Mercer welcome to brighter

Report to the Trustee on the Actuarial Investigation as at 1 July 2024

Nine Entertainment Superannuation Plan

(a plan in the AMP Super Fund)

20 December 2024

A business of Marsh McLennan

Contents

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Key Results and Recommendations

I have prepared this report on the actuarial investigation of the Nine Entertainment Superannuation Plan (the Plan), a plan in the AMP Super Fund as at 1 July 2024 for the N.M. Superannuation Proprietary Limited, as Trustee of the Plan. The Plan is closed to new defined benefit members.

My report should not be relied upon for any other purpose or by any party other than the Plan's Trustee. Mercer is not responsible for the consequences of any other use. This report should be considered in its entirety and not distributed in parts. The Trustee should share this report with Nine Entertainment Co. Pty Ltd (the Employer) who contributes to the Plan. The Employer may consider obtaining separate actuarial advice on the recommendations contained in the report.

Change in Financial Position

I set out below a summary of the Plan's financial position, at both this and the previous actuarial investigation.

	Position at 1 July 2024		Position from 1 July 2021 Investigation Report
Defined Benefits Only*	**$000**	**Asset Coverage**	**Coverage at 1 July 2021**
Assets	58,600		
Liability for Leaving Service Benefits^	36,221	161.8%	153.6%
Liability for Vested Benefits	33,990	172.4%	167.0%
Liability for Actuarial Value of Accrued Benefits	33,226	176.4%	164.4%
SG Minimum Benefits	22,891	256.0%	216.1%

* The above totals exclude benefit liabilities of three defined benefit late retirees of $1,143,000 and additional accumulation balances for defined benefit members of $526,000 as at 1 July 2024.

^ Assumes employer consent for early retirement is granted.

The coverage levels at 1 July 2024 were higher than the levels at the previous actuarial investigation, due to the following items of positive experience:

- Investment earnings on the surplus; and
- A reduction in the membership thereby spreading the surplus over a smaller membership base, the asset coverage of the benefit liabilities (when expressed as a percentage) has increased.

This was partially offset by the following items of negative experience:

- Investment earnings of 3.2% per annum, which were lower than the assumed long term rate of 4.25% per annum;
- The Employer is currently on a contribution holiday for defined benefit members, and therefore contributions to the Plan are lower than the cost of benefit accrual.

There was also an increase in the gap between the assumed rate of investment earnings and the rate of salary increases used to determine the Actuarial Value of Accrued Benefits from a gap of 2.25% per annum to 3.0% per annum. This has decreased the Actuarial Value of Accrued Benefits.

Recommended Contribution Rates and Projections

At 1 July 2024, the Plan had 172.4% coverage of Vested Benefits and therefore was in a satisfactory financial position. Also, the 161.8% coverage of Leaving Service Benefits was significantly above the financing objective of 110% coverage adopted for this investigation.

I recommend the Employer contributes to the Plan in accordance with the following contribution program based on the financial position at 1 July 2024 and taking into account the actual investment return of 5.8% for the 4 months immediately after 1 July 2024.

Defined Benefit members:

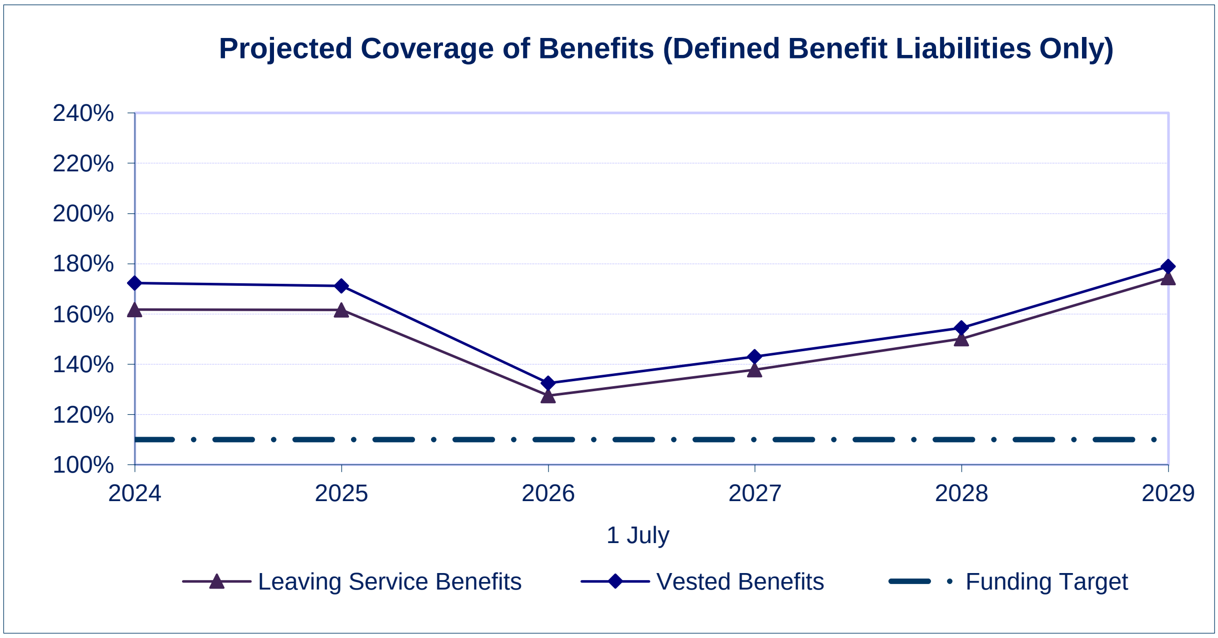
Category	Employer Contribution Rate (% of Salaries)
A	nil
A1	nil

Plus any compulsory or voluntary member pre-tax (salary sacrifice) contributions.

Accumulation members:

- The Superannuation Guarantee (SG) rate of Ordinary Time Earnings (or such lesser amount as required to meet the Employer's obligations under Superannuation Guarantee legislation or employment agreements);
- Except that one year of required Employer SG Contributions (not exceeding $2 million per month or $24 million in aggregate, net of tax) will be financed from defined benefit assets from 1 April 2025 to 31 March 2026 (or starting at a date as agreed between the Trustee and the Employer); and
- Any additional employer contributions agreed between the Employer and a member (e.g. additional salary sacrifice contributions).

Based on the assumptions adopted for this investigation and the recommended contribution rates, and allowing for any material experience after the investigation date as detailed in this report, I have prepared the following projection of Plan assets and benefit liabilities:



The graph above shows that the recommended contributions are anticipated to result in assets of at least 110% of Leaving Service Benefits (which is the financing objective adopted in this investigation) over the period till 1 July 2027. The chart also shows the Vested Benefits are expected to remain well covered.

Risks

The above projection is based on the assumptions adopted, which represent a single scenario from a range of possibilities. The future is uncertain and the Plan's actual experience will differ from these assumptions; these differences may be minor in their overall effect, or they may be significant and material. In addition, different sets of assumptions or scenarios may also be within the reasonable range and results based on those alternative assumptions would be different. The Trustee's monitoring of the experience specified in the Notifiable Events section of the Funding and Solvency Certificate will provide a further means of identifying adverse experience which warrants an immediate review of the Plan's financial position.

Sections 7 provide illustrations of the impact of investment volatility on the projected coverage of Vested Benefits and shows that a 1% per annum reduction in the assumed future investment return would result in 3% increase in the accrued value of liabilities.

Sections 8 and 9 discuss other risks associated with the liabilities, including salary increase risk, legislative risk and risks around the provision of insurance benefits within the Plan.

Other Findings and Recommendations

Suitability of Policies

I am satisfied that the following current policies for the defined benefit section of the Plan are suitable:

- Investment policy;
- Crediting rate policy;
- Insurance arrangements;
- Shortfall Limit (for the purposes of SPS 160); and
- Trustee’s process for monitoring the Plan’s financial position.

Actions Required by the Trustee

The Trustee should consider this report and confirm its agreement (or otherwise) to the contribution and other recommendations.

The Trustee should seek formal agreement from the Employer to contribute in line with the recommendations.

The Trustee should continue to monitor the progress of the Plan’s coverage of Leaving Service Benefits to ascertain if an adjustment to the recommended contribution levels is required prior to completion of the next formal actuarial investigation.

2 Introduction

Background of the Plan

The Plan is operated for the benefit of employees of Nine Entertainment Co. Pty Ltd and is a part of the AMP Super Fund (the Fund). The Trustee of the Fund, N.M. Superannuation Proprietary Limited, holds a Registrable Superannuation Entity Licence under the SIS legislation and operates the Plan as required under the Trust Deed.

Plan members receive lump sum defined benefits on retirement, death or disablement. I set out a high level summary of the benefits provided in Appendix A.

The Plan is a resident regulated fund and a complying superannuation fund for the purposes of the SIS legislation. The Plan is taxed as a complying superannuation fund.

