Nissan Superannuation Plan

ANNUAL REPORT 2021

- Investment performance – **see page 2**
- Net assets in the Plan are **$30.2 million**
- Measuring the Plan's performance – **see page 8**

READ MORE

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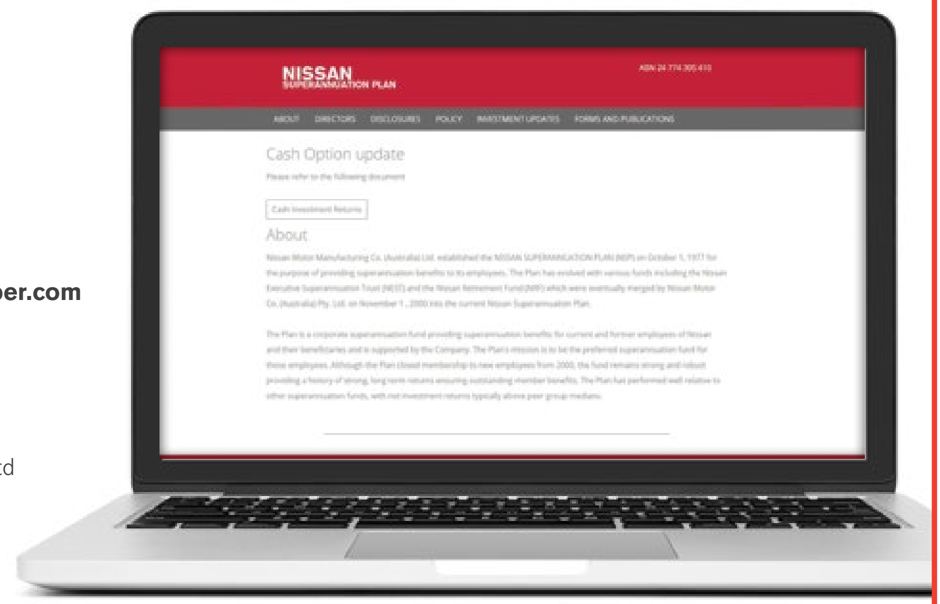


Your *Annual Report*

This *Annual Report* has been prepared for members of the Nissan Superannuation Plan (ABN 24 774 305 410). It reviews the Plan's performance and super developments for the past 12 months and covers how the Plan is managed.

The information in this document is general information only and does not take into account your particular objectives, financial circumstances or needs. It is not personal or tax advice. Any examples included are for illustration only and are not intended to be recommendations or preferred courses of action. You should consider obtaining professional advice about your particular circumstances before making any financial or investment decisions based on the information contained in this document. Information on tax and superannuation legislation is current as at 31 May 2021 and may change.

Issued by Towers Watson Superannuation Pty Ltd (ABN 56 098 527 256, AFSL 236049) as Trustee of the Nissan Superannuation Plan. Preparation of this *Annual Report* was completed on 7 June 2021.

NOTE FROM YOUR TRUSTEE

Welcome to the 2021 *Annual Report* for the Nissan Superannuation Plan. This Report reflects on the Plan's investment performance during the year to 31 March 2021 and updates you on the latest news in superannuation over the past year.

Investment performance in 2020/2021

The Plan has performed very strongly over the 2020/21 year. Starting from a low base in April 2020, the key driver for returns has been share markets. The year to 31 March 2021 saw the Australian share market up around 38%. Similar strong gains were realised from international share markets which returned around 48%. However, with the significant appreciation in the Australian dollar over the year, these strong returns were diluted when converted back to Australian dollars. The gain from international share markets in Australian dollars was around 23%, which is still an exceptional result.

The gains from the share markets are contrasted to the poor performance from other asset classes, namely cash and fixed interest. There was a negligible return from the Plan's cash investment reflecting the current low interest rates in Australia, with the official cash rate currently at 0.1% per year. Fixed interest investments suffered low (and negative) returns as the prospect of rising interest rates and inflation caused the value of bonds to fall. The marked difference in returns from growth assets (such as shares) and income assets are reflected in how the Plan's two diversified investment options performed.

Due to its higher exposure to shares, the Plan's Growth option benefited most from strong share markets, returning 23.68% for the year (after fees and taxes). This compares favourably against the peer fund return# of 19.31%. This option is a consistent high performer, ranking number one against peer funds# when looking at returns over 5 years.

The Balanced 50/50 option maintains a modest exposure to shares and also saw strong gains, returning 15.04% over the year, after fees and taxes. This option outperformed the peer fund return# of 13.13% over the same period (see page 2 for more information).

See to the right for each option's performance for the year and over the longer term. More details on your returns are on pages 2 and 3. To see how the Plan invests its assets, see pages 4 to 7.

If you are a Defined Benefit member, the defined benefit part of your super is generally not affected by investment returns as it is instead linked to your salary. However, Accumulation members and any additional voluntary contributions and rollovers you have receive investment earnings of your selected option. These may be negative at times.

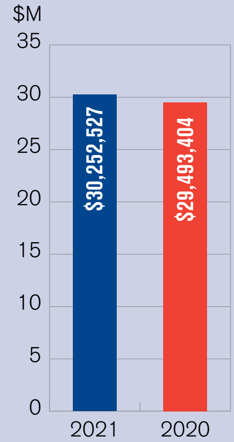
This year's Report includes a feature article on page 8 about how the Trustee measures the Plan's performance against the objectives it seeks for members. Amongst other things, the assessment illustrates the Plan's strong investment performance over an extended period and the low fees that are paid by Employee members of the Plan. A copy of the Plan's Member Outcomes Assessment report 2020 is available at **nsp.nissan.com.au**, under the 'Disclosures' tab.

