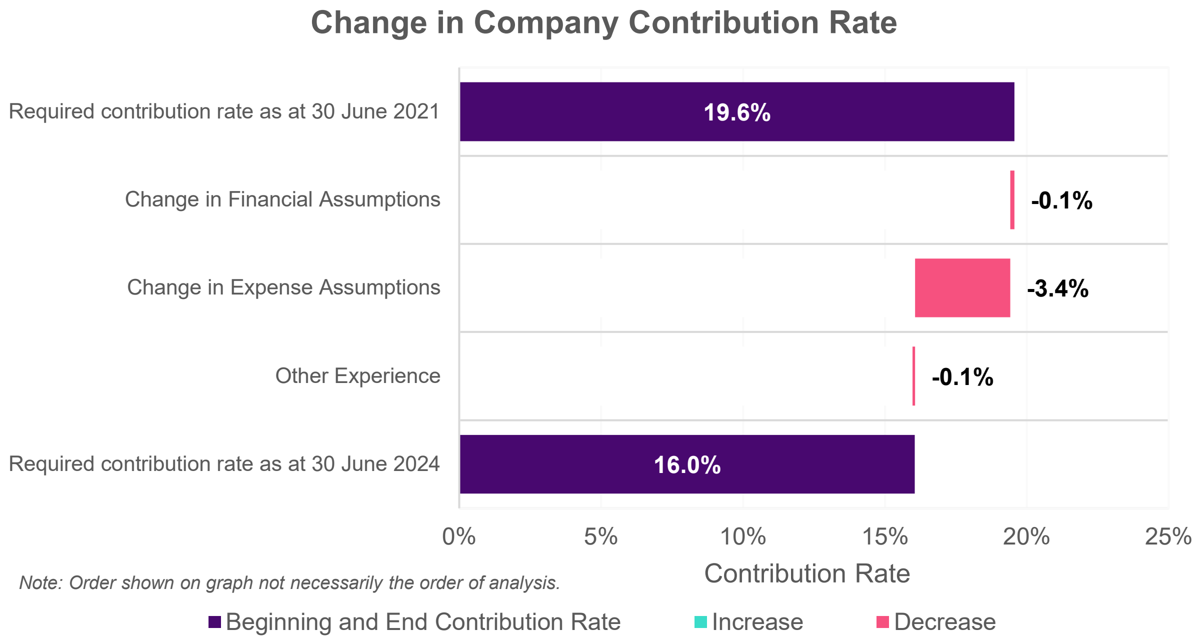
The long-term Company contribution rates for Categories A and B also include an allowance for Total but Temporary Disablement (TTD) premiums (at the rate of 0.6% of member salaries based on the premiums charged by the insurer – slightly higher than the assumption of 0.5% adopted at 30 June 2021).

[1] Contribution rates include an allowance of 5.9% for member deemed or salary sacrifice contributions.

Provision has also been made for contributions tax.

The gap between the expected level of future investment returns and salary increases has remained relatively stable since the previous investigation. Further information is provided in the 'Additional Information' section.

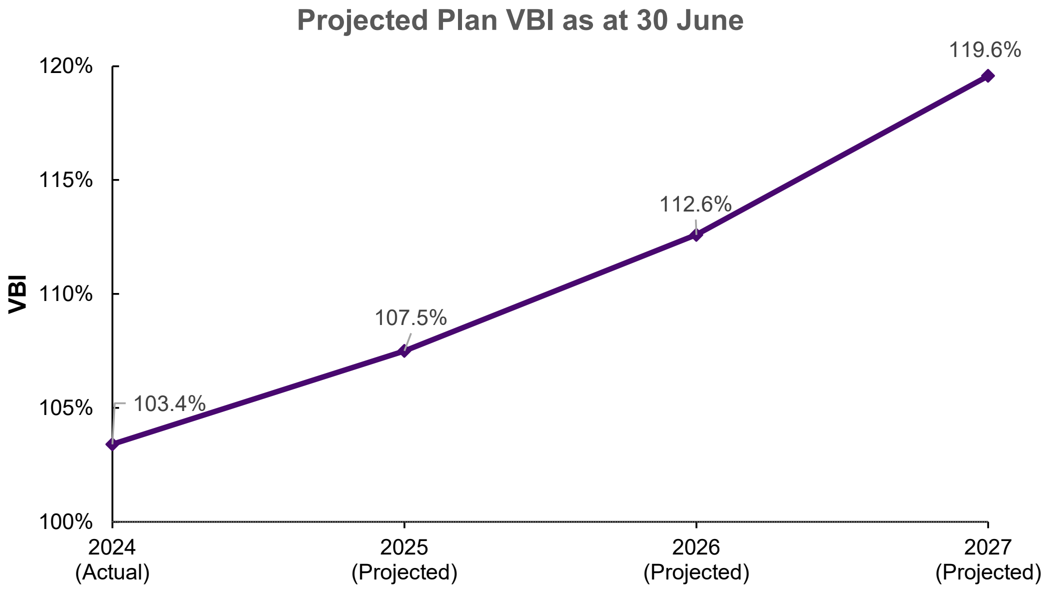
The change in the long-term Company contribution rate calculated as at 30 June 2024 from the rate calculated as at 30 June 2021 is mostly attributed to the lower expense assumption adopted for the current investigation as shown in the following graph.