The advice contained in this report is given in the context of Australian law and practice. I have made no allowance for taxation, accountancy or other requirements in any other country.

The Plan was part of a successor fund transfer from the AMP Superannuation Savings Trust to the Super Directions Fund effective from 15 May 2020. All assets and liabilities were transferred into the Super Directions Fund as part of the successor fund transfer. The Super Directions Fund was then rebranded the AMP Super Fund in late 2021. We have been informed by the Trustee that the Plan rules and benefit design remain exactly the same in the AMP Super Fund as they were in the AMP Superannuation Savings Trust.

The governing rules of the Plan are set out in the AMP Super Fund master deed, the Plan's Participation Agreement and the rules governing the Plan.

Purpose

I have prepared this report exclusively for the Trustee of the Plan for the following purposes:

- To present the results of an actuarial investigation of the Plan as at 1 July 2024;
- To review Plan experience for the period since the previous actuarial investigation as at 1 July 2021;
- To recommend contributions to be made by the Employer intended to allow the Plan to meet its benefit obligations in an orderly manner, and to reach and maintain an appropriate level of security for members' accrued benefit entitlements;
- To satisfy the requirements of the Plan's Trust Deed for actuarial investigations of the Plan's financial position; and
- To meet legislative requirements under relevant Commonwealth superannuation legislation; these include the Superannuation Industry (Supervision) Act 1993 and associated regulations (SIS legislation) and SPS 160.

My report satisfies Professional Standard 400 issued by the Actuaries Institute setting out requirements for actuarial investigations of defined benefit superannuation funds.

The previous actuarial investigation was conducted as at 1 July 2021 by me, on behalf of Mercer, and the results are contained in a report dated 21 December 2021.

Significant Events since the Investigation Date

The recommendations in this report take into account the actual investment return of 5.8% for the 4 months immediately after 1 July 2024. I am unaware of any other significant events that have occurred since 1 July 2024 which would materially impact on the findings or recommendations in this report.

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Experience since the Last Investigation

Data Provisions

To prepare this report, I have relied on financial and participant data provided by the Plan's administrator. The data used is summarised in this report. I have not independently verified or audited the data provided but have performed a range of broad "reasonableness" checks and tested for consistency with previous records. I am satisfied that the data is sufficiently accurate for the purposes of this actuarial investigation.

I have also relied upon the documents, including amendments, governing the Plan as provided by the Trustee. The Trustee is ultimately responsible for the validity, accuracy and comprehensiveness of this information. If the data or Plan provisions are not accurate and complete, the investigation results may differ significantly from the results that would be obtained with accurate and complete information; this may require a revision of this report.

Membership

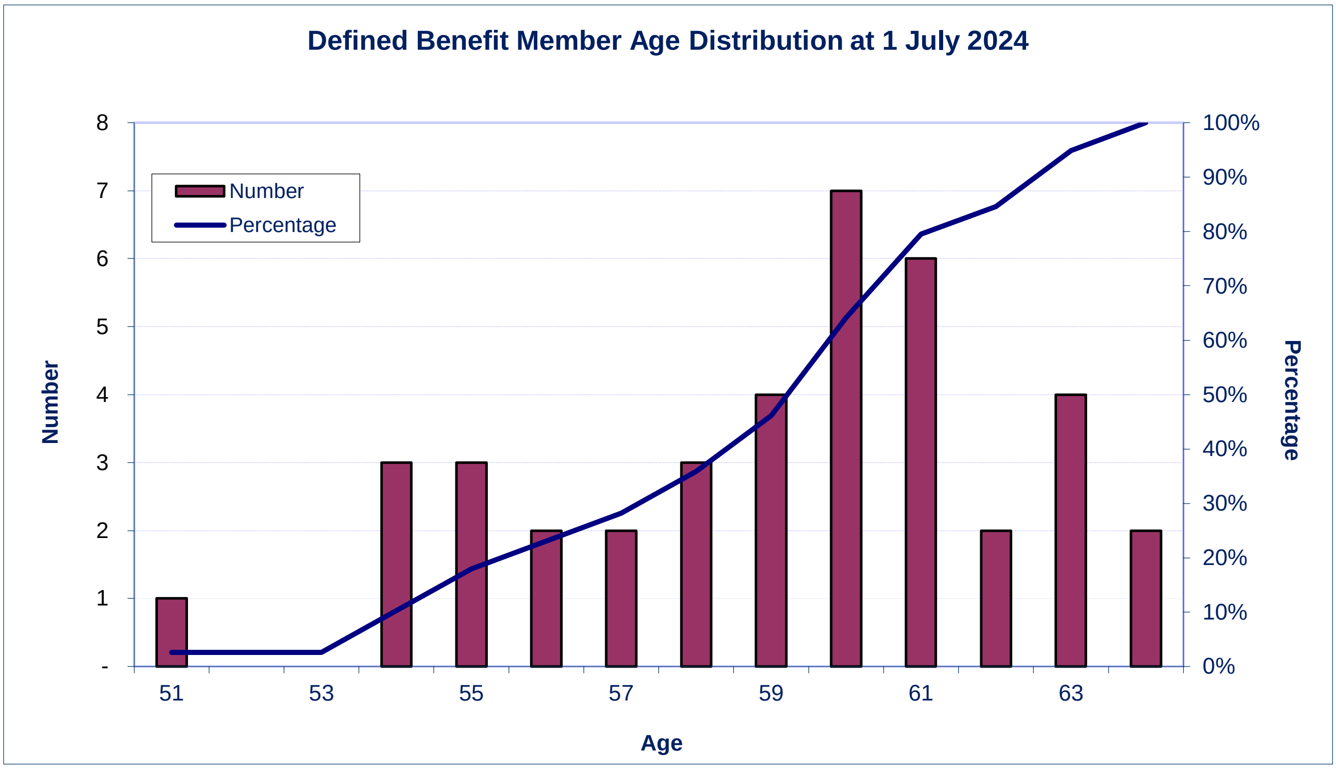
The membership of the Plan's defined benefit section has changed since 1 July 2021 as follows:

	Category A	Category A1	Total
Active members at 1 July 2021	17	39	56
Exits	7	10	17
New Entrants	0	0	0
Active members at 1 July 2024	10	29	39
Total salaries at 1 July 2024	$2,564,000	$5,318,000	$7,882,000
Average salaries at 1 July 2024	$256,000	$183,000	$202,000
Average age at 1 July 2024	60.9 years	59.0 years	59.5 years

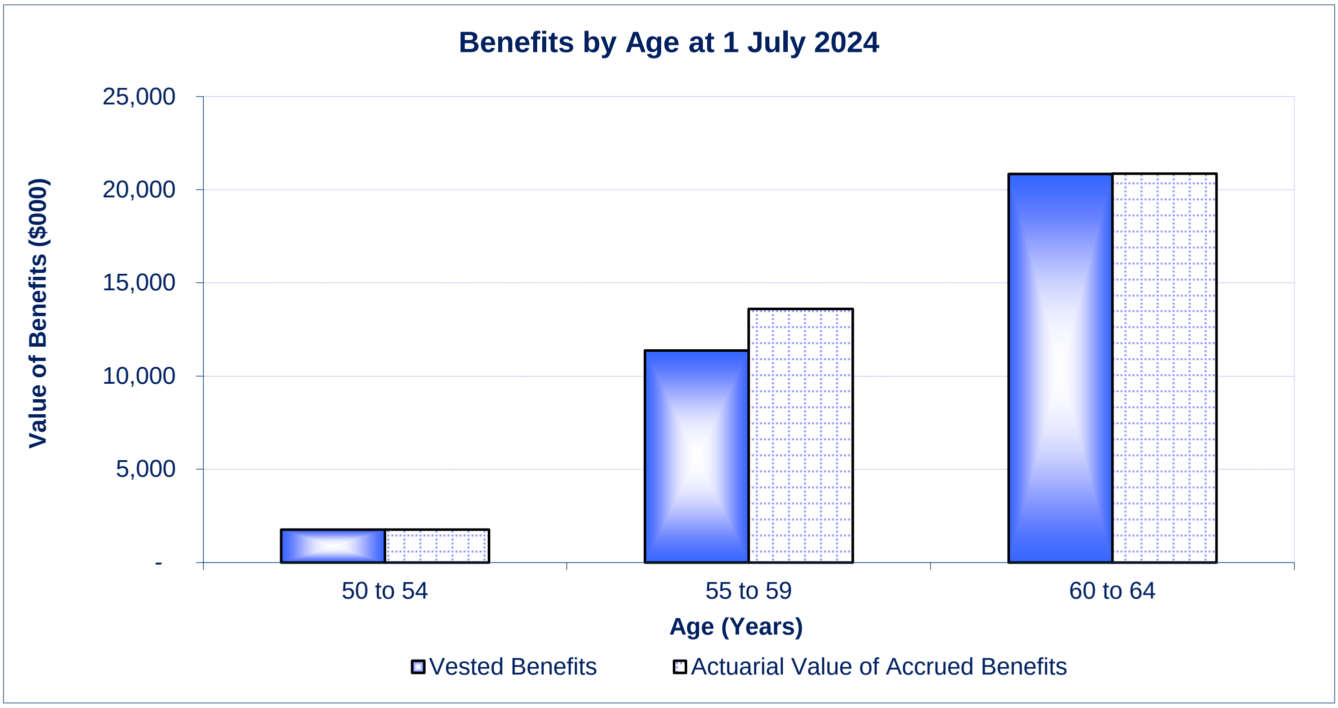
In addition, there were 3 late retirement members at 1 July 2024 with total salaries of $248,000 and total benefits of $1,143,000 whose benefits are determined wholly on a defined contributions (or 'accumulation') basis. All new members join the accumulation section of the Plan.