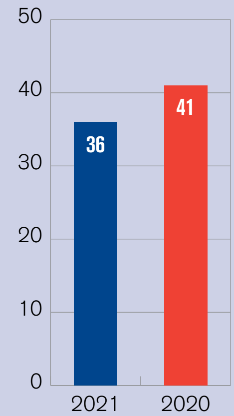
The Plan is designed to help you grow your retirement savings so you can have the retirement you are wanting. If you have any questions about your super, we are here to help – please contact the Plan administrator or Trustee using the details on the inside cover of this Report.

The Trustee
Nissan Superannuation Plan

Peer fund comparisons are based on SuperRatings Pty Ltd's Fund Crediting Rate Survey median returns for the SR50 Balanced (60-76) Index and the SR25 Conservative Balanced (41-59) Index, published on 20 April 2021, compared with the Plan's Growth and Balanced 50/50 options respectively, www.superratings.com.au. SuperRatings statistics are not financial product advice; independent professional advice must be obtained before making any financial decisions.

2020/21 overview

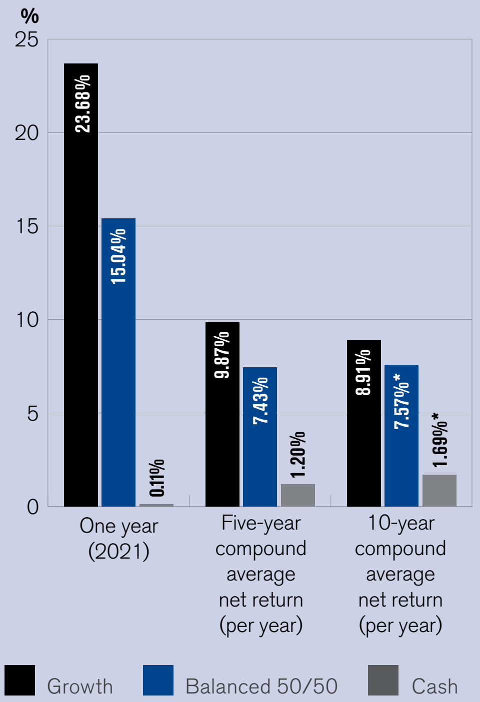




* Membership totals include members who have left Nissan but have elected to continue membership in the Retained Benefits Division.

The Plan's performance to 31 March 2021

Past performance is not necessarily a reliable indicator of future performance.



Note: Investment returns are net of investment fees and taxes. Between 1 July 2013 and 30 June 2016, net investment returns also allowed for the build up of the Operational Risk Financial Requirement (ORFR) reserve.

* The Balanced 50/50 and Cash investment options were introduced on 1 April 2012 and therefore returns are for the nine-year period since inception.

OUR INVESTMENT PERFORMANCE

The table below shows the Plan's investment returns. Your super performance will fluctuate each year depending on how investment markets perform. Super returns can be either positive or negative. In most cases though, super is a long-term investment. For instance, returns earned over a period of 10 years, instead of one or two years, are likely to better indicate your super's performance.

Detailed returns are also provided on your 2021 *Benefit Statement*.

A snapshot of your returns

Past performance is not necessarily a reliable indicator of future performance.

Investment option	2021	2020	2019	2018	2017	Five-year compound average net return (per year)	10-year compound average net return (per year)
Growth	23.68%	-2.85%	9.84%	6.25%	14.20%	9.87%	8.91%
Peer fund comparison#	19.31%	-3.50%	6.64%	8.23%	11.15%	8.09%	7.59%
Balanced 50/50	15.04%	-0.30%	8.14%	5.01%	9.89%	7.43%	7.57%^
Peer fund comparison#	13.13%	-1.82%	5.90%	6.22%	8.01%	6.36%	n/a
Cash	0.11%	1.07%	1.73%	1.48%	1.63%	1.20%	1.69%^
Defined Benefit*	15.04%	-0.30%	8.14%	5.01%	9.91%	7.44%	7.09%

Note: Investment returns are net of investment fees, tax and, where applicable, an allowance of 0.083% per year (for the period 1 July 2013 to 30 June 2016) to build up the Operational Risk Financial Requirement (ORFR) reserve. See page 5 for further details.

Returns are for periods to 31 March.

Peer fund comparisons are based on SuperRatings Pty Ltd's Fund Crediting Rate Survey median returns for the SR50 Balanced (60-76) Index and the SR25 Conservative Balanced (41-59) Index, published on 20 April 2021, compared with the Plan's Growth and Balanced 50/50 options respectively, www.superratings.com.au. SuperRatings statistics are not financial product advice; independent professional advice must be obtained before making any financial decisions.

^ The Balanced 50/50 and Cash investment options were introduced on 1 April 2012 and therefore returns are for the nine-year period since inception.

* Prior to 31 March 2012, the assets of Defined Benefit members were invested in what is now referred to as the Plan's Growth option. From 1 April 2012, the assets have been invested in the Balanced 50/50 option. The longer-term returns take this into account. There are no deductions from defined benefit earnings for the build up or maintenance of the Plan's ORFR reserve.

Super bytes

Asset classes: These are different types of investments e.g. shares, property, fixed interest and cash.

Growth assets: Returns from growth assets come from the change in the asset's value (such as an increase in share prices) and the income from the investment (such as dividends). Shares and property are common examples of growth assets. Returns are generally higher than other assets over the longer term but can be negative from time to time.

Income assets: These assets include cash and fixed interest. Their market value can also fluctuate, but usually with less volatility than is the case with growth assets.

Investment market update for the year to 31 March 2021

After the COVID-19 induced investment slump in the previous Plan year, most asset classes provided strong investment returns over the year to 31 March 2021. Governments and central banks around the world ramped up their policy responses to help boost their economies and combat the financial effects of COVID-19. In addition, COVID-19 vaccine breakthroughs and the US election outcome saw international shares rally, returning 48.7% over the year to 31 March 2021 (MSCI World Index ex Australia (hedged to AUD)). This rally was in contrast to the low and negative returns generated from fixed interest investments, where rising interest rates and inflation saw the value of bonds fall.