In order to maintain the Plan's satisfactory financial position and provide an adequate buffer against adverse experience, we recommend that contributions continue to be made at the current rates in the table above.

Projection of Results

The Trustee has a solvency target of maintaining the VBI to be above 100%, to keep the level required for the Plan to be in a satisfactory financial position. In order to assess whether the above contribution program is likely to be adequate, we have projected the Plan's Vested Benefits Index over the next three years based on the current contribution rates described above.



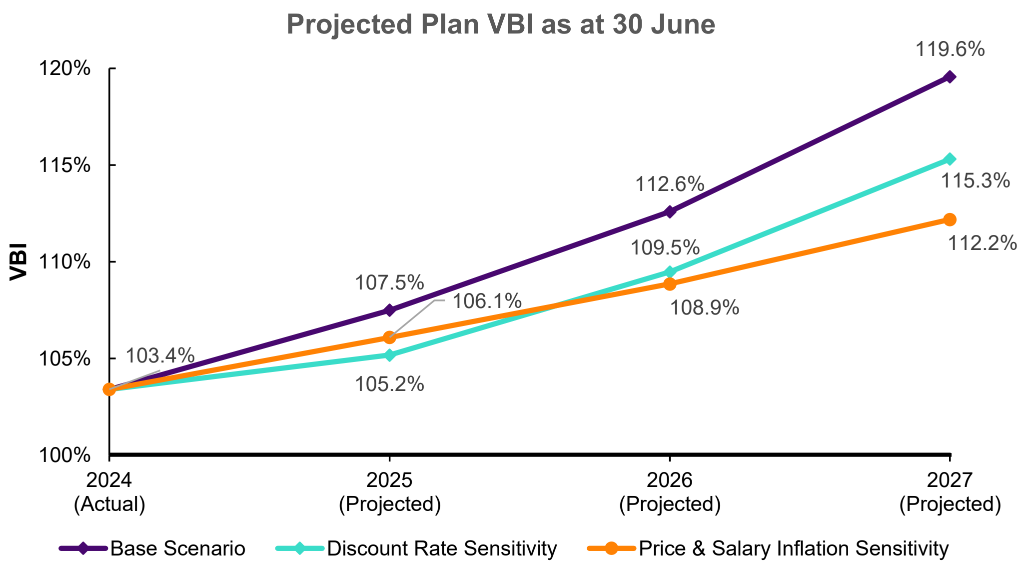
As can be seen from the graph, on the basis of the selected actuarial assumptions, the current contribution program is sufficient to maintain the VBI above 100% over the next three years with a considerable buffer to safeguard against adverse experience that may arise.

Sensitivity Analysis

Before making a recommendation on the level of contributions that the Company should make to the Plan, it is useful to consider the sensitivity of the analysis above to reasonable variations in the valuation assumptions. The following table shows the long-term contribution rate calculated, if key assumptions had been varied as described below:

	This Valuation Basis	Scenario 1	Scenario 2
Description	**Base Case**	**Investment Return Sensitivity**	**Price & Salary Inflation Sensitivity**
Discount Rate	7.0%	5.0%	7.0%
Price Inflation	N/A	N/A	N/A
Expected Salary Growth	4.0% for all members	4.0% for all members	6.0% for all members
Present Value of Accrued Benefits Index	109.9%	103.6%	105.1%
Long-Term Contribution Rate (before any adjustment for surplus or deficit)	16.0%	16.9%	16.7%

Similarly, the Plan's projected VBI over the next three years under the varied assumptions are shown in the graph below:



These results show that the required Company contribution rates, as well as the Plan's projected financial position, are sensitive to long-term actuarial assumptions. While the sensitivities have been selected to be illustrative of reasonable changes in the valuation assumptions, they do not represent the upper or lower bounds of possible outcomes and more extreme outcomes are possible.

Summary

On the basis of the above results, and having regard to the Company's preferences as well as the long-term target objective of the Trustee to achieve a funding target of a VBI of 100%, we believe that Company contribution rates per member category as detailed below are appropriate:

Category of Members	Contribution Rate
A (Senior Executives)	17.8%
B (Executives)	14.4%
1A (Staff)[1]	17.4%
1N (Senior Staff)[1]	17.3%

Accordingly, we recommend that the Company contribute at the rates set out above until at least 30 June 2027 in respect of defined benefit members.

