



# Member Outcomes Assessment

Year ended 30 June 2023

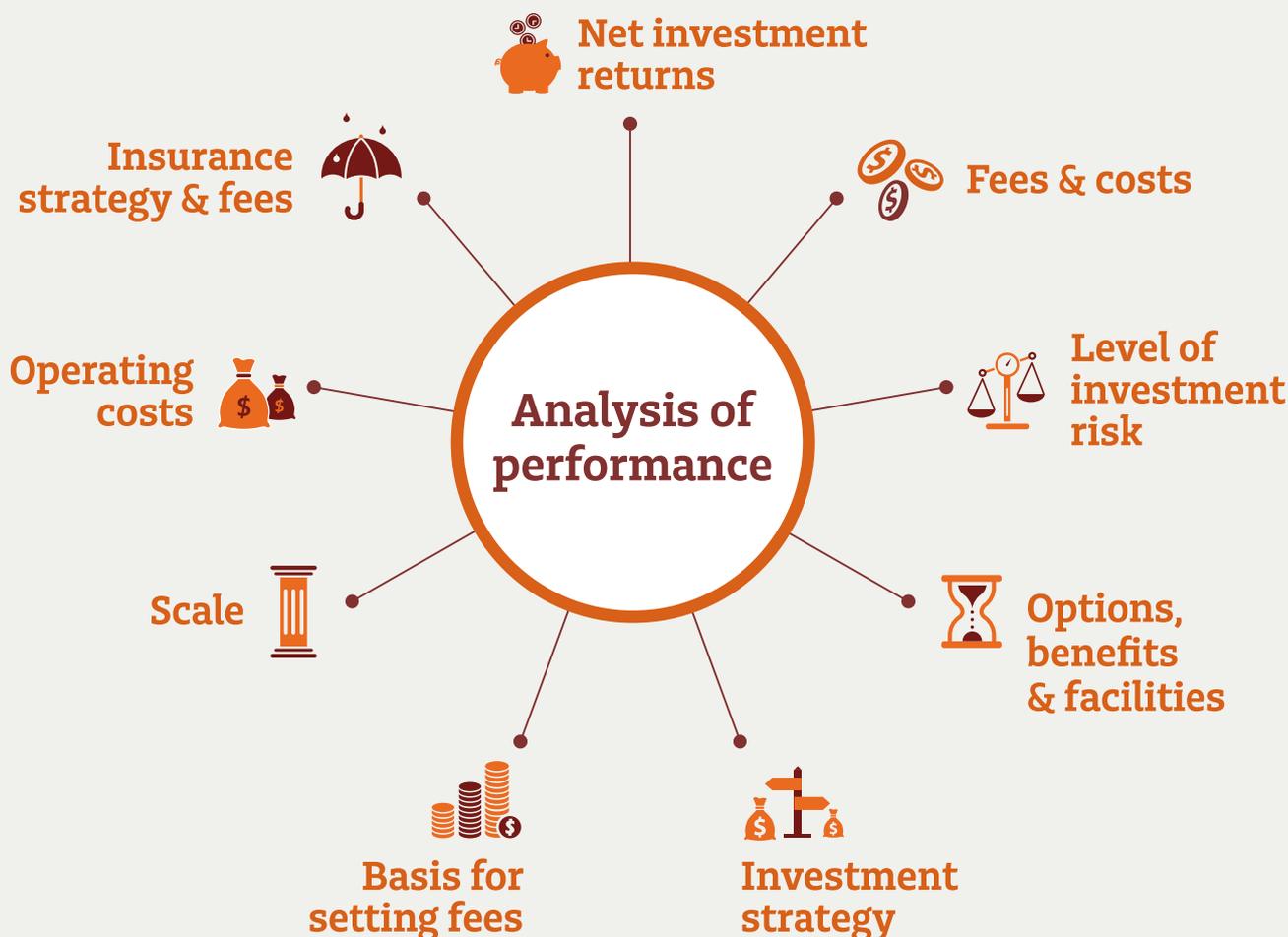
*The information in this document relates to  
MLC MasterKey Super & Pension Fundamentals*