Both US-China and Australia-China trade tensions increased over the year. Despite Joe Biden being sworn in as President of the United States in January 2021, US and China relations remained tense over increased scrutiny on China's approaches to Xinjiang, Hong Kong and Taiwan.

The US economy shrank by a record-breaking 31.4% in the June 2020 quarter, but rebounded substantially in the September 2020 quarter and continued its improvement. In 2021, investors viewed favourably the Biden administration's campaign for an infrastructure spending program and measures to support US growth and employment.

The US Federal Reserve left interest rates unchanged over the year at a target range of 0.00%-0.25%. Despite an improved economic outlook, the Federal Reserve signalled that a rate increase is unlikely before 2023.

European equities, as measured by the Euro Stoxx 50 Index, rose by 20.0% over the year (in AUD currency terms). As well as the positive vaccine news, returns were also favourably impacted by a landmark €1.85 trillion budget package as well as an agreed Brexit trade deal between the EU and the UK. The European Central Bank (ECB) left interest rates unchanged at -0.5% over the year but signalled towards expanding the bond purchasing program to combat steeply rising yields. The ECB also extended and expanded several COVID-19 programs until 2022.

The Chinese equity market returned 20.9% over the year to 31 March 2021, as measured by the Shanghai Composite Index (in AUD currency terms). The manufacturing industry saw a steady recovery, peaking in November 2020. However, the rate of recovery slowed down towards the last few months of the year.

The Australian economy fell into recession in the June 2020 quarter, but improved over the rest of the year. The strong rebound in economic activity was led by COVID-19 restrictions being relaxed in October 2020 in Victoria, increased trading activity between States, and the start of vaccine rollouts.

Australian shares performed strongly over the year to 31 March 2021, returning 38.3% (S&P/ASX 300 Accumulation Index). Information Technology was the highest performing sector, returning 79.8% over the year, followed by the Consumer Discretionary sector at 74.2% but sectors such as Heath Care (+0.5%) and Utilities (-8.5%) struggled in the rising market.

In November 2020, the Reserve Bank of Australia (RBA) announced new measures to stimulate economic recovery and employment, including reducing the cash interest rate from 0.25% to 0.10%, where it stayed for the rest of the year to 31 March 2021. The RBA stated that it would not consider increasing the interest rate until inflation reaches its target range.

The Australian dollar rose significantly against the US dollar over the year, from 61.75 US cents at the beginning of April 2020 to 75.96 US cents by the end of March 2021. The Australian dollar also appreciated against other major currencies.

Fixed interest returns were flat for most of the year but fell into negative territory over the March 2021 quarter. This was the consequence of soaring global bond yields reflecting investor expectations of rising inflation and interest rates. Over the year to 31 March 2021, Australian fixed interest returned -1.8% (Bloomberg AusBond Composite Index) and International fixed interest returned 1.1% (Barclays Global Aggregate Hedged in AUD Index).

Global listed property returned 29.7% for the year to 31 March 2021, as measured by the FTSE EPRA/NAREIT Developed Net TRI Index (Net Total Return hedged in AUD), while Australian cash returned 0.1% (Bloomberg AusBond Bank Bill Index).

Note: This investment commentary does not constitute advice. All investment figures quoted relate to before-tax performance of the relevant industry benchmark.

Returns on your super

Accumulation members

Your accounts receive the actual investment return for your chosen option(s) after allowing for tax, investment fees and, where relevant, an allowance for the build up or maintenance of the Plan's ORFR reserve – see page 5 for further details. The rates apply to Accumulation accounts, including the additional voluntary contributions and rollovers of Defined Benefit members. The full year returns to 31 March 2021 for each investment option are shown on page 2.

Investment returns can be positive or negative.

Defined Benefit members

Your retirement benefit is generally not affected by investment returns. This benefit is instead linked to your salary at or near retirement.

Investment returns are applied to your additional voluntary contributions and rollover accounts. Your accounts receive the actual investment return for your chosen option after allowing for tax, investment fees and, where relevant, an allowance for the build up of the Plan's ORFR reserve – see page 5 for further details.

Note: Surcharge payments (if any) are deducted from members' benefits.

If you leave during the year

Investment returns are calculated each month. If your super is paid out before monthly investment returns have been calculated, or if you switch investment options, an interim earning rate will be used. This will cover the period from the date that investment returns were last calculated until the date your benefit is paid or your transfer request is processed.

The interim crediting rate is based on the Plan's estimated monthly net investment returns in accordance with the Trustee's crediting rate policy. Interim rates may be either positive or negative and are calculated daily.

If you are a Defined Benefit member, the defined benefit portion of your benefit will be converted to an accumulation-style benefit at your date of ceasing employment. On transfer to the Plan's Retained Benefits Division, this portion of your benefit will be invested in the Balanced 50/50 option. You may change this investment choice at any time. To do this, complete a *Changing Your Investment Choice Form*, available from the Plan administrator or from the Plan's website at **nsp.nissan.com.au**. If you have additional Accumulation accounts, they will continue to be invested in your current investment option.

HOW WE INVEST YOUR SUPER

The Plan has three investment options for you to choose from, each with different investment objectives and strategy. You can choose one option or a combination of options.

If you are an **Accumulation member**, you can choose how your entire super is invested. If you are a **Defined Benefit member**, you only have investment choice for your additional voluntary contributions and rollover accounts.

We know that it is crucial for you to find the most appropriate investment choice for your circumstances. If you wish to change how the Trustee invests your super, you should complete a *Changing Your Investment Choice Form*, available from the Plan administrator or from the Plan's website at **nsp.nissan.com.au**. Consider obtaining financial advice before making any changes – see page 10 for how to find a financial adviser.

Details of the Plan's investment managers are to the right.