In addition, we recommend that the Company continue to contribute at the required Superannuation Guarantee (SG) rates on bonuses and allowances that form part of Ordinary Time Earnings but are not included in base superannuation salary (after allowance for the Maximum Contributions Base)., as well as the required amounts to meet any SG obligations in respect of accumulation liabilities in the Plan (i.e. members whose defined benefits are crystallised upon late retirement).

We further recommend that the VBI position (and other measures of solvency) continue to be monitored at least semi-annually throughout the following investigation period, to ensure that these contribution recommendations remain appropriate.

[1] Contribution rates include an allowance of 5.9% for member deemed or salary sacrifice contributions.

Section 4: Other Matters involving actuarial insight

Investments

Investment Strategy

The Plan's defined benefit assets have been invested in the RIMT Balanced Growth portfolio since the Plan's Successor Fund Transfer on 1 September 2023. The return objective of the portfolio is to earn a return after costs and tax of at least 3.5% p.a. in excess of the Consumer Price Index over rolling five-and-ten year periods, while limiting the number of negative annual returns over a period of 20 years to no more than five. To meet this objective, and to ensure that the Plan's investments are adequately diversified and contain an appropriate level of liquidity, the assets supporting defined benefits are invested in a diversified option mix of around 70% growth investments and 30% defensive investments. The portfolio may also be exposed to derivatives.

The actual and target asset allocations as at 30 June 2024 of such assets are shown in the table below, and have been provided by RIMT:

Asset Class	Strategic Asset Allocation at 30 June 2024 (%)	Actual Asset Allocation at 30 June 2024 (%)	Asset Allocation Range (%)
Australian Equities	26.5	28.4	15 – 60
International Equities	34.5	36.8	15 – 60
Property	11.0	2.8	0 – 25
Fixed Income	13.5	14.0	0 – 45
Cash	9.0	1.1	0 – 25
Infrastructure	5.5	4.8	0 – 25
Commodities	0.0	0.0	0 – 10
Other Alternatives	0.0	12.1	0 – 25

In our opinion an investment strategy as described above is suitable for a Plan of this type having regard to its financial position, the underlying liabilities and the capacity of the respective employers to meet any funding shortfall.

Crediting Rate and Investment Reserving Policy

The Plan's investment in the Balanced Growth portfolio is subject to the declaration of unit prices. RIMT declares unit prices on the portfolio considering the assets invested, the investment return, the tax payable, imputation credits, relevant fees and provisions for distributions or capital gains, and any other provisions. In our view, this is appropriate.

Liquidity

Taking into account the ready sale of the Plan's assets from time to time, in our opinion the Plan has sufficient liquidity to meet payments from regular cashflows.

Shortfall Limit

The Trustee currently has an approved shortfall limit of 97%.

Based on the Plan's benefit design and its target asset allocation described above, in our opinion the 97% shortfall limit remains reasonable for the Plan.

Insurance

Death and Disablement Benefits

At the investigation date, the Plan has death, Total and Permanent Disablement (TPD) and Total but Temporary Disablement (TTD) insurance with MLC. The insurance coverage of the Plan is considered adequate if the net assets of the Plan are sufficient to cover the Death and TPD benefits of the Plan after any insured components have been allowed for.

The current level of insurance in respect of defined benefit members is calculated as:

Group Life Insurance = Death and TPD Benefit – Vested Benefit

As at the valuation date, the amounts over/(under) insured in the Plan are shown in the table below:

	$
Lump Sum Death & Disablement Benefits	65,563,000
Less Group Life Insurance	(6,962,000)
Plan's Exposure	58,601,000
Plan's Net Assets	60,303,000
Total Over/(Under) Insurance	1,702,000

The table above shows that the future service component of the death and disablement benefits are fully covered by insurance policies.

The TTD benefits (applying to Category A and B members only) are fully insured with MLC and therefore the risk is fully covered.

On this basis, we consider the current insurance arrangements adequate and recommend that the current insurance formula be maintained.

Section 5: Additional Information

Risks

The table below summarises the main risks to the financial position of the Plan.