During the period under review the number of defined benefit members within the Plan decreased from 56 to 39 members. This means that any excess assets are spread over a smaller number of members, and the coverage of the benefit liabilities (when expressed as a percentage) will have increased, all else being equal.

The defined benefit membership split by age as at the 1 July 2024 is shown in the following graph:



The following graph shows the Leaving Service Benefits and Vested Benefits of defined benefit members (excluding additional accounts) at 1 July 2024, split by age.



Investment Returns and Crediting Rates

The table below shows the rates of investment earnings (after tax, investment fees and asset based administration fees and the applicable Large Plan Discount) for the assets supporting the defined benefits and crediting rates applied to defined benefit members' accounts, over the period since the previous investigation.

Year Ending	Investment Return (p.a.)	Crediting Rate (p.a.)
1 July 2022	-5.7%	-5.7%
1 July 2023	7.0%	7.0%
1 July 2024	8.9%	8.9%
Compound Average	**3.2%**	**3.2%**

The average investment return for the three year period to 1 July 2024 was 3.2% per annum compared to the long term assumption at the last actuarial investigation of 4.25% per annum. The lower return than assumed had a negative impact on the Plan's financial position.

Salary Increases

Salaries for the current defined benefit members increased by an average of 2.0% per annum over the period in line with the long term assumption at the last actuarial investigation, which had a neutral impact on the Plan's financial position.

Contributions

The contributions recommendations made at the previous investigation were as follows:

Defined Benefit members:

Category	Employer Contribution Rate (% of Salaries)
A	nil
A1	nil

Plus any compulsory or voluntary member pre-tax (salary sacrifice) contributions.

Accumulation members:

- The Superannuation Guarantee (SG) rate of Ordinary Time Earnings (or such lesser amount as required to meet the Employer's obligations under Superannuation Guarantee legislation or employment agreements);
- Except that one year of required Employer SG Contributions (not exceeding $1 million per month or $12 million in aggregate, net of tax) will be financed from defined benefit assets from 1 April 2022 to 31 March 2023 (or starting at a date as agreed between the Trustee and the Employer); and
- Any additional employer contributions agreed between the Employer and a member (e.g. additional salary sacrifice contributions).

The Employer contributions since the date of the previous actuarial investigation were in line with the previous recommendations other than not electing to finance any Employer SG Contributions from defined benefit assets.

The Employer contribution holiday in respect of defined benefit members has meant that the level of contributions paid over the three year period was lower than the long-term Employer contribution rate (i.e. the estimated employer cost of future service benefits). As expected this had a negative impact on the Plan's financial position.

Impact of Experience on the Financial Position

The main experience items affecting the Plan's financial position during the period from 1 July 2021 to 1 July 2024 were as follows:

Item	Assumption at previous review	Plan experience	Comment on effect
Investment returns	4.25% p.a.	3.2% p.a.	Negative effect – investments grew at a lower rate than assumed
Earnings on surplus			Positive effect – surplus has been increased by positive return
Salary increases	2.0% p.a.	2.0% p.a.	Neutral
Membership changes		Reduction of members from 56 to 39	Positive effect – reduction in membership has spread excess assets over smaller membership base.
Employer contributions		Employer contribution holiday	Negative effect – the Employer has been on a contribution holiday while member benefits accrued over the period

The overall impact of this experience was an improvement in the coverage of Leaving Service Benefits of 8.2% as at 1 July 2024, whilst the size of the surplus remained around $21m.

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Actuarial Assumptions

The ultimate cost to the Employer of providing the benefits to members is:

- The amount of benefits paid out; and
- The expenses of running the Plan, including tax;

less

- Members' contributions; and
- The return on investments.

The ultimate cost to the Employer will not depend on the actuarial assumptions or the methods used to determine the recommended Employer contribution, but on the actual experience of the Plan. The financing method and actuarial assumptions adopted will however affect the timing of the contribution requirements from the Employer.

The actuarial process includes projections of possible future Plan assets and benefit liabilities on the basis of actuarial assumptions about future experience.

These assumptions include investment returns, salary/wage increases, crediting rates, the rates at which members leave the Plan for various reasons, and other factors affecting the financial position of the Plan.

It is not expected that these assumptions will be precisely borne out in practice, but rather that in combination they will produce a model of possible future experience that is considered a suitable basis for setting contribution rates.

Economic Assumptions

The most significant assumption made in estimating the cost of defined benefits is the difference between:

- The assumed rate of investment earnings; and
- The rate of salary increases used in the projections of future benefit payments.

This difference is commonly referred to as the "gap".

The key economic long term assumptions adopted for this investigation are:

	Assumption
Investment returns (after tax, investment and asset based administration fees) #	6.0% p.a.
Salary increases	3.0% p.a.

The assumption for investment returns is based on the expected long-term investment return over a period matching the future duration of the liabilities of the Plan, for the Plan's current benchmark investment mix, calculated using Mercer's assumptions of the means and standard deviations of returns from the various underlying asset classes and the correlations of returns between those asset classes.

The salary increase assumption is based on long term economic forecasts for future increases in average weekly earnings (AWOTE) and discussions with the Employer.

Demographic Assumptions

The following tables show the assumptions that have been made concerning the rates at which members will leave the Plan for a variety of reasons.

Retirement

The rates at which members are assumed to leave the Plan due to retirement are set out below. It is assumed that Employer consent is granted for early retirement, where required. I have based these rates based on the experience of similar plans administered or advised by Mercer. The same rates were adopted for the 2021 actuarial investigation.

Age Last Birthday	Percentage of members age x at beginning of year assumed to leave the Plan during the year on account of early retirement
55	10%
60	10%
65	100%

Death in Service

Examples of the assumed death and TPD rates for current employee members are set out below. I have maintained the same assumptions in relation to rates of death as were adopted at the previous actuarial investigation. These are based on the experience of similar plans administered or advised by Mercer.

Age Last Birthday	Percentage of members age x at beginning of year assumed to leave the Plan during the year on account of death
50	0.236%
55	0.401%
60	0.678%

Resignation

Specimen rates at which members are assumed to leave the Plan due to resignation are set out below. Given the small size of the Plan, I have based these rates on the experience of similar plans administered or advised by Mercer. The same rates were adopted for the 2021 actuarial investigation.

Age Last Birthday	Percentage of members age x at beginning of year assumed to leave the Plan during the year on account of resignation
50	1.5%

Retrenchment

No specific allowance is made for the possibility of future retrenchments. The retrenchment benefit is the same as the standard benefit paid on resignation.

Other Assumptions

New Members

The Plan's defined benefit section is closed to new entrants and I have made no allowance for new members.

Expenses

Administration and management expenses plus the net cost of group life insurance for defined benefit members are assumed to average 0.5% of defined benefit member's salaries. This assumption is unchanged from the previous investigation.

Tax

I have assumed that the current tax rate of 15% continues to apply to the Plan's assessable income, along with current tax credits and deductions.

All future Employer and member salary sacrifice contributions are assumed to be subject to 15% contribution tax, after deduction of any insurance premiums and administration and management costs. All contribution recommendations quoted in this report are gross of contributions tax.

I have made no allowance for:

- Excess contributions tax, as this is payable by the member.
- Additional tax on contributions (including defined benefit notional contributions) for those with incomes above the threshold (currently $250,000), which is also payable by the member.
- The proposed Division 296 tax - an additional tax of 15% on the growth in benefit where a member's total superannuation benefits exceeds $3 million expected to apply from 1 July 2025.

Impact of the Changes in Assumptions

I have summarised in the table below the changes in assumptions from those used in the previous investigation and the reasons for the changes:

Assumption	Investigation at 1 July 2024	Investigation at 1 July 2021	Reason for change
Investment returns	6.0% pa	4.25% pa	Updated investment outlook in relation to asset class returns.
Salary increases	3.0% pa	2.0% pa	Updated economic outlook, as advised by the Employer.