Each year NULIS Nominees (Australia) Limited (**NULIS**) is required to assess whether we've promoted the financial interests of members. The Member Outcomes Assessment is a measure of product appropriateness against key factors – listed in the diagram and table that follow – that can affect a superannuation product. You'll find a simple summary of the product at [mlc.com.au](https://mlc.com.au)

MLC MasterKey Super & Pension Fundamentals is an adviser-intermediated superannuation master trust platform that will see a member through their working life and support them in retirement. MLC MasterKey TAP is a retirement product closed to new investors that pays a tax-effective income periodically for a set period.

Due to the broad menu of investment options available on the MasterKey platforms, when assessing the key factors related to investments, we've focussed on those investment options that contain 80% of members funds under management.



The assessment uses industry benchmarking, comparative data, in-house data, and reviews performed by independent research houses.

# Summary of findings

Factor	Data source/timing <sup>1</sup>	Super	Pension <sup>2</sup>
<b>Overall assessment</b>			
<b>Net investment returns</b>	SuperRatings Fund Credit Rating Survey (FCRS) SuperRatings Pension Credit Rating Survey (PCRS) NULIS STIC <sup>3</sup> Quarterly Reporting		
<b>Fees &amp; costs</b>	SuperRatings SMART Tool 2023		
<b>Level of investment risk</b>	SuperRatings Accumulation Volatility and Risk-Adjusted Return Survey Morningstar Sharpe Ratio Report		
<b>Options, benefits &amp; facilities</b>	NULIS Service Provider Performance Reports FY2023 Product Ratings (SuperRatings and Chant West)		
<b>Investment strategy</b>	NULIS Investment Governance Policy September 2023		
<b>Basis for setting fees</b>	Product Disclosure Statements NULIS Financial Reports FY2023		
<b>Scale</b>	APRA <sup>4</sup> Fund-level Superannuation Statistics		
<b>Operating costs</b>	NULIS Financial Reports FY2023		
<b>Insurance strategy &amp; fees</b>	APRA Life Insurance Claims and Disputes Statistics NULIS Risk Appetite Statement July 2023		



'Promoting' the financial interests of members



'Partially promoting' the financial interests of members



'Not promoting' the financial interests of members



Not applicable

<sup>1</sup> Data source/timing as at 30 June 2023 unless otherwise stated

<sup>2</sup> Captures results for both MasterKey Pension Fundamentals and MasterKey TAP which have similar investment components

<sup>3</sup> NULIS Superannuation Trustee Investment Committee

<sup>4</sup> Australian Prudential Regulation Authority (APRA)

# Product comparison, performance and ratings

## Net investment returns

**Net investment return is the return we deliver to you minus investment fees and costs, and taxes.**

We've determined that the net investment returns for **MLC MasterKey Super & Pension Fundamentals** are **promoting** members' financial interests on the basis that the majority of investment options in-scope have:

- Met their stated objective.
- Performed above the peer median for rolling 1, 3, 5, 7 and 10 year periods.
- For MLC MasterKey Super Fundamentals, passed the annual Your Future Your Super Performance Test.

## Fees & costs

**These are the total costs. It includes administration fees, investment fees and all other relevant fees and costs.**

We've determined that the fees and costs for **MLC MasterKey Super & Pension Fundamentals** are **promoting** members' financial interests on the basis that they are below median compared to peers.

## Level of investment risk

**This is a measure of the risk profile of your investment in relation to performance, benchmarks and objectives.**

We've determined that the investment risk for **MLC Masterkey Super & Pension Fundamentals** is **promoting** members' financial interests on the basis that in-scope investment options have appropriate returns compared to their risk profile.

