



Dated: 28th March 2021

RAIZ Invest Super

Year in Review 2020

Thank you for reading the Raiz Invest Super product summary which includes the product determination, and a summary of our annual member outcomes assessment and comparison for the 2019-2020 financial year.

The Trustee's strategic objective is to deliver quality, value for money outcomes for members, achieving sustainability and success over the long term, and helping individuals meet their superannuation needs over a required time horizon.

Raiz Invest Super is a Division of the DIY Master Plan (DIY). Raiz Invest Super offers an accumulation superannuation product direct to members via a mobile app or website portal. Raiz Invest Super has the following features which differ from other super products:

- **Raiz Rewards:** Raiz Rewards allows members to add to their super while they shop online with one of the many Raiz Reward partners. It is like a loyalty program, but instead of getting points, cash is invested into your super. This allows you to save for your retirement future, while you shop online.
- **Fractional Investing:** Raiz Invest Super members have the ability to receive fractional interests in an Exchange Traded Fund (ETF) Units. Fractional interests allow you to consistently invest funds as it becomes available, rather than having to wait until you have enough money to buy a complete ETF Unit.

The 2019-2020 financial year was an unprecedented year with challenges arising from prolonged drought conditions, the worst bushfire season on record, and the onset of COVID-19 in February 2020, which impacted business and communities on a global scale.

We've focused on keeping our fees low even where the markets have been volatile and have not changed our fees since we launched the product in 2018. As at 30 June, Raiz Invest Super had 4,102 members. On balance, and based on the assessment of the outcomes achieved and evidence contained in this summary, we have determined that:

- members' interests are being promoted;
- the basis for the setting of fees is appropriate for members;
- members have not been disadvantaged due to the scale of, and within, the Trustees' business operations;



- the operating costs of the Trustees' business operations are not inappropriately affecting the financial interests of our members;
- the options, benefits and facilities offered under the product are appropriate to members;
- the investment strategy for the product, including the level of investment risk and the return target, is appropriate to members; and
- the insurance strategy for the product is appropriate to members.

Fees, investment returns and risk

Where we have used the median in our comparisons, benchmarks or measurements, the median is defined as the middle of a sorted list of values. For example, take this list of numbers: 2, 10, 12. The average is found adding all of the numbers together and dividing the total by the number of items in the set: $(2 + 10 + 12) \div 3 = 8$. The median is just the middle number: 10 in the range of values.

We have used the median either calculated using APRA statistical data, or provided by SuperRatings¹, a company which specialises in ratings and research for the super industry and compares funds across a range of quantitative and qualitative factors. We benchmarked our fees, returns and level of investment risk against our peers².

Raiz Invest Super provides members with access to the following six separate Portfolios (investment options) to suit their needs:

- Conservative
- Moderately Conservative
- Moderate Portfolio
- Moderately Aggressive Portfolio
- Aggressive Portfolio
- Emerald Portfolio

Fees

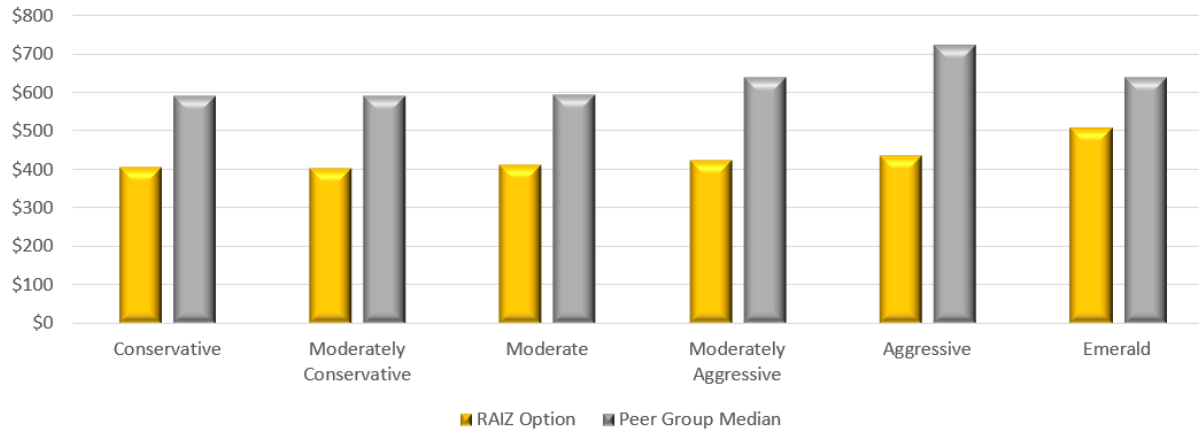
Our aim is to maintain a fee structure that ensures member services can be appropriately delivered and be less expensive than the median of our peers. As shown below, this was achieved across all RAIZ Invest Super investment options.