The overall impact of the changes in assumptions was to decrease in the Actuarial Value of Accrued Benefits by $979,000.

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Assets

Market Value

The net market value of the Plan's defined benefit assets as at 1 July 2024 was $60,269,000 (based on unaudited data provided by the Plan's administrator).

Calculation of Defined Benefits Assets at 1 July 2024	
Net market value of the Plan's assets as at 1 July 2024	**$60,269,000**
Less assets for late retirees	$1,143,000
Less accumulation accounts for defined benefit members (CPRF Employer and Member accounts, Family Law and Surcharge accounts of defined benefit members)*	$526,000
Net assets to support the defined benefit liabilities of the Plan	**$58,600,000**

* These accounts are essentially accumulation in style, consistent with past actuarial investigation practice and disclosures; we have treated as additional accounts for defined benefit members.

Operational Risk Reserves

The assets to meet the Trustee's Operational Risk Financial Requirement (ORFR) are held separately from the assets of the Plan.

The scope of this Investigation does not include a review of the adequacy of assets held to meet the Trustee's ORFR or the Trustee's ORFR strategy.

The Australian Prudential Regulator Authority (APRA) has revised the existing Prudential Standard SPS 114 Operational Risk Financial Requirement (SPS 114) with enhanced obligations for trustees from 1 July 2025. The Trustee will likely require a review of its ORFR strategy when the new prudential standard is in effect.

Investment Policy

Assets backing Defined Benefit Liabilities

The Plan's investment strategy for assets supporting defined benefit liabilities, the AMP Future Directions Balanced Fund option currently involves a benchmark exposure of 77% to 'growth' assets such as shares and property and a benchmark exposure of 23% to 'defensive' assets such as cash and fixed interest. 'Growth' assets are expected to earn higher returns over the long term compared to 'defensive' assets, but also to exhibit more variation in returns from year to year.

The actual asset allocation and strategic asset allocations for the assets supporting the defined benefit liabilities are as follows:

Asset Class	Actual Allocation as at 1 July 2024	Strategic Asset Allocation
Australian Shares	26.5%	26.0%
Overseas Shares	28.5%	29.5%
Property and Infrastructure	14.4%	14.0%
Growth Alternatives	8.3%	7.5%
Total Growth	**77.7%**	**77.0%**
Fixed Interest	14.7%	15.0%
Defensive Alternatives	3.4%	2.0%
Cash	4.2%	6.0%
Total Defensive	**22.3%**	**23.0%**
Total	**100%**	**100%**

The defined benefit liabilities are not affected by the investment return on the Plan's assets. The volatility of the Plan's investment returns will therefore affect the financial position of the Plan from year to year and is likely to impact on the required level of Employer contributions.

Given the gradual reduction of the Plan's membership, it would be prudent for the Trustees to consider the development of an appropriate and gradual de-risking strategy for the longer term. Further, with the defined benefits being closed to new members, the projections carried out as part of this actuarial investigation indicate that the defined benefit assets will start to wind down in the coming years. Therefore, while at the present time the expected term of the Plan's liabilities is such that the Plan is able to to benefit from the higher returns expected from 'growth' assets over the medium term, a significant shortening in the expected term of the liabilities is projected to occur over the next few years. A shorter-term liability profile will reduce the ability of the Plan to 'ride out' the ups and downs in returns that are expected from investment strategies with substantial exposure to 'growth' assets.

I am satisfied that the current investment strategy is appropriate in view of the Plan's longer term cash flows and the financial support provided by the Employer.

This conclusion takes into account my understanding that the Employer understands the possible variability in future contributions associated with the current investment policy. If the Employer has a different view, then this policy should be reviewed.

Assets backing Accumulation Benefit Liabilities

The Plan provides members with a range of investment options for their accumulation benefits (including the additional account balances of defined benefit members). The assets supporting the Plan's accumulation benefit liabilities are invested according to members' selected investment options and the actual returns on those investments (whether positive or negative) are passed on to members via changes in the unit prices by which member account balances are determined. Thus, the Plan's accumulation liabilities and related assets are fully matched.

I consider that the Plan's investment policy for assets relating to accumulation liabilities is suitable, having regard to the nature and term of these liabilities.

The Plan’s investments are expected to provide a high level of liquidity in normal circumstances.

Crediting Rate Policy

We understand that the Trustee has approved the crediting rate methodology set out in a letter dated 16 February 2007 by Mercer.

The Plan’s crediting rate is calculated based on ratio of unit prices. We have not carried out a review of the AMP unit pricing that produces unit prices. A detailed review of the unit pricing and crediting policy is outside the scope of this investigation.

Based on a review of the main features, I consider that the crediting policy documented is generally suitable. However, I believe that the Plan's operational and risk management framework would benefit from enhancing the existing documentation of the policy and the associated controls and procedures.

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The Actuarial Approach

Financing Objective

The financing objective adopted for this investigation is to maintain the value of the Plan's assets at least equal to:

- 100% of accumulation account balances, plus
- 110% of Defined Benefit Leaving Service Benefits

Accumulation account balances are matched by specific assets and do not require any additional margins. However, the defined benefit liabilities are linked to salaries and not to the returns on the underlying assets. A margin in excess of 100% coverage of vested defined benefits is therefore desirable to provide some security against adverse experience such as poor investment returns. I consider the target margin of 110% is suitable.

Based on the assumptions adopted for this investigation, achieving the financing objective of 110% of Defined Benefit Leaving Service Benefits would also result in at least 100% coverage of the Vested Benefits, Actuarial Value of Accrued Benefits and the SG Minimum Benefits. Hence, I do not consider it necessary to adopt specific financing objectives in relation to these benefit liability measures.

I have taken into consideration the provisions of the Trust Deed and any professional requirements as set out below.

Professional Requirements

Under Professional Standard 400 issued by the Actuaries Institute, the funding method selected by the actuary *"must aim to provide that:*

(a) members' benefit entitlements (including any pension increases provided by the Trust Deed or in accordance with either precedent or the intentions of the Trustee and/or Fund Sponsor) are fully funded before the members retire; and

(b) the Net Assets of the Fund from time to time, after making full provision for the entitlements of any beneficiaries or members who have ceased to be employed, exceed the aggregate of benefits which employed members would reasonably expect to be payable to them on termination of membership, including the expenses of paying those benefits, and having regard to the provisions of the Trust Deed and the likely exercise of any Options or Discretions." (Paragraph 5.5.4 of PS400).

Accordingly the actuary needs to be satisfied that any funding program is expected to provide a level of assets which meets or exceeds immediate benefit entitlements based on members' reasonable expectations. Should assets fall below that level, the funding program needs to aim to lift assets to at least the required level over a reasonable time period and to maintain assets at or above the required level thereafter.

I have set the financing objective on the basis that members' reasonable expectations on termination would be to receive their Leaving Service Benefit entitlement.

Provisions of the Trust Deed

The rules of the Plan require that:

- The Trustee ensures an actuarial investigation of the Plan is conducted when required by legislation. Accordingly actuarial investigations are carried out at three yearly intervals at a minimum; and
- The Employer must contribute to the Plan in respect of Defined Benefits members as agreed by the Trustee, the Employer and the Actuary having regarding reports of the Actuary.

Financing Method

There are various financing methods that could be followed in setting the Employer contribution level. This investigation uses the "Attained Age Normal" method.

Under this method, the "normal cost" is the estimated level rate of Employer contributions required to provide benefits in respect of future service (i.e. service after the investigation date) for existing members. The normal cost ignores any surplus or deficiency of assets over accrued liabilities.

The recommended Employer contribution rate may then be set above or below the normal cost for a suitable period of time to amortise any surplus/deficiency and to take into account the Plan's financing objectives.

Under this method of financing, the level of the Employer contributions may vary from time to time to ensure that the Plan remains on course towards its financing objectives.

As the defined benefits are closed to new members and (on the assumptions adopted) the cost of future service benefits increases with age, the normal cost is expected to gradually increase as the defined benefit membership ages.

I consider that the Attained Age Normal method is suitable in the Plan's current circumstances as the normal cost reflects the expected (on the assumptions adopted) employer cost of future service benefits and the recommended contribution rate can be varied around the normal cost to take into account the projected financial position as compared with the financing objective.

Changes in Financing Method

The Attained Age Normal method was used at the previous investigation

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Financial Position of the Plan

Funding Status

Leaving Service Benefits

Leaving Service Benefit assumes that Employer Consent to early retirement is granted for all eligible members aged 55 and over. Plan assets were greater than Leaving Service Benefits. The 161.8% coverage of defined benefit Leaving Service Benefits was above the financing objective of 110% coverage adopted for this investigation.

Vested Benefits

Vested Benefits are the amounts payable as of right should all active members voluntarily resign or, if eligible, retire at the investigation date. Members are not assumed to receive Employer consent, where required, for early retirement.