Our investment objectives

Investment objectives are specific goals that the Trustee sets for the performance of the Plan and each investment option. They are not intended as forecasts or guarantees of future investment returns.

In general, the Trustee aims to:

- Invest the Plan's assets prudently as permitted by the Trust Deed and by superannuation law,
- Invest across a diverse range of assets,
- Ensure that the Plan is able to make benefit payments to members when they are due, and
- Monitor the performance of the Plan's investment managers to ensure they exercise integrity, prudence and professional skill in fulfilling the investment tasks delegated to them.

See pages 6 to 7 to learn more about the specific investment objectives for each investment option.

Super bytes

Trust Deed: This legal document sets out the rules relating to the establishment and operation of the Plan.

Our investment strategy

An investment strategy is the plan the Trustee follows to achieve the objectives of an investment option. Each investment option has its own investment strategy.

For the details of each option's investment strategy, see pages 6 to 7.

Investment changes

During the year, the Plan's cash assets were transferred from the Macquarie True Index Cash Fund to the Macquarie Treasury Fund. There were no other manager changes.

Investment managers

The Trustee appoints professional investment managers to manage the Plan's investments. These managers and their products may be changed from time to time without prior notice to, or consent from, members.

The Plan's investment managers at 31 March 2021 are below.

- Blackrock Investment Management (Australia) Limited (iShares Global Bond Index Fund)
- GQG Partners, LLC (GQG Partners Global Equity Fund)
- Macquarie Investment Management Limited (Arrowstreet Global Equity Fund and Arrowstreet Global Equity Fund [Hedged])
- Macquarie Investment Management Limited (Macquarie Australian Pure Index Equities Fund)
- Macquarie Investment Management Limited (Macquarie Treasury Fund)
- Pinnacle Fund Services Limited (Resolution Capital Global Property Securities Fund – Class B)
- State Street Global Advisors (SSgA Australian Fixed Income Index Trust).

The Trustee is committed to the close monitoring of the Plan's investment managers and returns to ensure that the Plan continues to deliver competitive investment results to members each year.

Super bytes

Investment objectives: These are a super fund's investment goals. A fund's investment objectives are usually set in terms of risk and return. For example, a fund might aim to achieve returns that exceed the rate of inflation by a set amount.

Other investment information

Derivatives

The Trustee does not invest directly in derivatives. The Plan's investment managers may use derivatives for risk control purposes or to more efficiently change asset allocations. Derivatives are not used in a speculative manner.

Investment managers are required to have risk management processes in place in relation to the use of derivatives and the purposes for which they are used. Each year, the Trustee obtains confirmation from the managers that they have complied with their processes.

Deferred tax assets

Super funds normally pay tax on capital gains. If a fund experiences capital losses (which can arise, for example, due to falls on share markets), it is allowed to accumulate the tax benefits associated with those losses and use them to offset the tax on future capital gains.

Australian Accounting Standards require that future tax benefits be recognised as a 'deferred tax asset' only to the extent that it is likely that future taxable gains will be available to utilise the capital losses.

The Trustee has a formal policy to monitor the Plan's deferred tax asset position in order for there to be an equitable allocation of tax benefits to all groups of members. As at the Plan's balance date (i.e. 31 March 2021) there were no deferred tax assets in the Plan. The Trustee may take action to limit the recognition of the deferred tax asset in the Plan's financial statements in certain circumstances. If this were the case, it would be necessary for the Trustee to adjust crediting rates accordingly.

Actuarial review

The Plan's financial position is reviewed by the actuary at least every three years. The actuary then makes recommendations to the Company on the appropriate level of future contributions needed to maintain members' benefits.

The last review at 31 March 2019 showed that the Plan was in a satisfactory financial position. The Trustee monitors the Plan's financial position each quarter and it was in a satisfactory financial position at 31 March 2021. The Company continues to contribute in line with the actuary's recommendations. The next review is scheduled for 31 March 2022.

A copy of the 2019 actuarial review is available on the Plan's website at **nsp.nissan.com.au**.

Reserves

The Trustee does not maintain investment reserves. However, it does maintain an Operational Risk Financial Requirement (ORFR) reserve as described below.

Operational Risk Financial Requirement (ORFR) reserve

From 1 July 2013, super funds have been required to set aside financial resources to address their operational risks. The Trustee has established an ORFR reserve target in the Plan for this purpose equal to 0.25% of the Plan's total vested benefits.

The reserve has been funded in two ways.

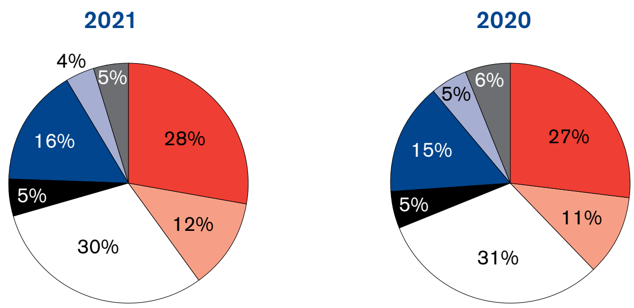
For accumulation-based benefits, the reserve has been funded by setting aside a small portion of the Plan's investment earnings over the period from 1 July 2013 to 30 June 2016. For defined benefits, the funding of the reserve was achieved by setting aside amounts from the Plan's defined benefit assets. The ORFR reserve is invested in the Plan's Balanced 50/50 option.

As the desired level of 0.25% has been reached, the Trustee monitors the reserve to ensure that it remains close to this level. Should the reserve fall below a predetermined shortfall limit, the Trustee will enact a plan for its replenishment. The Trustee will update members annually on the status of the reserve.