Risk	Approach taken to risk
Investment returns on the existing assets could be insufficient to meet the Trustee's funding objectives	The Trustee takes advice from the Plan Actuary on possible assumptions for future investment returns. In setting the future contributions, the Plan Actuary considers the effect on the future financial position if investment returns are less than expected. The Trustee is able to agree further contributions with the Company at subsequent valuations if future returns prove insufficient.
Price inflation or salary increases could be different from that assumed which could result in higher liabilities	The Trustee invests in assets that are expected to be correlated to future inflation in the longer term (sometimes referred to as "real" assets). This means that, over the longer term, such assets are expected to keep pace with inflation. Such assets include equities, property and fixed income assets.
Falls in asset values might not be matched by similar falls in the value of the Plan's liabilities	The Trustee considers this risk when determining the Plan's investment strategy. It consults with the Company in order to understand the Company's appetite for bearing this risk and takes advice on the Company's ability to make good any shortfall that may arise. To the extent that such falls in asset values result in deficits at future valuations, the Company would be required to agree to a recovery plan with the Trustee to restore full funding over a period of time.
Plan members remain employed longer than assumed	The Trustee adopted withdrawal assumptions that it regards as prudent estimates of the future working lifetime of members. To the extent members continue to accrue benefits within the Plan for longer than expected this could cause the Plan's actual projected VBI to be lower than expected.
Legislative changes could lead to increases in the Plan's liabilities	The Trustee takes legal and actuarial advice on changes in legislation and consults with the Company, where relevant.

Economic risk   Demographic risk   Legal risk

Benefits Summary

The Plan was established to provide superannuation benefits to employees of Linfox Pty Ltd.

The Plan is a sub-plan of the Russell Investments Master Trust (RIMT) since 1 September 2023 following a Successor Fund Transfer at that date. Prior to this, the benefits were provided by the Linfox Staff Superannuation Fund. In this report, references to the Plan include references to the Linfox Staff Superannuation Fund prior to 1 September 2023.

Its operations were governed by a Trust Deed which was effected on 10 September 1980 with subsequent amendments from time to time. The design has been reproduced in the Russell Investments Master Trust (RIMT) and the Plan is now governed by the Employer Application Deed dated 30 August 2023 and the Trust Deed of the RIMT established 1 July 2003.

The Plan is a complying superannuation fund under the Superannuation Industry (Supervision) Act and qualifies for concessional tax treatment.

Classes of Membership

Category	Membership Class
Category A	Senior Executives
Category B	Executives
Category 1 (no members remaining)	Former Mayne Senior Executives
Category 1A	Former Mayne Staff
Category 1C (no members remaining)	Former Mayne Award
Category 1N	Former Mayne Senior Staff
Category 1L*	Former Mayne Late Retirees

* At 30 June 2024, there were no Category 1L or 1C members.

Classes of Membership

The Plan is closed to new members.

Category A and B Members

Member Contributions

Members are not required to contribute to the Plan.

Company Contributions

The Company contributes, on the advice of the Actuary, at a rate sufficient to meet the cost of all benefits and expenses.

Final Average Salary

A Member's Final Average Salary used for the determination of benefits is the average of the Member's annual salary on the review dates during the three years preceding exit.

Fund Interest

A Member's Fund Interest is defined in the Trust Deed to be the lesser of:

- the actuarial present value (as determined by the Actuary) of the benefits in respect of past membership prospectively payable in relation to that Member, or such other amount as agreed by the Trustee, the Actuary and the Principal Employer; and
- the Member’s Equitable Share.

In practice, the Fund Interest is currently calculated as the Member's accrued retirement benefit, reduced by 1% p.a. for each year the date of exit precedes the Member's Early Retirement Age.

Normal Retirement Age

The normal retirement age is 70 years for all members.

Normal Retirement Benefit

Upon retirement at the normal retirement age, Category A and B Members are entitled to a lump sum benefit equal to the sum of:

i. 12.75% of Final Average Salary (FAS) for each complete year of Executive membership after 1 July 1988;

ii. 15% of FAS for each complete year of Executive membership before 1 July 1988;

iii. 17% of FAS for each complete year of Senior Executive membership after 1 July 1988;

iv. 20% of FAS for each complete year of Senior Executive membership before 1 July 1988;

increased pro rata for any additional complete months of membership;

plus

the credit in the Member's Benefit Account and (where applicable) the Former Fund Account;

plus

the credit in the Member's Special Contributions Account.

Late Retirement

A lump sum equal to the Normal Retirement Benefit plus Superannuation Guarantee (SG) contributions plus interest accumulated to the date of actual retirement.

Early Retirement Age

Early Retirement is available to Executive Members from age 60 years with the consent of the Company and to Senior Executive Members from age 55 years.

Early Retirement Benefit

A lump sum benefit is payable on retirement on or after the Early Retirement Age but before 70 years. The benefit is determined as for Normal Retirement but calculated using completed membership and FAS as at the date of retirement.