At 1 July 2024, the Plan assets represented 172.4% of Vested Benefits and hence the Plan was considered to be in a “satisfactory financial position” under SIS legislation.

SG Minimum Benefits

SG Minimum Benefits are the minimum benefits required under SG legislation, as defined in the Benefit Certificate (also referred to as Minimum Requisite Benefits or MRBs).

The Plan assets at 1 July 2024 were also greater than SG Minimum Benefits and hence the Plan was considered to be “solvent” under SIS legislation.

Actuarial Value of Accrued Benefits

The Actuarial Value of Accrued Benefits is the expected value (as at the investigation date) of all future expected benefit payments, based on membership to date, discounted to the investigation date, taking into account the probability of payment. This value is calculated using the actuarial assumptions and method outlined in the previous sections. In determining the value, I have not applied a minimum of the vested benefits. Further details concerning the calculation of the Actuarial Value of Accrued Benefits are set out in Appendix B.

The Plan Assets as 1 July 2024 represented 176.4% of the Actuarial Value of Accrued Benefits.

The following table shows these funding measures at both the previous and current investigation dates.

Defined Benefits Only*	Position at 1 July 2024 $000	 Asset Coverage	Position from 1 July 2021 Investigation Report Coverage at 1 July 2021
Assets	58,600		
Liability for Leaving Service Benefits^	36,221	161.8%	153.6%
Liability for Vested Benefits	33,990	172.4%	167.0%
Liability for Actuarial Value of Accrued Benefits	33,226	176.4%	164.4%
SG Minimum Benefits	22,891	256.0%	216.1%

* The above totals exclude benefit liabilities of three defined benefit late retirees of $1,143,000 and additional accumulation balances for defined benefit members of $526,000 as at 1 July 2024.

^ Assumes employer consent for early retirement is granted.

The coverage levels at 1 July 2024 were higher than the levels at the previous actuarial investigation due to:

- The overall experience discussed in Section 3; and
- The changes in the actuarial assumptions resulting in a decrease in the Actuarial Value of Accrued Benefits as discussed in Section 4 of this report.

Employer Future Service Cost

Based on the assumptions adopted for this investigation, I estimate that the Employer's long-term funding cost (i.e. the normal cost of funding future service defined benefit accruals for each category) are as follows:

Defined Benefit Membership Group	Employer long-term cost (of future benefit accrual) (% of Salary/Wage)
Category A	12.6%
Category A1	2.0%

An average rate for current members is 4.6% of Defined Benefit salaries. The average rate has decreased by 1.1% compared to 1 July 2021.

The Employer's long-term funding cost above includes the expected expenses (of 0.5% of Defined Benefit salaries), excludes any award contributions and includes allowance for the contributions tax.

Previous Recommendations

The previous actuarial investigation made the following recommendations and the status of these are shown in the table below:

Recommendations	Status
Contribution program	Employer contributed in accordance with the recommendations, other than not electing to finance any Employer SG Contributions from defined benefit assets.

Recommended Contributions

Based on the Trustee's financing objective described above and the results of this investigation, I recommend that the Employer contributes in accordance with the following program:

Defined Benefit members:

Category	Employer Contribution Rate (% of Salaries)
A	nil
A1	nil

Plus any compulsory or voluntary member pre-tax (salary sacrifice) contributions.

Accumulation members:

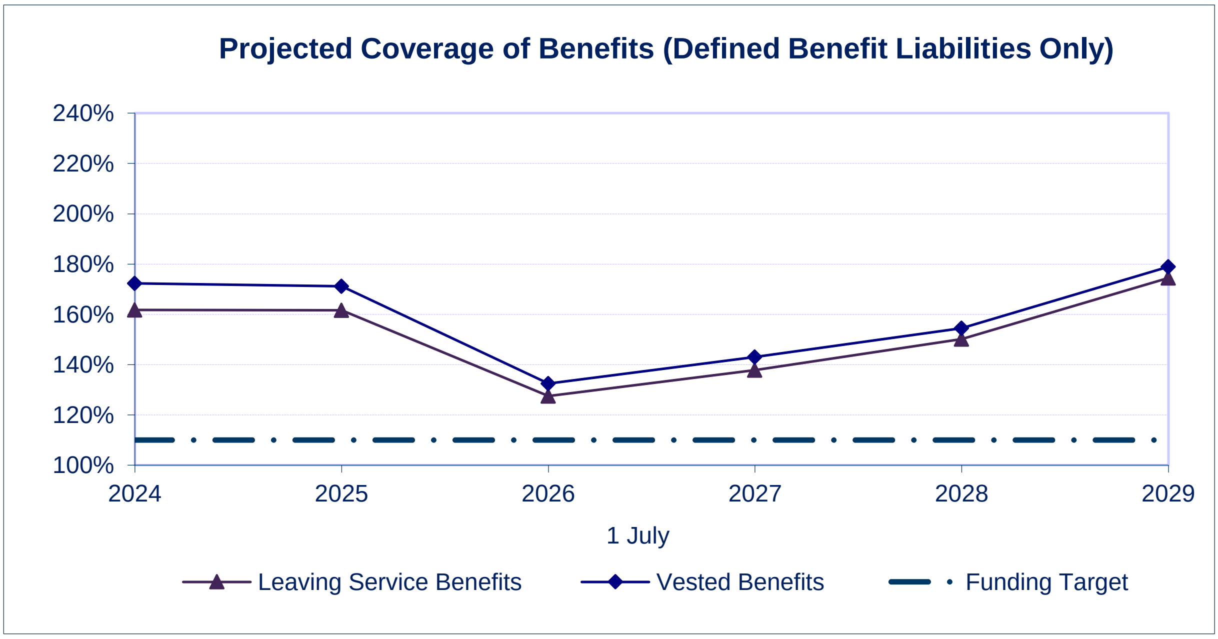
- The Superannuation Guarantee (SG) rate of Ordinary Time Earnings (or such lesser amount as required to meet the Employer's obligations under Superannuation Guarantee legislation or employment agreements);
- Except that one year of required Employer SG Contributions (not exceeding $2 million per month or $24 million in aggregate, net of tax) will be financed from defined benefit assets from 1 April 2025 to 31 March 2026 (or starting at a date as agreed between the Trustee and the Employer); and
- Any additional employer contributions agreed between the Employer and a member (e.g. additional salary sacrifice contributions).

Projected Financial Position

I have prepared a projection of Plan assets and benefit liabilities based on:

- the actuarial assumptions adopted for this investigation;
- allowing for known investment experience since 1 July 2024 to 13 November 2024 of 5.8%; and
- assuming the Employer adopts the contribution levels recommended in this investigation.

The results of the projection are as follows:



This projection is based on the assumptions adopted, which represent a single scenario from the range of possibilities. The future is uncertain and the Plan's actual experience will differ from those assumptions; these differences may be minor in their overall effect, or they may be significant and material. In addition, different sets of assumptions or scenarios may also be within the reasonable range and results based on those alternative assumptions would be different, as discussed below.

The projection above shows that the recommended contributions are anticipated to result in assets of at least 110% of Defined Benefit Leaving Service Benefits (which represents the financing objective adopted in this investigation) up to 1 July 2027. The chart shows Vested Benefits are expected to remain well covered.

Sensitivity Analysis

I have tested the effect of changes to the key assumptions on the value of liabilities and the Plan's net financial position with respect to the Actuarial Value of Accrued Benefits.

The liabilities shown in this report are calculated using my best estimate assumptions for investment return (6.0% per annum) and salary growth (3.0% per annum). As both future investment returns and future salary increases are unknown, it is almost certain that actual experience will differ from these assumptions.

It is the difference between the investment return rate and salary growth rate (commonly referred to as the 'gap') that is crucial rather than the individual assumptions, because the value of the assets move with investment returns while most of the Plan's defined benefit liabilities grow with salaries.

To quantify the sensitivity of the net financial position to my assumptions, I have calculated the change in the Actuarial Value of Accrued Benefits based on the following scenarios:

- Decrease the long term investment return assumption by 1% per annum; and
- Increase the salary growth assumption by 1% per annum.

All other assumptions are assumed to remain the same.

The effects of these changes are shown below:

Scenario	Net financial position (e.g. surplus/deficit) $m	Change in net financial position $m
Base assumptions as shown previously	25.374	
Decrease investment return by 1% pa	24.412	-0.962
Increase salary increase by 1% pa	24.673	-0.701

8

Key Risks

Investment Volatility

I have considered the impact of investment volatility on the Plan's financial position over the next few years using a "high return" and a "low return" scenario. The returns under both scenarios have been derived from assumptions about the likely risk attached to the Plan's defined benefit investment strategy.