¹ Fee medians are sourced from SuperRatings and are as at 30 June 2020.

² Peer Group is defined as all Master Trusts – Personal, Master Trust – Corporate, Industry – Personal, and Industry Public Offer Corporate – Personal products with data sourced from



Total fees p.a on a \$50,000 balance compared to peer group



RAIZ Invest Super charges a combination of fixed and asset-based administration fees. A fixed administration fee of \$2.00 per week and a percentage-based administration fee of 0.088% p.a. is charged. Investment fees (other than indirect costs) are only charged where an account balance is greater than \$5,000. As at 30 June 2020, the average account balance was \$11,726.

As at 30 June 2020, the operating expense ratio is 1.5% p.a. which is higher than the median of 0.60%³ p.a. for retail funds and is reflective of the small average balance within RAIZ Invest Super. Raiz Invest Super had total assets of \$70,483,002 and leverages the scale of being part of the DIY Master Plan for which the operating expense ratio at a fund level is that of the median. Therefore, the Trustee has determined that our members are not disadvantaged due to the scale of, and within, the Trustees’ business operations, and the operating costs of the Trustees’ business operations are not inappropriately affecting the financial interests of members.

Investment Returns and Investment Risk

Investment Returns

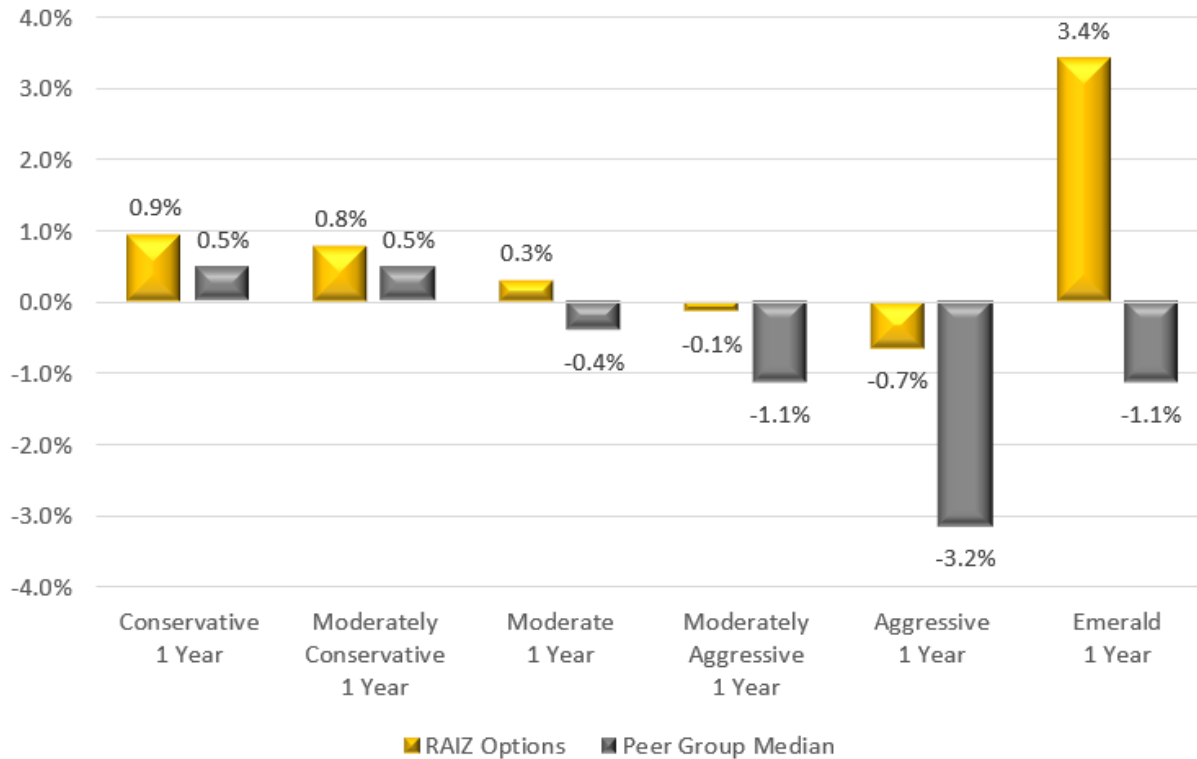
The below graph shows that all our investment options delivered higher returns than our peer group.