Death Benefit

On the death of a Member at or prior to age 65 years, a lump sum benefit is payable, equal to the greater of:

i. a lump sum equal to the benefit which would have been payable had the Member remained in service to age 65 based on continuation of salary at the same level as at the date of death; and

ii. a multiple times annual salary where the multiple depends on the age next birthday upon joining the Plan, as specified in the following table:

Age Next Birthday at Joining	Multiple of Annual Salary
19 or less	6.250
20 - 24	5.625
25 - 29	5.000
30 - 34	4.375
35 - 39	3.750
40 - 44	3.125
45 - 49	2.400
50 - 54	1.725
55 - 59	1.100
60 - 64	0.500
65	Nil

On the death of a Member after age 65 years but before Normal Retirement Age, a lump sum benefit is payable equal to the Early Retirement Benefit calculated as at the date of death.

Total and Permanent Disablement (TPD) Benefit

If a Member becomes totally and permanently disabled prior to the Normal Retirement Age, a lump sum benefit is payable equal to the benefit which would have been payable if the Member had died on the date the Member became totally and permanently disabled.

Total but Temporary Disablement (TTD) Benefit

If a Member becomes temporarily totally disabled prior to age 65 years, a salary continuance benefit equal to 75% of salary is payable following an absence from employment of at least 30 days. This benefit is payable for a maximum period of five years subject to restrictions on maximum monthly benefits applied by the insurer.

Resignation Benefit

If a Member resigns from the service of the Company and no other benefit is payable, a lump sum resignation benefit is payable equal to:

The Member's Linfox DB Member Account (equal to deemed contributions at the rate of 9% of salary from 1 July 2002, *less* contributions tax and part of the insurance cost, accumulated with interest);

plus

the credit of the Member's Former Fund Account and the Member's Special Contributions Account;

plus

a percentage of the excess of the Member's Fund Interest over the Member's Linfox DB Member Account, this percentage being 10% p.a. for each completed year of Fund membership, subject to a maximum percentage of 100% after 10 years' membership.

Retrenchment Benefit

If a Member is retrenched from the service of the Company and no other benefit is payable, a lump sum retrenchment benefit is payable equal to:

The Member's Fund Interest;

plus

the credit of the Member's Former Fund Account and the Member's Special Contributions Account.

Category 1A, 1C and 1N Members

Member Contributions

Category	Contribution Rate
Category 1A	5.9% contributions by salary sacrifice
Category 1C	5% contributions from after tax salary
Category 1N	5% contributions are credited to members' benefits; however this cost is met by the Company

Company Contributions

The Company contributes, on the advice of the Actuary, at a rate sufficient to meet the cost of all benefits and expenses.

Final Average Salary

The Member's Final Average Salary used for the determination of benefits is the average of the Member's annual salary on the review dates during the three years preceding exit.

Member Reserve

a. in the case of a category 1A, 1C or 1N Member, the greater of:

    i. twice the Former Mayne DB Member Account; and

    ii. the product of the Member's Accrued Retirement Benefit and the greater of the factors obtained from the following two tables A and B (interpolating between factors for additional complete months).

Table A – Age

Member's Age (Years)	Factor	Member's Age (Years)	Factor
30 or less	0.50	43	0.76
31	0.52	44	0.78
32	0.54	45	0.80
33	0.56	46	0.82
34	0.58	47	0.84
35	0.60	48	0.86
36	0.62	49	0.88
37	0.64	50	0.90
38	0.66	51	0.92
39	0.68	52	0.94
40	0.70	53	0.96
41	0.72	54	0.98
42	0.74	55 or over	1.00

Table B – Fund Membership

Fund Membership (Years)	Factor	Fund Membership (Years)	Factor
Nil	0.50	13	0.76
1	0.52	14	0.78
2	0.54	15	0.80
3	0.56	16	0.82
4	0.58	17	0.84
5	0.60	18	0.86
6	0.62	19	0.88
7	0.64	20	0.90
8	0.66	21	0.92
9	0.68	22	0.94
10	0.70	23	0.96
11	0.72	24	0.98
12	0.74	25 or more	1.00

or any other table of factors substituted by the Principal Employer with the Actuary’s advice.

Normal Retirement Age

The Normal Retirement Age is 65 years for all former Mayne Fund members.

Normal Retirement Benefit

Upon retirement at the Normal Retirement Age, Category 1A, 1C, and 1N Members are entitled to a lump sum benefit equal to the greater of:

a. the sum of:

   i. 15% of FAS for each complete year of Category 1A or Category 1N membership from 3 February 2003; and

   ii. 12.5% of FAS for each complete year of Category 1C membership from 3 February 2003;

   increased pro rata for any additional complete months of membership; and

   plus

   the credit in the Member's Special Contributions Account; and

b. the member’s leaving service benefit.