Level of reserves

As at 31 March	ORFR reserve $/(%) of the Plan's vested benefits
2021	$112,404 (0.38%)
2020	$97,712 (0.34%)
2019	$98,127 (0.30%)

Your investment options

	Growth
What are the investment objectives for this option?	**Real Return Objective** • To achieve a return (net of tax and investment fees) of at least 3% p.a. in excess of inflation (as measured by the Consumer Price Index (CPI)) over rolling 5-year periods. **Downside Risk Objective** • To limit the probability of a negative return over rolling 1 year periods to approximately 1 year in 4. **Likely 1 in 20 year adverse return** -14.2%
What investment strategy does this option use?	To invest around 75% in growth assets and 25% in income assets.
How is the option invested at 31 March?	
Asset allocation range	Australian shares 21% to 35% International shares (hedged) 5% to 19% International shares (unhedged) 23% to 37% Global listed property 2% to 8% Australian fixed interest 0% to 25% International fixed interest 0% to 25% Cash 0% to 10%
Exposure ranges	Growth assets 70% to 80% Income assets 20% to 30%

Balanced 50/50

Real Return Objective

- To achieve a return (net of tax and investment fees) of at least 2.5% p.a. in excess of inflation (as measured by the Consumer Price Index (CPI)) over rolling 5-year periods.

Downside Risk Objective

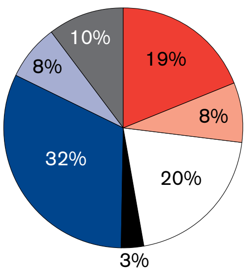
- To limit the probability of a negative return over rolling 1 year periods to approximately 1 year in 5 to 6.

Likely 1 in 20 year adverse return

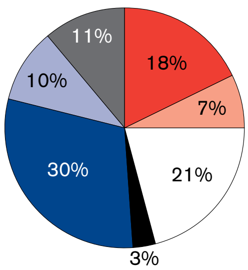
-8.5%

To invest around 50% in growth assets and 50% in income assets.

2021



2020



Australian shares	14% to 24%
International shares (hedged)	3% to 13%
International shares (unhedged)	15% to 25%
Global listed property	0% to 6%
Australian fixed interest	0% to 45%
International fixed interest	0% to 45%
Cash	5% to 15%

Growth assets 45% to 55%

Income assets 45% to 55%

Cash

Real Return Objective

- To achieve a return (net of tax) that matches the Bloomberg AusBond Bank Bill Index.

Downside Risk Objective

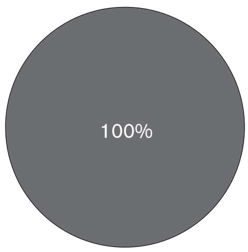
- To prevent negative returns over any 1 year period.

Likely 1 in 20 year adverse return

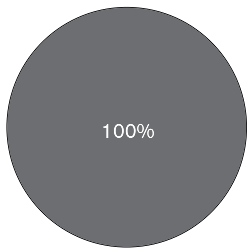
N/A

To invest 100% in cash.

2021



2020



Cash	100%

Growth assets 0%

Income assets 100%

Defined Benefit members

If you are a Defined Benefit member, assets supporting your defined benefit (including the compulsory member contributions you make) are invested in the Balanced 50/50 option. Your 3% Productivity account is also invested in the Balanced 50/50 option as it forms part of the defined benefit calculation which is used to ensure that all benefits payable from the Plan meet Superannuation Guarantee obligations. If you have a Surcharge Offset account, this is also invested in the Balanced 50/50 option.

Defined Benefit members have investment choice for additional voluntary contributions and rollover accounts (if any).

FEATURE: MEASURING THE PLAN'S PERFORMANCE

Superannuation fund trustees are required to make a holistic assessment of fund performance every year, in areas such as:

- Investment strategy and performance,
- Costs and fees,
- Insurance,
- Options, benefits and facilities offered to members, and
- Overall size and scale of the fund.

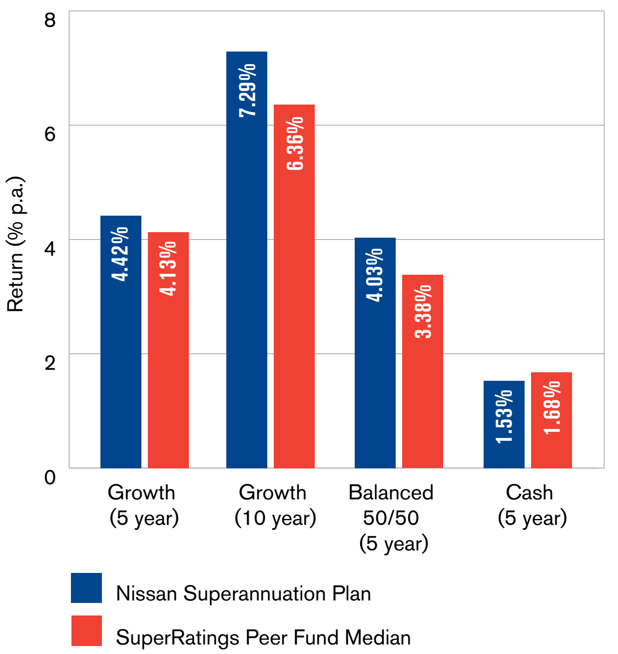
The assessment aims to measure fund performance against the outcomes that the Trustee sets for members. It also aims to ensure the financial interests of members are being promoted by the Trustee and to identify any areas for improving the quality of those outcomes.

Some of the findings from the Plan's 2020 assessment are described below. A copy of the assessment report is available on the Plan's website.

The Plan's investment returns

The Trustee assesses investment returns (after investment fees and tax) over the medium and long-term. Returns are compared to the median of peer funds with similar levels of investment risk. As shown in the graph below, for periods ended 31 March 2020, the Plan's Growth and Balanced 50/50 investment options achieved net returns above the median returns for peer funds.