PaP

³ As stated in APRA’s Annual superannuation bulletin – June 2015 to June 2020 issued on 29 January 2021.



Investment Returns Compared to Peer Group



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

Investment Risk and Strategy

Raiz Invest Super provides members with access to six investment options which are invested in a mix of ETFs quoted on the ASX and are designed to suit different members risk profiles and investment timeframes. The Raiz Invest Investment Committee constructs the Portfolios using strategies based on Modern Portfolio Theory (MPT) developed by Dr Harry Markowitz, the Nobel Prize winning economist and founder of MPT. Using MPT, our investment options are designed to give you best possible returns for the least amount of risk.

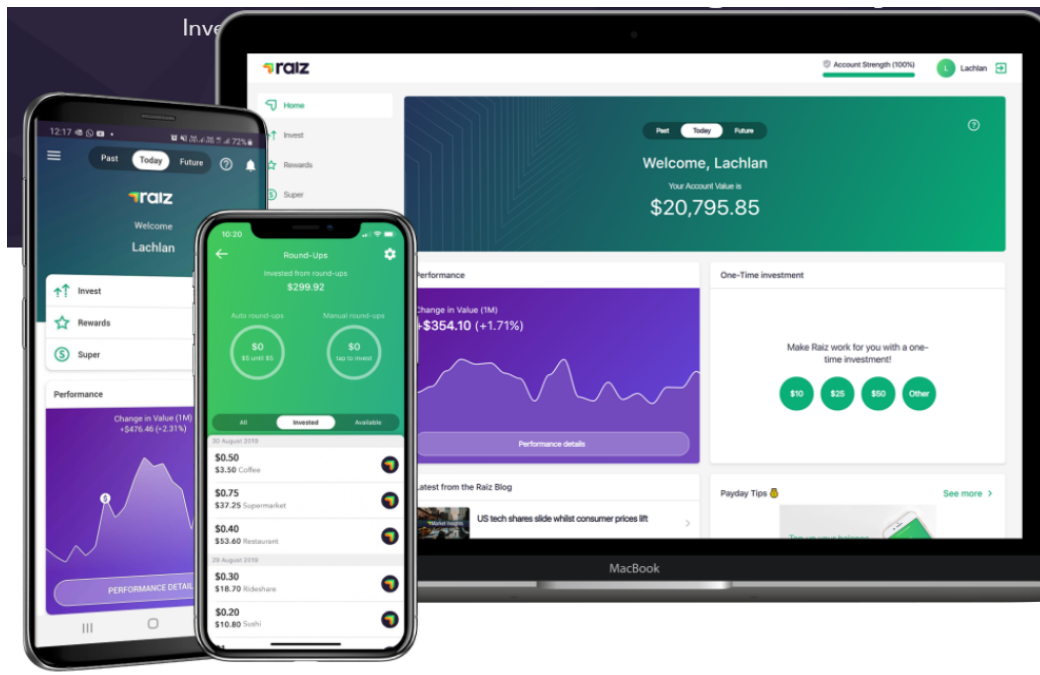
Raiz Invest Super does not have a default investment option, and members must choose an investment option on joining the fund, after considering their own needs and risk appetite. The labelling of the diversified options and the aligned Standard Risk Measure is consistent with other comparable funds.