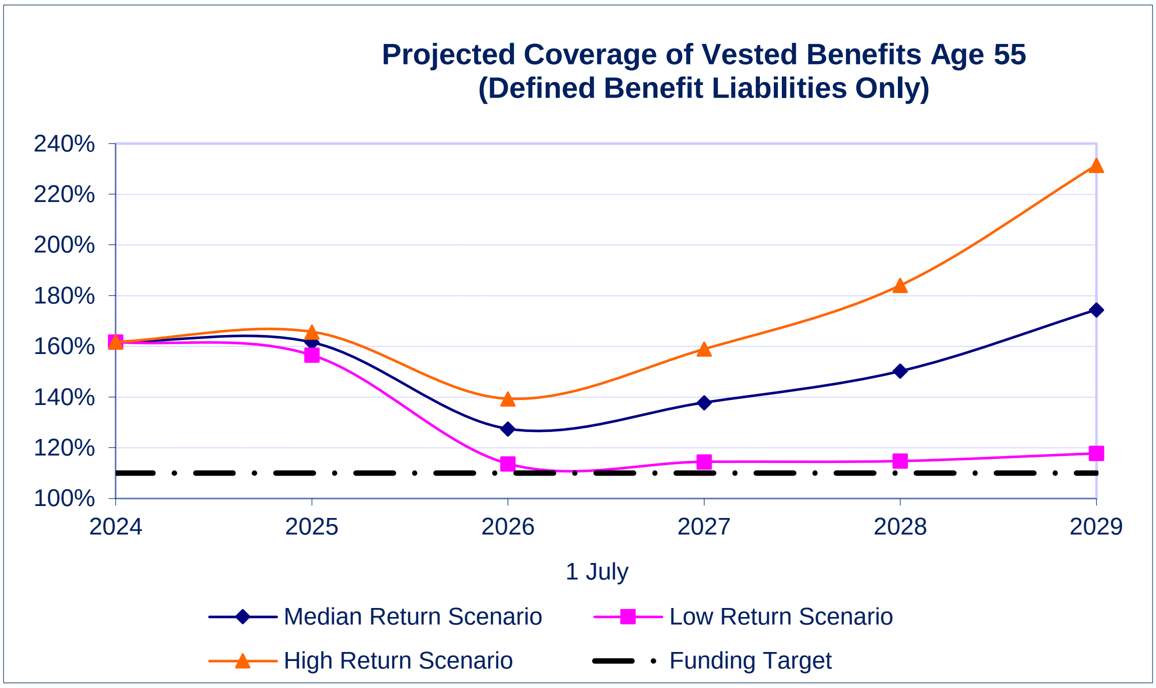
Leaving Service Benefits for defined benefit members are not linked to investment returns (i.e. are salary based benefits) and therefore the Plan's vested benefits coverage is highly sensitive to changes in the investment return assumptions.

Using the investment return model and assumptions adopted, there is approximately a 10% chance of the Plan's cumulative investment return being less than the "low return" scenario over the next 5 years. Similarly, there is approximately only a 10% chance of the Plan's cumulative investment return being greater than the "high return" scenario over the next 5 years. I included an allowance for the actual return on assets of 5.8% during the 4 month period immediately following 1 July 2024.

1 July 2024 to 30 June	Assumed Cumulative Investment Return (%)		
	"Low Return"	Valuation	"High Return"
2025	6.7%	10.0%	12.7%
2026	8.1%	16.6%	23.8%
2027	9.5%	23.6%	36.1%
2028	10.9%	31.0%	49.6%
2029	12.3%	38.9%	64.4%

The cumulative investment return is the total return from up to 1 July in the year shown. The extent of variation allowed for in these projections reflects the Plan's asset mix and Mercer's views on potential variability in investment results in various investment sectors.

The graph below shows the effect on the projected ratio of assets to the Leaving Service Benefits for defined benefit members under the "high return" and "low return" scenarios, with all other investigation assumptions remaining unchanged.



Based on fluctuations in investment returns only, and assuming other experience is in line with the assumptions adopted for this investigation, there is approximately an 80% chance that the coverage of assets over Leaving Service Benefits at 1 July 2027 will fall in the range from 114% to 159%.

The “low return” scenario and the “high return” scenario shown above are illustrations only, and show what may occur under assumed future experiences that differ from my baseline assumptions. These scenarios do not constitute upper or lower bounds and the actual future coverage of Leaving Service Benefits may differ significantly from the range shown above, depending on actual future experience. In fact, there is a 1 in 20 chance that the investment return could be less than minus 10% in any year based on the current Plan asset allocation.

In my view, the Trustee should be satisfied with the expected level of security over the next few years if the Employer contributes at the recommended levels.

Salary Growth Risk

The risk is that wages or salaries (on which future benefit amounts will be based) will rise more rapidly than assumed, increasing benefit amounts and thereby requiring additional employer contributions. This risk is borne by the Employer.

For example, if the assumed future salary increase rate was increased by 1% per annum with no change in other assumptions, then

1. The Actuarial Value of Accrued Benefits would increase by $702,000 (Employer funding cost impact $702,000/0.85 = $826,000), with a resulting reduction in the coverage of the Actuarial Value of Accrued Benefits from 176.4% to 172.7%, and

2. The average long term employer contribution rate (the estimated employer cost of future service benefits) would increase from 4.6% to 4.8% of salaries under this scenario.

The actual rate of future salary increases may vary (positively or negatively) from the rate assumed at this investigation by much more than the (positive) 1% per annum illustrated in the example above.

Legislative Risk

This risk is that the Commonwealth Government could make legislative changes that increase the cost of providing the defined benefits – for example, an increase in the rate of tax on superannuation funds. This risk is borne by the Employer and is a real risk with the current level of government debt and interest rates.

The Plan's Risk Management Statement and Risk Management Plan should identify a full range of risks faced by the Trustee.

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Insurance Risks

Insurance.

For accumulation members, death benefits in excess of total account balances are fully insured. Lump sum total and permanent disablement benefits (TPD) in excess of total account balances are also fully insured for accumulation members who are eligible for TPD benefits. The definition of TPD in the policy is also used to establish a member's eligibility for the benefit under the Plan's governing rules, thus avoiding any definition mis-match risk.

Defined benefit members are not eligible for TPD benefits under the Plan. For defined benefit members, the group life sum insured formula currently in use for lump sum death benefits is:

Sum Insured = Death Benefit – Vested Benefit

The total amount insured should cover the excess of the death/TPD benefits over the Plan's assets. Based on the formula in use at the investigation date, the coverage of death/TPD risk as at 1 July 2024 for the Plan was as follows.

	Defined Benefit members	$000
	Death/Disablement Benefits	44,173
Less	Sum Insured	10,183
Less	Assets	58,600
	Uncovered Death/Disablement Benefits	(24,610)

There is a large amount of over-insurance, consistent with the Plan's strong financial position. As the defined benefit membership is declining and I am recommending the Employer to continue the contribution holiday in respect of defined benefit members and finance the Employer contributions in respect of the Plan's Accumulation members from the defined benefit assets, I consider a change to the current insurance formula is not required.

Documentation

The death and TPD insurance arrangements are underwritten by TAL Life Limited ("the insurer") and outlined in a policy dated 1 April 2024 between the Trustee and the insurer. The purpose of the insurance policy is to protect the Plan against unexpectedly large payouts on the death or disablement of members.

Conclusion

In my opinion, the current group life insurance arrangements, including the sum insured formula for defined benefit members, are appropriate and provide adequate protection for the Plan.

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Prudential Standards

The prudential regulator (APRA) has issued a number of Prudential Standards for the superannuation industry, including SPS 160 relating to the financial management and funding of defined benefit plans. I comment below on several requirements arising from SPS 160.

Shortfall Limit

The Trustee must determine a "Shortfall Limit" for each fund, being:

> "the extent to which the fund can be in an unsatisfactory financial position with the Trustee still being able to reasonably expect that, because of corrections to temporary negative market fluctuations in the value of the fund assets, the fund can be restored to a satisfactory financial position within a year".

I understand that the Plan's Shortfall Limit, determined by the Trustee on the basis of previous actuarial advice, is 97%.

The Shortfall Limit is expressed as the coverage level of the defined benefit Vested Benefits by the defined benefit assets. It is appropriate to consider the following factors when determining if the Shortfall Limit remains appropriate:

- The guidance provided in the relevant Actuaries Institute Practice Guideline 499.08: Shortfall Limit Required under APRA Prudential Standard 160 dated March 2023;
- The investment strategy for defined benefit assets, particularly the benchmark exposure of 77% to "growth" assets;
- The results of this investigation regarding the extent to which the current and projected Vested Benefits are not linked to the investment return on defined benefit assets (i.e. salary-based benefits) and the current and projected relativity between Define Benefit Vested Benefits and Minimum Requisite Benefits.

Based on the above, I recommend the Trustee maintain the current Shortfall Limit.