Average return (net of investment tax and fees) for periods to 31 March 2020



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

Fees and costs

The assessment showed that the Plan's administration and investment fees for Employee members were very low compared to those of peer funds. For Retained Benefit members, the fees were higher relative to peer funds.

The Trustee monitors the Plan's operating costs and the fees charged to members over time. Over the past five years, the administration fees charged to Employee members have remained unchanged, and the administration fee charged to Retained members was reduced in 2019/2020.

More information

To read the Plan's 2020 Member Outcomes Assessment report, go to **nsp.nissan.com.au** and look under the 'Disclosures' tab.

Defined Benefit members

If you are a Defined Benefit member, your benefits are generally linked to final average salary (and are not dependent upon the Plan's investment performance) and the Plan's insurance fees and the majority of administration fees are met by Nissan. Therefore, much of the assessment does not apply to your defined benefits. However, the Plan's investment performance does apply to any additional accounts you may have and the assessment also considers other features of the Plan.

SUPER AND TAX

Tax on your contributions

The Government has set limits or caps on the amount that can be contributed to super each year before extra tax applies. Below are some of the super caps for the year from 1 July 2021 to 30 June 2022.

	Concessional contributions	Non-concessional contributions	
What is the annual limit?	**$27,500***	**$110,000**, but members under age 65** can generally bring forward two years of caps to make total non-concessional contributions of up to $330,000 over three years	
What tax applies if my contributions are within the cap?	Generally 15% contributions tax^	Nil	
How much tax applies to the excess if I exceed the limit?	Your marginal tax rate less 15% (reflecting tax already paid by the Plan), plus an interest charge	**If you withdraw the excess from super** Nil tax on contributions. Associated earnings# taxed at your marginal tax rate	**If you leave excess in super** Taxed at up to 47%

* You may be able to make extra concessional contributions above the cap if you did not use all of your concessional cap in 2018/19 or a later year. This option is only available if your total superannuation balance on 30 June 2021 was less than $500,000. Unused cap amounts can be carried forward for a maximum of five years.

** The Government has proposed to increase this to age 67, but this was not law at the time of publication.

^ If your applicable income is greater than $250,000 additional tax applies and you may receive an additional tax assessment from the ATO.

\# An amount calculated by the ATO using a prescribed interest rate. It may not reflect the actual earnings on the contributions in the Plan.

Tax on investment earnings in the Plan

Investment earnings are generally taxed at the rate of 15%. The tax paid reduces for deductions and imputation credits available to the Plan. This tax is deducted from the Plan's investment earnings before they are applied to your accounts.

Tax on super benefits

The tax payable on benefits depends on a number of factors, including:

- The type of benefit being paid (retirement, disability or death),
- Who receives the benefit,
- Whether you were an Australian citizen or permanent resident when the benefit was paid. Higher tax applies to benefits paid to temporary residents who permanently leave Australia, and
- How you receive the benefit (e.g. lump sum amount or pension) and your age.

If you are age 60 or over, generally all lump sum payments and pensions paid to you from a taxed super fund (such as this Plan) will be tax free. Death benefits paid to non-dependants are, however, taxed.

This is general information only and is current at the date of this document.

Arrangements for Defined Benefit members

If you are a Defined Benefit member, the Company pays contributions to the Plan to ensure that the Plan's assets are sufficient to provide for your defined benefits.

Superannuation law requires that a 'notional' employer contribution be calculated each year for the purpose of attributing a value to contributions funding your defined benefit. This forms part of your concessional contributions and, along with any before-tax contributions you make to your super, is measured against your annual concessional contributions cap. This 'notional' employer contribution is determined by the Plan's actuary using a formula set by the Government. It is not necessarily the actual amount your employer pays to the Plan.

If your 'notional' employer contribution is greater than the concessional contributions cap, the law provides that, in certain circumstances, you may be entitled to have your 'notional' employer contribution deemed equal to the cap.

Should you have any questions on concessional contributions caps, please contact Marcus Wappet on 03 9797 4290.

FEES AND OTHER COSTS

This section shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of the superannuation plan as a whole. Other fees, such as activity fees and insurance fees, may also be charged, but these will depend on the nature of the activity chosen by you.

You should read all the information about fees and other costs because it is important to understand their impact on your investment.

The fees and costs for each investment option offered by the Plan are shown below.

Type of fee or cost	Amount	How and when paid
Investment fee	**Growth** 0.639% p.a. of assets ($6.39 per $1,000) **Balanced 50/50** 0.458% p.a. of assets ($4.58 per $1,000) **Cash** Nil	**All members** Investment fees are deducted from investment returns on a monthly basis before they are applied to your accounts. These fees only apply to benefits that are linked to investment returns. They do not apply to benefits that are linked to salary.
Administration fee	**$9 per week**	**Employee members only** Deducted from your account balance each month.
	0.70% p.a. of assets ($7.00 per $1,000)	**Retained members only** Account keeping fee, deducted from your account balance on a monthly basis.
Buy-sell spread	**Cash to Balanced 50/50:** 0.34% of the amount switched **Cash to Growth:** 0.42% of the amount switched	It is deducted from your account balance at the time you switch investment options (based on the option you transfer into). There is no buy-sell spread for switches between the Growth and Balanced 50/50 options, or switches to the Cash option.
Switching fee	Nil	Not applicable.
Other fees and costs[1]		
Indirect cost ratio	Nil	Not applicable.

[1] Fees for activities such as Family Law matters may apply (see *Additional explanation of fees and costs* on page 11).

How to find a financial adviser

If you would like to discuss your super or retirement plans, consider speaking with a financial adviser. Towers Watson Australia Pty Ltd offers financial planning services through qualified financial planners – contact (03) 8681 9800 to speak with one.

For tips on how to choose a financial adviser, go to **www.moneysmart.gov.au** and search for "Choosing a financial adviser". To locate a financial adviser in your area, refer to the Financial Planning Association of Australia's website at **www.fpa.com.au** or call **1300 337 301**.