Late Retirement

A lump sum equal to the Late Retirement Account. The Late Retirement account comprises the Normal Retirement Benefit calculated at age 65, increased with SG contributions from age 65 to the date of retirement with investment earnings.

Early Retirement Age

Early Retirement is available to all former Mayne Members from age 55 years.

Early Retirement Benefit

A lump sum benefit is payable on retirement on or after the Early Retirement Age but before 65 years. The benefit is determined as for Normal Retirement but calculated using completed membership and FAS as at the date of retirement.

Death Benefit

On the death of a Member at or prior to age 65 years, a lump sum benefit is payable, equal to:

i. a lump sum equal to the benefit which would have been payable had the Member remained in service to age 65 based on continuation of salary at the same level as at the date of death; plus

ii. an additional amount (if any) calculated as at 3 February 2003 as:

   – the Death Benefit as determined in the Mayne Fund; less

   – the Leaving Service Benefit in the Mayne Fund; less

   – the part of the Death Benefit in respect of future service in the Linfox Plan.

Total and Permanent Disablement (TPD) Benefit

If a Member becomes totally and permanently disabled prior to the Normal Retirement Age, a lump sum benefit is payable equal to the benefit which would have been payable if the Member had died on the date the Member became totally and permanently disabled.

Illness, Injury or Retrenchment

If a Member in Category 1A, 1C or 1N leaves the employ of the Employer on the grounds of sickness, injury or retrenchment and no Retirement, Death or Total and Permanent Disablement Benefit is payable, a lump sum benefit is payable equal to the greater of:

i. twice the Member's Former Mayne DB Member Account; and

ii. the Member's Reserve

plus

the amount standing to the credit of the Member's Special Contributions Account.

Resignation Benefit

If a Member in category 1A, 1C or 1N resigns from the service of the Company and no other benefit is payable, a lump sum resignation benefit is payable equal to:

The Former Mayne DB Member Account (equal to deemed contributions at the rate of 5% of salary, *less* any contributions tax, accumulated with investment returns);

plus

a percentage of the Former Maybe DB Member Account, this percentage being 10% p.a. for each completed year of Fund membership in excess of 5 years (including membership in the Mayne Fund), subject to a maximum percentage of 100% after 10 years' membership;

plus

the amount standing to the credit of the Member's Special Contributions Account.

Superannuation Guarantee

From 1 July 1992, the Federal Government introduced new legislation relating to superannuation. In particular, minimum levels of Company contributions were set in the Superannuation Guarantee (Administration) Act. As a result, the benefits payable, including any amounts contributed by the Company to any other superannuation plan, are subject to a minimum benefit specified by the Company and advised to the Trustee having regard to the Plan's actuarial Benefit Certificate.

The legislated minimum level of Superannuation Guarantee (SG) contributions is scheduled to increase incrementally as follows:

***	SG Minimum Contribution Rate
1 July 2024 to 30 June 2025	11.50%
1 July 2025 onwards	12.00%

Discretionary and contingent benefits

No future discretionary benefits or discretionary increases in benefit have been allowed for in the calculation of the statutory estimate of solvency, other than our understanding of established practices in benefit calculations.

Changes to the benefits

Since the last valuation as at 30 June 2021 no changes have been made to the Plan's benefits.

Summary of Data Used in this Investigation

Membership Data

TRM has appointed Russell Investments Employee Benefits Pty Ltd (RIEB), a related company to provide member services and manage the day-to-day administration operations of the RIMT. RIEB delegate the majority of the administration services to MUFG (previously Link Super Pty Ltd).

MUFG has responsibility for maintaining member records, payment of benefits and other administrative tasks of the Plan.

MUFG provided data in respect of members of the Plan as at 30 June 2024, including members who had left the Plan since the last investigation date.

We have checked a sample of the membership data for internal consistency and are satisfied as to the accuracy of this sample.

The following table shows a summary of the membership as at 30 June 2021 and 30 June 2024:

	30 June 2021	30 June 2024
Number of Members	19	13
Average Age	59.0 years	62.3 years
Average Past Company Membership	25.9 years	29.1 years
Total Salaries	$9,232,900	$10,015,000

Assets Data

The Plan is a sub-plan of the RIMT and financial statements are not prepared at the sub-plan level. We have not been provided with audited accounts for the RIMT at 30 June 2024.

RIMT provided the Plan’s post-review holdings in the Balanced Growth portfolio as at 30 June 2024. The fair value of net assets as disclosed, less any amount held to meet the Operational Risk Financial Requirement, was $51,707,000. This net asset value is in respect of defined benefits only. To this amount we have added an amount of $8,596,000 to represent Additional Voluntary Accumulation amounts held separately to this figure within RIMT. The total fair value of net assets is therefore $60,303,000. The value of $51,707,000 was used in this valuation to determine contribution recommendations and Funding Status Measures.

