



Member Outcomes Assessment

Year ended 30 June 2023

*The information in this document relates to the Wrap Products
which includes:*

MLC Wrap Super Series 2

MLC Navigator Retirement Plan Series 2



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.

These products allow advisers to build a strong and diversified portfolio for members that supports their personal investment objectives in retirement, while receiving a regular pension. Two investment lists, **Core** or **Full**, are available on the wrap platform. The Core Investment List provides access to a focused range of investments with a simpler fee structure. The Full Investment List features an extensive menu of quality and contemporary investment options.



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

Summary of findings

Factor	Data source/timing ¹	Findings
Overall assessment		
Net investment returns	NULIS Investment Governance Policy September 2023	
Fees & costs	Peer Group Product Disclosure Statements	
Level of investment risk	NULIS Investment Governance Policy September 2023	
Options, benefits & facilities	NULIS Service Provider Performance Reports FY2023 Product Ratings (SuperRatings and Chant West)	
Investment strategy	NULIS Investment Governance Policy September 2023	
Basis for setting fees	NULIS Financial Reports FY2023 Product Disclosure Statements	
Scale	APRA ² Fund-level Superannuation Statistics	
Operating costs	NULIS Financial Reports FY2023	
Insurance strategy & fees	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

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

²Australian 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 **Wrap Products** are **promoting** members' financial interests on the basis that only 5% of the managed investment options are underperforming their expected benchmarks and/or consistently ranked in the fourth quartile amongst peers.

Fees & costs

These are the administration fees and costs related to your superannuation account.

We've determined that the fees and costs for **Wrap Products** are **promoting** members' financial interests on the basis that administration fees and costs are lower than median when compared to peers for both super and pension members.

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 **Wrap Products** is **promoting** members' financial interests on the basis that the:

- regular monitoring process has been adhered to in accordance with our Investment Governance Framework; and
- required due diligence has been undertaken, on any investment option that is downgraded below 'investment grade' or any investment options that are not externally rated, to determine if they should remain on the product investment menu or be removed.

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 options benefits and facilities for **Wrap Products** are **promoting** members' financial interests on the basis that a competitive offering in the marketplace is provided to you, that is appropriately priced and rated 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 **Wrap Products** 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 **Wrap Products** is **promoting** members' financial interests on the basis that:

- there is a demonstrated fee equity between members indicating minimal cross subsidisation between members through 'user pay' fee structures and fee caps;
- there is the ability for members to experience the benefits of bringing individual economies of scale to the Fund; 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 **Wrap Products** 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 and provision of insurance is appropriate for members and beneficiaries and considers whether the fees (premiums) charged inappropriately erodes members' retirement savings.

We've determined that insurance strategy, fees and costs¹ for **Wrap Products** are **promoting** members' financial interests on the basis that:

- Members' coverage can be tailored to meet their individual circumstances.
- The average claim assessment duration is better than the market average against comparable segments and claims acceptance rates are within expectations.

¹No insurance is offered within Pension products

Overall conclusion

We've determined that Wrap Products are promoting members' financial interests.

Strong investment governance ensures the wrap platform provides a diversified choice of investment menu options which deliver adequate returns over the long term without exposing members' investment to inappropriate risk.

Administration fees and costs appropriately align with services that are a standard offering focussed on supporting advisers to service our members efficiently and effectively.

Members can tailor insurance coverage to their individual needs. Average claim assessment duration is better than the market average for comparable segments and claims acceptance rates are within expectation.

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 **services@mlc.com.au**

Website **mlc.com.au**

Important information and disclaimer

This document has been issued by NULIS Nominees (Australia) Limited ABN 80 008 515 633, AFSL 236465 Trustee for the MLC Superannuation Fund ABN 40 022 701 955, PremiumChoice Retirement Service ABN 70 479 285 132 and DPM Retirement Service ABN 40 725 722 496. 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.

The information is of a general nature and does not take into account the member's personal needs, financial circumstances or objectives. Before acting on this information a member must consider the appropriateness of the information having regard to their needs, financial circumstances and objectives. A member must also read the relevant Product Disclosure Statement (PDS), this information and other current disclosure documents.