Additional explanation of fees and costs

1. Investment fees

The investment fees shown in the table on page 10 are deducted from the investment returns earned by the Plan's investments before the returns are applied to your accounts. This means that the returns shown on pages 1 and 2 of this *Annual Report* have been reduced by these fees and taxes.

Tax is deducted from the Plan's investment earnings at the rate of 15%, less any applicable deductions and imputation credits available to the Plan. None of the Plan's investment managers charge performance-based fees.

2. Administration fees

These costs include administration, consulting, audit, legal and other fees incurred by the Plan.

The fees shown in the table on the previous page are gross of tax.

Any management costs not covered by deductions from your accounts are met by additional Company contributions to the Plan.

3. Buy-sell spread

This is a fee charged by the Plan to reflect any costs charged by the investment managers when you change investment options.

It is deducted from your account balance when you change investment options (based on the option you transfer into) and is therefore an additional cost to you.

4. Insurance cover for NSP employee members

A feature of the Plan is the members' insurance cover with AMP, for Death and Total Permanent Disability. Additional contributions are made by Nissan to fund insurance cover for members.

5. Activity fees

If you, or your spouse, require information on your benefit in relation to a Family Law matter, a fee of $220 will be charged for each date at which information is required. You, or your spouse, are required to pay this fee at the time of any request for information – it is not deducted from your accounts.

In addition, if your super is split under a Family Law agreement or Court Order, fees will apply for the splitting of your super and the payment of an amount to your former spouse. These fees are normally shared evenly between you and your former spouse. The fees may be paid by you and your spouse by cheque, or otherwise will be deducted from the applicable benefits.

The fees are:

Accumulation (including Retained) members

- Establishment of a base amount and payment to your spouse: $165.

Defined Benefit members

- Establishment of an entitlement to your spouse: $165,
- Payment of an amount to your spouse: $165.

For Defined Benefit members, your benefits are subject to a minimum benefit which is calculated in accordance with the Superannuation Guarantee legislation. The minimum benefit includes an allowance of 0.60% of salary to cover expenses and the cost of providing your death and disablement benefits. (This excludes ex-NEST members.)

All fees include GST where applicable.

6. Fee changes

Some of the fees are dependent on the fees charged by the Plan's service providers. Some of these fees may be indexed annually (e.g. in line with increases in Average Weekly Ordinary Time Earnings); others depend on the services provided to the Plan each year. The Trustee reserves the right to increase the fees without your consent if necessary in order to manage the Plan. You will generally be given at least 30 days' notice of any fee increases.

Details of the fees that applied to you for the year ending 31 March 2021 are shown on your *Benefit Statement*.

The fees charged may depend on your employment status or category of membership in the Plan. If you change categories, you will be advised of any changes to the fees that apply to you.

Further details of the fees and taxes paid by the Plan can be found in the Plan's Financial Statements. A summary is included on the back cover of this *Annual Report*, or a copy can be obtained from the Plan administrator on **1800 127 953**.

ABOUT YOUR PLAN

How your Plan is managed

Who is your Trustee?

A Trustee company, Towers Watson Superannuation Pty Ltd (ABN 56 098 527 256, AFSL 236049) is responsible for managing the Plan. It has been licensed to act as a Trustee by the Australian Prudential Regulation Authority (APRA), the prudential regulator of super funds in Australia.

Towers Watson Superannuation Pty Ltd is a subsidiary of Towers Watson Australia Pty Ltd (ABN 45 002 415 349, AFSL 229921), who also acts as administrator (via an outsourced arrangement), actuary and secretary to the Plan. See under 'Advisers to the Plan' to the right for more information.

What is a Policy Committee?

A Policy Committee ensures that the interests of members and the Company are represented in the management of the Plan. The Committee comprises four members, with half appointed by the Company and half elected periodically by members.

At 31 March 2021, the Policy Committee members were:

Company-appointed	Member-elected
Marcus Wappet	David Lloyd
Steve Hogan	Brett Rolfe

At the end of 2020, Andrew Dimsey resigned from the Policy Committee. We thank Andrew for his dedication to the role and his contribution to the Committee over many years. We would like to welcome Brett Rolfe to the Committee as Andrew's replacement.

The term of office for the current member representatives will expire in August 2021. The next election is scheduled for July 2021.

Indemnity insurance

The Trustee is currently covered by a Trustee Professional Indemnity insurance policy that protects the Plan's assets from a legal liability to the extent allowed by law and the policy conditions.

Super bytes

Policy Committee: A Policy Committee is appointed to work with the trustee of a fund on its management of the fund. The Plan's Committee is made up of equal representation from employers and members.

Advisers to the Plan

The following organisations provide specialist services to the Trustee.

Consultant and actuary	Towers Watson Australia Pty Ltd
Administrator	Towers Watson Australia Pty Ltd (outsourced to Australian Administration Services Pty. Limited ABN 62 003 429 114 a Corporate Authorised Representative No. 307946 of Pacific Custodians Pty Limited ABN 66 009 682 866, AFSL 295142).
Investment consultant	Towers Watson Australia Pty Ltd
Legal adviser	Minter Ellison
External auditors	Crowe, Deloitte
Insurer	AMP

How can you resolve any problems or concerns?

Although our aim is to ensure that the Plan's level of service meets your expectations, sometimes problems may arise. If you have an enquiry or complaint, you should contact the Plan administrator (see the inside cover for contact details). Privacy-related enquiries should also be directed to the Plan administrator.

The Trustee has a formal process for reviewing enquiries and complaints if you are not satisfied with the response you receive. To make a formal enquiry or complaint, please obtain an *Enquiries and Complaint Form* from the Plan administrator or from **nsp.nissan.com.au**. The Trustee will respond to you within 90 days. You can request the Trustee's reasons for its decision on your complaint. A copy of the Trustee's Enquiries and Complaints Policy is also available from **nsp.nissan.com.au**.