We have performed limited checking on the net asset and cashflow information provided to us by RIMT and are comfortable with its use in this investigation.

We are satisfied that there are no material data discrepancies, and that the data provided is suitable for the purpose of this investigation. We have relied on the information provided for the purposes of this investigation. Although we have no reason to doubt the quality of asset information provided, the results of this investigation are dependent on the quality of the asset information. Any changes to the asset values above will have an impact on the outcome of the investigation and any resulting recommendations.

Funding Method, Assumptions and Experience

Funding Method

In this valuation, we have used the Attained Age method. Under this method, the company contributions are calculated as the cost of benefits accruing to members in respect of all future membership plus other relevant costs (such as administration expenses). These contributions are expressed as a percentage of salaries, by comparing the amount against the expected present value of 1% of members' salaries.

This funding method is suitable for this valuation as it allows the surplus (or deficit) of the Plan to be used (or made up) by the Company over a shorter time period.

In producing our recommendations, we have also taken into account the pace of funding required to maintain certain short-term solvency measures, in particular, that legislation requires the VBI to be above 100% and that the Trustee has a funding target of 100%.

In the previous actuarial investigation, the Attained Age method was also used to determine the level of contributions. In our view this method remains appropriate.

Assumptions

In order to determine the value of expected future benefits and Plan assets, it is necessary to make assumptions regarding the timing and amount of future benefit payments, expenses and contributions. In doing so it is important to examine the experience of the Plan since the last investigation to see whether the previous assumptions have been borne out in practice.

While each of the assumptions used is normally the actuary's best estimate of future experience, in practice, the actual experience in any (short) period can always be expected to differ from the assumptions to some extent. However, it is intended that over longer periods, they will provide a reasonable estimate of the likely future experience and financial position of the Plan.

In the short term, as the actual experience emerges differently to the experience implied by the assumptions, the financial position of the Plan will also vary from that expected. However, adjustments to Company contribution rates, if any, can be made to reflect these differences in the following actuarial investigation.

Financial Assumptions

Valuation assumptions can be broadly divided into demographic assumptions, which relate to characteristics of current and future members of the Plan, and financial assumptions, which are assumptions other than demographic assumptions. The following sections first consider the financial assumptions that are to be adopted for this investigation.

Investment Returns

The rate of return on the Plan's assets (net of tax and investment expenses that are deducted from the investment return) from 30 June 2021 to 30 June 2024 are set out in the table below:

Year Ending	Net Investment Return
30 June 2022	-8.6%
30 June 2023	9.3%
30 June 2024	7.7%
Overall	2.4% p.a.

Over the three years to 30 June 2024 the assets held in the Plan returned 2.4% p.a. which is less than the rate assumed in the previous investigation of 6.0% p.a. (net of tax). In isolation, this has had a negative impact on the financial position of the Plan.

While short-term differences between actual investment return experience and the actuarial assumption can affect the long-term financial position of the Plan as measured by the actuarial investigation, the assumption used in the investigation must be based on long-term expectations since the investigation involves valuing payments in the future.

Based on models of future asset class returns developed by WTW and the current strategic asset allocation of the Plan in the RIMT Balanced Growth portfolio, the current long-term expectation of investment returns net of taxation and investment management expenses of the Plan is 7.0% p.a. On this basis, we have adopted a long-term investment earning rate of 7.0% p.a. for this investigation, which is higher than the assumed long-term earning rate used for the previous investigation of 6.0% p.a.

Salary Increases

The average salary increases during the investigation period for the members remaining in the Plan as at 30 June 2024 were 8.9% p.a. This is higher than the salary increase assumption adopted for the previous actuarial investigation of 4.0% p.a. (for members from Linfox Pty Ltd at the previous investigation) and 3.0% p.a. for all other members. This has had a negative impact on the financial position of the Plan.

The Company, as part of the accounting process, confirmed that it expects long-term salary increases for the remaining members to average 4.0% p.a., which is consistent with current long-term expectations of price increases of 2.6% p.a. based on modelling by WTW. We have therefore adopted this rate for the purpose of this investigation.

Administration Expenses and Insurance Costs

For this investigation, we assumed:

- A long-term rate of expenses of 1.25% of members' superannuation salaries, in line with the Plan's experience and expected expenses going forward in RIMT's Balanced Growth portfolio. This is lower than the rate of 4.70% allowed for in the previous investigation.
- An allowance for insurance premiums of 0.6% for TTD (Category A and B only) of members' superannuation salaries, based on the expected costs of such premiums, having regard to the premium rates charged by the insurer, MLC. This is marginally higher than the rate of 0.5% allowed for in the previous investigation.
- When projecting the Plan's financial position, we have applied a minimum expense of $120,000 p.a. increased by 3% p.a. to reflect the fixed component of Plan expenses.