The projections also indicate that the level of Minimum Requisite Benefits is not expected to be a constraint in determining the Shortfall Limit. I will reassess the suitability of the adopted Shortfall Limit as part of the next regular actuarial investigation. The Shortfall Limit should be reviewed earlier if there is a significant change to the investment strategy for defined benefit assets – in particular a change to a more defensive strategy which has a benchmark allocation to "growth" assets of less than 60% – or if the Trustee otherwise considers it appropriate to do so.

Monitoring Process

SPS 160 also requires the Trustee to determine and implement a process for monitoring the defined benefit Vested Benefits coverage against the Shortfall Limit for each plan. If this monitoring process indicates that the Vested Benefits coverage has (or may have) fallen below the Shortfall Limit, then under SPS 160:

- An “Interim Actuarial Investigation” may be required (depending on the timing of the next regular actuarial investigation).
- A Restoration Plan is required to be put in place if an Interim Actuarial Investigation finds the plan has breached its Shortfall Limit. The Restoration Plan must be designed to return the plan to a “satisfactory financial position”, so that the Vested Benefits are fully covered, within a reasonable period that must not exceed 3 years and this must be submitted to APRA.

I understand that the Trustee has implemented a process for monitoring the Plan’s defined benefit Vested Benefit coverage against the Shortfall Limit in accordance with SPS 160.

The Trustee should also continue to monitor the “Notifiable Events” specified in the Plan’s Funding and Solvency Certificate and advise the Actuary should any actual or potential Notifiable Events occur.

Requirements due to Unsatisfactory Financial Position

Restoration Plan

Under SPS 160, a Restoration Plan is also required to be put in place if the actuary finds in a regular Actuarial Investigation that a plan:

- Is in an unsatisfactory financial position (whether or not the Shortfall Limit has been breached); or
- Is likely to fall into an unsatisfactory financial position.

The Restoration Plan must be designed to return the plan to a “satisfactory financial position”, so that Vested Benefits are fully covered, within a reasonable period that must not exceed 3 years from the investigation date.

An SPS 160 Restoration Plan is not required if the plan is technically insolvent (in which case the insolvency rules must be followed). If an SPS 160 Restoration Plan is already in place then any changes to the contribution program (including its period) must be made within the framework of that Restoration Plan.

As indicated by the financial position and the projections, I consider that:

- The Plan is not in an unsatisfactory financial position; and
- The Plan is not likely to fall into an unsatisfactory financial position.

Hence the special requirements of SPS 160 for funds in an unsatisfactory financial position do not apply at this investigation.

Actuary's Reporting Requirements

Section 130 of the SIS Act requires that if an actuary forms the opinion that a plan's financial position may be unsatisfactory, or may be about to become unsatisfactory, and that opinion was formed in performing an actuarial function, the actuary must advise both the Trustee and the prudential regulator (APRA) in writing immediately. An unsatisfactory financial position applies where assets are less than Vested Benefits.

These requirements do not currently apply as I am of the opinion that the Plan's financial position is not unsatisfactory (or about to become unsatisfactory).

Statements Required by SPS 160

This section provides statements required to be made under APRA Prudential Standard SPS 160. Values cited relate to the defined benefit section of the Plan (exclusive of any accumulation members).

(a) The value of the Plan's assets as at 1 July 2024 was $60,269,000. This value excludes assets held to meet the Operational Risk Financial Requirement.

(b) In my opinion, the value of the liabilities of the Plan in respect of accrued benefits as at 1 July 2024 was $34,894,000. Hence, I consider that the value of the assets at 1 July 2024 is adequate to meet the value of the accrued benefit liabilities of the Plan as at 1 July 2024. Taking into account the circumstances of the Plan, the details of the membership and the assets, the benefit structure of the Plan and the industry within which the Employer operates, I consider that the assumptions and valuation methodology used are appropriate in relation to the determination of the accrued benefit liabilities for the purposes of this report. Further comments on the assumptions and valuation methodology are set out in Sections 4 and 6 of this report. Assuming that the Employer contributes in accordance with my recommendations based on the assumptions used for this actuarial investigation, which I consider to be reasonable expectations for the Plan, I expect that assets will remain sufficient to cover the value of accrued benefit liabilities over the period to 1 July 2027.

(c) In my opinion, the value of the liabilities of the Plan in respect of vested benefits as at 1 July 2024 was $35,658,000. Hence, I consider that the value of the assets at 1 July 2024 is adequate to meet the value of the vested benefit liabilities of the Plan as at 1 July 2024. Assuming that the Employer contributes in accordance with my recommendations based on the assumptions made for this actuarial investigation, I expect that assets will remain sufficient to cover the value of vested benefit liabilities over the period to 1 July 2027. Hence, I consider that the financial position of the Plan should not be treated as unsatisfactory as defined in SPS 160.

(d) In my opinion, the value of the liabilities of the Plan in respect of the minimum benefits of the members of the Plan as at 1 July 2024 was $24,560,000. Hence, the Plan was not technically insolvent at 1 July 2024.

(e) A projection of the likely future financial position of the Plan over the 3-year period following 1 July 2024, based on what I consider to be reasonable expectations for the Plan for the purpose of this projection, is set out in Section 7 of this report,

(f) Based on the results of this investigation, I consider that the Shortfall Limit does not require review. Comments are set out earlier in this section.

(g) In respect of the 3-year period following 1 July 2024, I recommend that the Employer contribute to the Plan at least:

Defined Benefit members:

Category	Employer Contribution Rate (% of Salaries)
A	nil
A1	nil

Plus any compulsory or voluntary member pre-tax (salary sacrifice) contributions.

Accumulation members:

- The Superannuation Guarantee (SG) rate of Ordinary Time Earnings (or such lesser amount as required to meet the Employer's obligations under Superannuation Guarantee legislation or employment agreements);
- Except that one year of required Employer SG Contributions (not exceeding $2 million per month or $24 million in aggregate, net of tax) will be financed from defined benefit assets from 1 April 2025 to 31 March 2026 (or starting at a date as agreed between the Trustee and the Employer); and
- Any additional employer contributions agreed between the Employer and a member (e.g. additional salary sacrifice contributions)

(h) The Plan is used for Superannuation Guarantee purposes:

- All Funding and Solvency Certificates required under Division 9.3 of the SIS Regulations have been issued for the period from the date of the last investigation to 1 July 2024;
- I expect to be able to certify the solvency of the Plan in any Funding and Solvency Certificates that may be required in the three year period from 1 July 2024.

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Actuarial Certification

Actuary’s Certifications

Professional Standards and Scope

I have prepared this report in accordance with generally accepted actuarial principles, Mercer’s internal standards, and the relevant Professional Standards of the Actuaries Institute, in particular PS400 which applies to *“...actuarial investigations of the financial condition of wholly or partially funded defined benefit superannuation funds.”*

Use of Report

This investigation report should not be relied upon for any other purpose or by any party other than the Trustee of the Plan. Mercer is not responsible for the consequences of any other use. This report should be considered in its entirety and not distributed in parts. The Trustee should share this report with the Employer who contributes to the Plan. The Employer may consider obtaining separate actuarial advice on the recommendations contained in the report.

The advice contained in this report is given in the context of Australian law and practice. I have made no allowance for taxation, accountancy or other requirements in any other country.

Actuarial Uncertainty and Assumptions

An actuarial investigation report contains a snapshot of a Plan’s financial condition at a particular point in time, and projections of the Plan’s estimated future financial position based on certain assumptions. It does not provide certainty in relation to a Plan’s future financial condition or its ability to pay benefits in the future.

Future funding and actual costs relating to the Plan are primarily driven by the Plan’s benefit design, the actual investment returns, the actual rate of salary inflation and any discretions exercised by the Trustee or the Employer. The Plan’s actuary does not directly control or influence any of these factors in the context of an actuarial investigation.

The Plan’s future financial position and the recommended Employer contributions depend on a number of factors, including the amount of benefits the Plan pays, the cause and timing of member withdrawals, plan expense, the level of taxation and the amount earned on any assets invested to pay the benefits. These amounts and others are uncertain and unknowable at the investigation date, but are predicted to fall within a reasonable range of possibilities.

To prepare this report, assumptions are used to select a single scenario from the range of possibilities. The results of that single scenario are included in this report.

However, the future is uncertain and the Plan’s actual experience will differ from those assumptions; these differences may be significant or material. In addition, different assumptions or scenarios may also be within the reasonable range and results based on those assumptions would be different. For this reason, this report shows the impact on the Plan's financial position if alternative assumptions were to be adopted.

Actuarial assumptions may also be changed from one investigation to the next because of mandated requirements, Plan experience, changes in expectations about the future and other factors. I did not perform, and thus do not present, an analysis of the potential range of all future possibilities and scenarios.

Because actual Plan experience will differ from the assumptions, decisions about benefit changes, investment policy, funding amounts and benefit related issues should only be made after careful consideration of possible future financial conditions and scenarios, and not solely on the basis of a set of investigation results.