## Options, benefits & facilities

**This evaluates your member services & benefits, your experience in accessing the services, and whether the fees & costs you pay are commensurate to what's offered.**

We've determined that the options, benefits and facilities for **MLC MasterKey Super & Pension Fundamentals** are **promoting** members' financial interests on the basis a competitive offering in the marketplace is provided to you, which is ranked highly by external research firms.

## Investment strategy

**This examines the investment objectives, asset allocations and associated risks of the investment options available to you to determine if they are on track to delivering your target returns in the future.**

We've determined that the investment strategy for **MLC MasterKey Super & Pension Fundamentals** is **promoting** members' financial interests on the basis that the investment strategy for the Fund is reviewed and approved annually by the NULIS Board, ensuring it continues to provide a diversified choice of investment menu options which deliver adequate returns over the long term without exposing members' investment to inappropriate risk.

## Basis for setting fees

**This determines whether the fee structures of each product is appropriate and fair.**

We've determined that the basis for setting fees for **MLC MasterKey Super & Pension Fundamentals** is **promoting** members' financial interests on the basis that:

- there is a demonstrated fee equity between members indicating minimal cross subsidisation along with the ability for members to experience the benefits of bringing individual economies of scale to the Fund through tiered pricing; and
- fees charged to members cover the costs of the Fund to ensure long term sustainability.

## Scale

**This measures whether NULIS has sufficient scale to promote the financial interests of members.**

We've determined that NULIS has sufficient scale to sustain member outcomes into the future and is therefore **promoting** members' financial interests.

## Operating costs

**This measures NULIS's costs in operating the various superannuation funds.**

We've determined that our operating costs, as the trustee of **MLC Super Fund** are **not promoting** members' financial interests due to increases to average costs per member and the impact of integration costs on overall operating expenses. We have initiated strategic initiatives to simplify and rationalise products and service provider arrangements to reduce operating costs over the medium term.

## Insurance strategy & fees

**This assesses whether NULIS's insurance strategy for the products is appropriate for beneficiaries and whether the fees charged in relation to the insurance product inappropriately erodes the retirement income of beneficiaries (no insurance is provided within MLC MasterKey Pension Fundamentals).**

We've determined that the insurance strategy fees and costs for **MLC MasterKey Super Fundamentals** are **promoting** members' financial interests on the basis that:

- We offer competitive products in the market; the terms and conditions of the insurance offer are aligned to or better relative to comparable competitors.
- Premium rates are competitive with majority of scenarios benchmarked in line or lower than competitors' median rates.

# Overall conclusion

MasterKey Super Fundamentals	MasterKey Pension Fundamentals
<p><b>We've determined that, overall MLC MasterKey Super Fundamentals is promoting members' financial interests.</b></p> <p>The investment options in-scope have delivered strong investment returns with the majority performing above median for 1, 3, 5, 7 and 10 year time periods compared to the peer median investment options in the market.</p> <p>Fees and costs align with a strong investment return and competitive service offering in the marketplace with sufficient scale to support long term outcomes for you.</p> <p>Terms and conditions of the insurance offer are aligned to or better relative to comparable peers, and premium rates are competitive.</p>	<p><b>We've determined that, overall MLC MasterKey Pension Fundamentals is promoting members' financial interests.</b></p> <p>The investment options in-scope have delivered strong investment returns with the majority performing above median for 1, 3 and 5 year time periods compared to the peer median investment options in the market.</p> <p>Fees and costs align with a strong investment return and competitive service offering in the marketplace with sufficient scale to support long term outcomes for you.</p>

## We're here to help

If you have any questions or would like further information about your account please contact us or your financial adviser.

Telephone **132 652**  
Email **contactmlc@mlc.com.au**  
Website **mlc.com.au**

### Important information and disclaimer

This document has been issued by NULIS Nominees (Australia) Limited (NULIS) ABN 80 008 515 633, AFSL 236465 as Trustee for the MLC Super Fund ABN 70 732 426 024. NULIS is part of the Insignia Financial Group of companies, comprising of Insignia Financial Ltd ABN 49 100 103 722 and its related bodies corporate.

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