Demographic Assumptions

Rates at which Employee Members Cease Service

Because of the small number of employee members remaining in the Plan, we have not conducted a full analysis of the assumed exit rates against actual experience. We have therefore retained the same assumed rates as the ones used in the previous investigation.

Sample resignation and early retirement rates (per 10,000 members) for the different member categories in the Plan are shown in the table below:

Age	Resignation		Early Retirement	
	Categories A, 1A, 1N and 1C	Category B	Categories A, 1A, 1N and 1C	Category B
20	1,800	1,800		
25	1,450	1,450		
30	1,100	1,100		
35	800	800		
40	660	660		
45	440	440		
50	220	220		
54	44	44		
55		44	1,000	
56		44	500	
57		44	500	
58		44	500	
59		44	500	
60			2,000	2,000
61			2,000	2,000
62			2,000	2,000
63			2,000	2,000
64			2,000	2,000
65			10,000	10,000

Sample rates at which members leave the Plan per year (per 10,000 members) as a result of Death and TPD are set out below:

Age	Death	TPD
25	4	1
30	4	2
35	4	3
40	6	4
45	9	8
50	15	16
55	23	31
60	38	53

Statutory Statements Under SPS 160

Linfox Staff Superannuation Plan

Actuarial Investigation as at 30 June 2024

The statements required under paragraphs 23(a) to (i) of SPS 160 for interim and regular investigations are set out below:

Plan Net Assets

At 30 June 2024 the net market value of assets of the Plan relating to Defined Benefits only, excluding any amount held to meet the Operational Risk Financial Requirement (ORFR), was $51,707,000.[1]

Projection of Defined Benefit Vested Benefits Index

Based on the actuarial assumptions we project that the likely future financial position of the Plan over the three years following the investigation date will be as follows:

Date	Defined Benefit Vested Benefits Index
30 June 2024	103.4%
30 June 2025	107.5%
30 June 2026	112.6%
30 June 2027	119.6%

Accrued Benefits

The value of the accrued liabilities of all members as at 30 June 2024 was $47,040,000.

In our opinion, the value of the assets of the Plan at 30 June 2024 was adequate to meet the liabilities in respect of accrued benefits in the Plan (measured as the present value of members' accrued entitlements using the actuarial assumptions).

This assessment has been made using assumptions and a valuation method which we regard as reasonable.

Vested Benefits

The value of the vested benefits of all members as at 30 June 2024 was $50,005,000.

In our opinion, the financial position of the Plan is not unsatisfactory and the shortfall limit does not need to be reviewed at this time.

Minimum Benefits

The value of the liabilities in respect of the minimum benefits of members as at 30 June 2024 was $16,731,000 which is less than the value of assets held at that date.

[1] In respect of Defined Benefits liabilities only, excluding additional voluntary accumulation accounts for defined benefit members.

Funding and Solvency Certificates

Funding and Solvency Certificates for the Plan covering the period from 30 June 2021 to 30 June 2024 required by the Superannuation Industry (Supervision) Act have been provided. In our opinion, we are likely to be able to provide Funding and Solvency Certificates for the Plan covering the period from 30 June 2024 to 30 June 2027.

Company Contributions

The report on the actuarial investigation of the Plan at 30 June 2024 recommends the Company to contribute at the following rates of members' superannuation salaries, until at least 30 June 2027:

Category of Members	Contribution Rate
A (Senior Executives)	17.8%
B (Executives)	14.4%
1A (Staff)[1]	17.4%
1N (Senior Staff)[1]	17.3%

In addition, we recommend that the Company continue to contribute at the required Superannuation Guarantee (SG) rates on bonuses and allowances that form part of Ordinary Time Earnings but are not included in base superannuation salary (after allowance for the Maximum Contributions Base)., as well as the required amounts to meet any SG obligations in respect of accumulation liabilities in the Plan (i.e. members whose defined benefits are crystallised upon late retirement).

Pre-July 1988 Funding Credit

No pre-July 1988 funding credits have been granted to the Plan.

Hadas Danziger
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RSE Actuary to the Linfox Staff Superannuation Plan

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[1] Contribution rates include an allowance of 5.9% for member deemed or salary sacrifice contributions.

About WTW

At WTW (NASDAQ: WTW), we provide data-driven, insight-led solutions in the areas of people, risk and capital. Leveraging the global view and local expertise of our colleagues serving 140 countries and markets, we help you sharpen your strategy, enhance organisational resilience, motivate your workforce and maximise performance. Working shoulder to shoulder with you, we uncover opportunities for sustainable success — and provide perspective that moves you. Learn more at wtwco.com.