Additional Information

The next **actuarial investigation** is required at a date no later than 1 July 2027. At that time, the adequacy of the Employer contribution levels will be reassessed. The monitoring process recommended may lead to an earlier reassessment ahead of the next full actuarial investigation.

The next **Funding and Solvency Certificate** is required at least 12 months before the expiry of the current Funding and Solvency Certificate (which expires on 31 December 2026).

The next **Benefit Certificate** is required following the expiry of the current Benefit Certificate (which expires 30 June 2029). The current Benefit Certificate is designed to accommodate changes to the legislated Superannuation Guarantee schedule.

Further Information

Please contact me to provide any supplementary information or explanations about this actuarial investigation as may be required.

....

Mark Samuels
Fellow of the Institute of Actuaries of Australia

20 December 2024

I have reviewed this report under Mercer's professional Peer Review Policy. I am satisfied that it complies with the applicable professional standards and uses assumptions and methods that are suitable for the purpose.

....

Clement Cheung
Fellow of the Institute of Actuaries of Australia

Appendix A

Plan Design

Summary of Benefits

A simplified summary of the main benefit provisions in respect of defined benefit members is set out below. Reference should be made to the formal governing documents for definitive statements.

Members' Contributions (% of salary)	2% to 10% of salary
Final Average Salary (FAS)	The greater of a) the average of the highest salaries paid to the member as at any three consecutive Review Dates (1 July) over the ten year period preceding date of exit from the Plan, and b) the average of the salary paid over the three year period preceding date of exit from the Plan.
Normal Retirement Age	65
Membership	Period of service as a member of the Plan, measured in years and completed month fractions.
Member Retirement Multiple	The aggregate of the percentage rates of contribution made by the member as a Staff member, multiplied by a factor of 1.1.
Normal Retirement Benefit	A lump sum benefit equal to: (a) 10% of FAS for each year of Category A membership, plus (b) a percentage of FAS for each year of Category A1 membership as described below, plus (c) Member Retirement Multiple times FAS. Note: Staff members are divided into Category A (Superannuation Guarantee minimum benefits provided with the Plan), and category A1 (SG benefits provided outside the Plan). For Category A1 members, the employer benefit multiple accrual rate has been adjusted for the excess of SG benefits over Award entitlements. For example, with SG currently at 11.5% of salaries, the Category A1 employer benefit multiple accrues at a rate of 1.5% (10% standard accrual – 8.5% (being 11.5% less 3% Award)).

Early Retirement Benefit	Early retirement benefits are payable on or after attaining age 60, or, with the consent of the member's employer, on or after attaining age 55. Early Retirement Benefits are calculated in the same way as NRBs.
Resignation Benefit	A lump sum benefit equal to: a) (Member Retirement Multiple / 1.1) times FAS, plus b) FAS times the employer benefit multiple (as described above) times a percentage, that percentage being 7.5% for each year (and complete month fraction) of membership, subject to a maximum of 75%. We note that the Trust Deed does not formally state that the minimum benefit payable on any form of exit is the standard resignation benefit. However, we understand that in practice, this minimum is used by the plan and we have therefore assumed it to be the case for the purpose for the actuarial review.
Benefits from Former Plans	Members of the Plan who were formerly members of the Consolidated Press Retirement Plan are entitled to additional benefits as follows: a) the member contribution section of the former Plan member accumulation account, accumulated with interest, plus b) vesting of 1/15th of the employer contribution section of the former Plan member accumulation account, for each year of membership of the Plan and the previous Plan, subject to a maximum of fifteen years. Former members of the Queensland Television Ltd Staff Superannuation Plan are entitled to the following additional benefits: *Retirement:* A specified additional multiple of FAS *Resignation:* The member's former Plan members accumulation account, accumulated with interest, plus vesting of 10% of this amount for each year of membership of the Plan, and former Plan, subject to a maximum of 100% vesting.
Death Benefit	A lump sum benefit equal to the NRB that would have been payable had the member continued in service to the NRD on their current salary, and in their current membership category. However, for Category A1 members the benefit is calculated using the standard 10% employer accrual rate without reduction for the period from the date of death to the NRD. Death benefits are subject to a minimum of 3 times salary.

The table below indicates the material discretions available to the Trustee and Employer and the member options specified within the Plan's legal documents, to the extent that these affect benefits. The table also shows the general prevalence of the past exercise of discretions and the options chosen by the members. Please note that past exercises of discretions should not be viewed as precedents that would constrain any future decisions.

Trustee and Employer Discretions	
Description and Deed Reference	**Historical Prevalence**
Employer consent is required on Early Retirement between age 55 to 60 (clause 1.6(a))	Consent has generally been granted

Benefits on leaving service for any reason are subject to a minimum Superannuation Guarantee benefit described in the Plan's Benefit Certificate.

The Superannuation Guarantee (Administration) Act 1992

This Act requires employers to provide minimum superannuation benefits that are fully vested in their employees within a complying superannuation fund.

The contribution rates recommended in this report and the projected financial positions allow for benefits being augmented as necessary to meet the minimum Superannuation Guarantee (SG) benefit described in the Plan's current Benefit Certificate.

Under current legislation the SG rate is currently 11.5% and will increase to 12.0% on 1 July 2025.

Appendix B

Calculation of the Actuarial Value of Accrued Benefits

I have calculated the Actuarial Value of Accrued Benefits using a method of apportionment of benefits between past and future membership that satisfies the requirements of Professional Standard No. 402 of the Actuaries Institute and is acceptable for Australian Accounting Standard AASB 1056 purposes. The information required for AASB 1056 is in Appendix C.

Defined Benefits

The past membership components of all defined benefits payable in the future from the Plan in respect of current membership are projected forward allowing for assumed future salary increases and credited interest rates and are then discounted back to the investigation date at the investment return rate assumed for the investigation.

The past membership component for each type of benefit is:

Retirement:	based on the member's accrued benefit multiple at the investigation date
Death and Disablement:	based on the member's accrued benefit multiple at the investigation date
Resignation:	based on the member's accrued benefit multiple at the investigation date, allowing, where applicable, for future vesting to the projected date of resignation

The weighted average term of the accrued benefit liabilities is 3.5 years.

Accumulation Benefits

The value of accumulation benefits is taken as the sum of the balances held in accumulation accounts at the date of the investigation.

Methodology of Calculating the Actuarial Value of Accrued Benefits

The method used for the determination of Actuarial Value of Accrued Benefits is the same as that used at the previous investigation.

Appendix C

Information for AASB 1056 Purposes

Nine Entertainment Superannuation Plan

I have prepared the following information for the purposes of Australian Accounting Standard AASB 1056 to enable the calculation of Member Liabilities at the specified reporting dates for inclusion in the relevant financial statements of the AMP Super Fund. The information is current as at the date specified below, but is subject to change if circumstances change.

Based on the Adopted Assumptions specified, I confirm that in my opinion, a reasonable approximation of the value of Defined Benefit Member Liabilities (DB Member Liabilities) at 30 June 2025, 2026 and 2027 can be calculated as:

DB Member Liabilities = K x DB Vested Benefits

where:

- K is the Adopted Assumptions K Factor specified below
- DB Vested Benefits is the total defined benefit component of vested benefits (i.e. excluding additional account balances, if any) for active DB members at the relevant date, as determined by the Plan Administrator

Total Member Liabilities would then be determined as

> DB Member Liabilities *plus* total additional account balances of DB Members *plus* total account balances of Defined Contribution Members, all calculated at the relevant date

In my opinion, a reasonable approximation of the Defined Benefit Member Liabilities at 30 June 2025, 2026 and 2027 other reasonably possible key assumptions can be calculated as:

DB Member Liabilities = K x DB Vested Benefits

where:

- K is the relevant K Factor specified in the table below for the relevant specified change in a key assumption

	30 June 2025	30 June 2026	30 June 2027
Adopted Assumptions			
Investment return pa (active employees)	6.0%	6.0%	6.0%
General salary increases pa	3.0%	3.0%	3.0%
Adopted Assumptions K factor	0.990	0.970	0.975
Sensitivity Factors			
K factor 1% pa lower investment return	1.018	0.998	1.003
K factor 1% pa higher investment return	0.963	0.943	0.949
K factor 1% pa lower salary increases	0.970	0.950	0.955
K factor 1% pa higher salary increases	1.010	0.990	0.996

Prior to using the above factors for calculations at 30 June 2025, 30 June 2026 and 30 June 2027, the Trustee should check with the Plan actuary whether there have been changes in economic conditions or other circumstances which have occurred since these factors were determined that, in the opinion of the actuary, would require a change in the Adopted Assumptions and/or a re-calculation of the factors.

Mercer Consulting (Australia) Pty Ltd
ABN 55 153 168 140
AFS Licence # 411770
Collins Square
727 Collins Street Melbourne VIC 3008
GPO Box 9946 Melbourne VIC 3001
+61 3 9623 5555