You may also contact the Australian Financial Complaints Authority (AFCA), except in relation to privacy-related matters. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

There are some complaints that AFCA cannot consider such as complaints relating to the management of the Plan as a whole. In addition, time limits may apply. Please contact the Plan administrator on **1800 127 953** or refer to AFCA's website as soon as possible for further information.

You can contact AFCA at:

Australian Financial Complaints Authority
GPO Box 3
MELBOURNE VIC 3001
1800 931 678
info@afca.org.au
www.afca.org.au

What will happen if you leave?

If you leave your employer or choose another super fund, the Plan administrator will get in touch to find out how you would like to receive your super benefit.

For information on the options and actions you need to take when leaving and withdrawing your benefits from the Plan, you should refer to your exit package. For a copy of the exit package, please contact the Plan administrator on **1800 127 953** or by email to **nissansuperadmin@linksuper.com**.

If your benefit is greater than $10,000, it will be transferred into the Plan's Retained Benefits Division (RBD) where it will continue to be invested in your chosen investment option, less any fees that apply (refer to the Plan's *Retained Benefits Division leaflet* for more information). If you are a Defined Benefit member, the defined benefit portion of your benefit will be crystallised in a single account and it will be invested in the Balanced 50/50 option whilst in the RBD.

Members are able to change investment options at any time whilst a member of the RBD. The Plan's normal buy/sell spreads apply.

The net investment returns, whether positive or negative, will apply to your account from the date you leave your employer or choose another super fund, to the date when the Plan administrator processes your completed payment/transfer instructions.

You may leave your benefit invested in the Plan's RBD for as long as you like. You can transfer it out of the RBD at any time or have it paid to you in cash when you retire (or satisfy another condition of release). Instances of when you can generally take your benefit in cash include:

- When you reach age 65,
- If you have reached your preservation age (see the table below) but are less than age 60 – when you terminate gainful employment and 'permanently retire',
- If you are over age 60 – when you terminate gainful employment, and you either reached age 60 before the employment ended or you 'permanently retire', or
- If you become totally and permanently disabled or suffer from a terminal medical condition.

'Permanently retire' generally means you intend never again to be gainfully employed more than 10 hours per week.

Your preservation age depends on when you were born, as shown in this table:

Date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
1 July 1964 or later	60

If you have 'non-preserved' super (i.e. the part of your benefit that can be accessed in cash before your preservation age), this will be shown on the information you receive from the Plan administrator.

In all instances the insurance cover you had through the Plan whilst you were employed by Nissan ceases on the day you leave Nissan. It may be possible to continue your cover directly with the Plan's insurer, AMP, at your own expense without the need to provide evidence of good health. Please refer to the exit package for details on how you go about continuing your cover. Time limits apply, so please don't delay making a decision.

The Trustee may transfer your benefit to the Australian Taxation Office (ATO) if your benefit is less than $10,000 and:

- You fail to give the Plan administrator instructions within 90 days of receiving details of your benefit, or
- The super fund you nominate won't accept your benefit.

The ATO will attempt to consolidate your benefit with your active superannuation account.

Once your benefit is transferred to the ATO, you stop being a member of the Plan and no longer have any rights under the Plan. You will need to contact the ATO directly about your benefit.

Establishing proof of identity

Before you withdraw a benefit from the Plan, you may need to establish your identity by providing certified copies of certain documents. The Trustee may also require additional identification information to verify your identity from time to time.

In some cases, the Trustee may have to disclose information about you to the Australian Transaction Reports and Analysis Centre (AUSTRAC). Due to the sensitive nature of the information, the Trustee is not permitted to inform you when this happens.

Need to know more?

Other information about your benefits, such as your choices for contributions and investments, are available at **nsp.nissan.com.au** or by contacting the Plan administrator. A number of Plan documents are also available on the website including the Trust Deed and various Trustee policies.

FINANCIAL SUMMARY

A summary of the Plan's unaudited financial accounts for the year to 31 March 2021 is set out below. The audit is expected to be finalised by the end of June 2021. The audited financial accounts and auditor's report will be available on request from the Plan administrator on **1800 127 953** after that date.

Change in net assets during the year		$
Net assets at the start of the year (31 March 2020)		**29,493,404**
Plus income	Contributions	828,453
	Rollovers	–
	Investment income and distributions	5,317,176
	Interest	–
	Other	65,606
Less outgoings	Benefit payments	4,426,425
	Insurance premiums	40,648
	Tax due	541,541
	Expenses and charges	443,498
Net assets at the end of the year (31 March 2021)		**30,252,527**

Statement of net assets		2020 $	2021 $
Investments	iShares Global Bond Index Fund	2,237,972	1,705,512
	SSgA Australian Fixed Income Index Trust	6,482,551	7,256,720
	Resolution Capital Global Property Securities Fund – Class B	1,182,562	1,244,288
	Macquarie Treasury Fund	–	2,259,944
	Macquarie True Index Cash Fund	2,545,838	–
	Macquarie Australian Pure Index Equities Fund	6,291,307	7,241,021
	Arrowstreet Global Equity Fund	2,127,435	2,404,787
	Arrowstreet Global Equity Fund (Hedged)	2,607,334	3,138,141
	GQG Partners Global Equity Fund	5,238,112	5,414,004
Current assets	Cash and equivalents	786,085	52,756
	Deferred income tax and tax refundable	102,687	6,339
	Other assets/receivables	69,156	3,460
Current liabilities	Benefits payable	–	–
	Deferred tax liabilities	–	274,278
	Taxation payable	69,760	53,779
	Other	107,875	146,388
Net assets at the end of the year (31 March)		**29,493,404**	**30,252,527**

All contributions due at 31 March 2021 have been paid to the Plan.

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