Raiz Invest Super continues to ensure its fees are lower than the peer median, and its investments provide the best possible returns for the least amount of risk. Based on the above, the Trustee has determined that, on balance, the basis for the setting of fees, the investment strategy for the product, including the level of investment risk, and the return target is appropriate to members.

Member services and product options

RAIZ Invest Super provides members with access to an online member portal as well as a mobile app, allowing members to always be connected to their super.



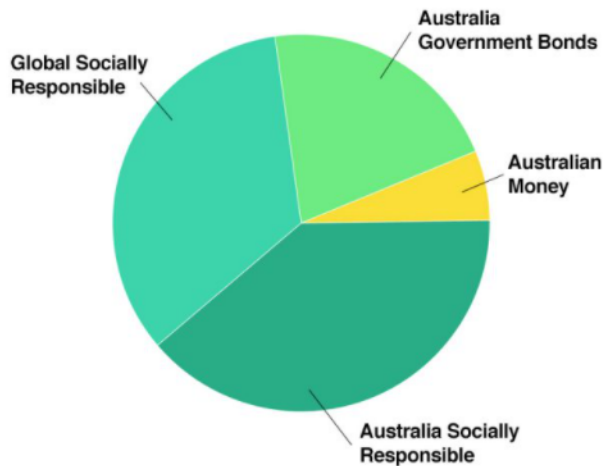
Member can also use Raiz Invest Super's ability to set up automated recurring contributions, easily do one off contribution through the app, use Raiz Rewards to add to your super, and purchase fractions of an ETF unit with these amounts.

Raiz Invest Super supports its to better understand superannuation by providing them with the ability to attend lunch-n-learn sessions as well as regularly publishing educational material through their website blog.



Raiz Invest Super also provides members with a socially responsible investment option (Emerald). This option provides investors exposure to large ESG Australian and Global companies, with top holdings primarily including technology and health companies.

Emerald Portfolio



The Emerald Portfolio is our ESG option

The 'Russell Investments Australian Responsible Investment' (RARI) ETF makes up the Australia Socially Responsible allocation of the portfolio. It uses a mixture of both positive and negative screening, weighted to track companies that demonstrate positive ESG characteristics, after first screening out companies that have significant involvement in a range of characteristics deemed inconsistent with widely recognised responsible investment considerations.

Based on the above, The Trustee has determined that the options, benefits and facilities offered under the product are appropriate to members.

Insurance

Raiz Invest Super provides eligible members with automatic insurance cover of Death (Including Terminal Illness) and Total and Permanent TPD Insurance cover on an opt-in basis, that is members must actively tell us that would like to take up the automatic insurance cover.

Members are also advised of the level and the cost of the automatic cover when making the decision to opt-in to receiving the cover. On this basis, the Trustee does not look to measure the impact of insurance eroding members' retirement income.

Based on the above, the Trustee has determined that the insurance strategy for the product is appropriate to members, and that there is no inappropriate erosion of members' retirements income due to the impact of insurance premiums.



This Update is issued by Diversa Trustees Limited (ABN 49 006 421 638, AFSL 235 153, RSE License No. L0000635) as Trustee of the RAIZ Invest Super (ABN 46 074 281 314, RSE R1070743) and should be read together with the RAIZ Invest Super Product Disclosure Statement (PDS), which can be found at <https://raizinvest.com.au/super-product-disclosure-statement/>.

The information contained in this update is general information only and doesn't take into account your personal objectives, financial situation, needs or circumstances. Before acting on this information, you should consider its appropriateness, having regard to your personal objectives, financial situation, needs and circumstances.

Before you make any decision about whether to acquire or continue to hold the product or an investment available in the Fund, you should consider the PDS and other associated documents referred to in the PDS. The PDS and any associated documents incorporated by reference can be found at <https://raizinvest.com.au/super-product-disclosure-statement/> or by calling 1300 754 748.