

Member Outcomes Assessment

The information in this document relates to the Expand Extra Super and Expand Extra Pension products

Year ended 30 June 2023

myexpand.com.au

Issuer: IOOF Investment Management Limited ABN 53 006 695 021, AFS Licence No. 230524
as Trustee of the IOOF Portfolio Service Superannuation Fund ABN 70 815 369 818

EXPAND Extra

Each year, IOOF Investment Management Limited (IIML) 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 myexpand.com.au











Expand Extra's extensive investment menu offers approximately 500 managed investment options, a selection of term deposits and fixed-term annuities, the Managed Portfolio Service (MPS) that provides access to professionally managed models, and the majority of shares in the ASX 500. For the purpose of the investment related assessment, only the managed investments will be in-scope.

Integrated group and retail insurance is also available from a panel of Australia's leading life insurers.



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	IIML STIC ² Quarterly Reporting APRA ³ Expanded Performance Test 2022-23	
Fees & costs	Peer Group Selection Product Disclosure Statements	
Level of investment risk	IIML Investment Governance Framework – Superannuation January 2024	
Options, benefits & facilities	IIML Service Provider Performance Reports FY2023 Product Ratings (SuperRatings and Chant West)	
Investment strategy	IIML Investment Governance Framework – Superannuation January 2024	
Basis for setting fees	Product Disclosure Statements IIML Financial Reports FY2023	
Scale	APRA Fund-level Superannuation Statistics	
Operating costs	IIML Financial Reports FY2023	
Insurance strategy & fees	APRA Life Insurance Claims and Disputes Statistics IIML 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

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

² IIML Superannuation Trustee Investment Committee

³ 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 Expand Extra Super and Expand Extra Pension are promoting members' financial interests on the basis that the majority of the investment options have achieved performance above median over a combined 1 year and 5 year performance period, and Expand Extra Super has passed APRA's Your Future Your Super assessment.
Fees & costs	These are the administration fees and costs related to your superannuation account.
	We've determined that the fees and costs for Expand Extra Super and Expand Extra Pension are promoting members' financial interests on the basis that its administration fees and costs are lower than median 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 Expand Extra Super and Expand Extra Pension is promoting members' financial interests on the basis that the: <ul style="list-style-type: none"> • 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 the options, benefits and facilities for Expand Extra Super and Expand Extra Pension are promoting members' financial interests on the basis that a competitive offering in the marketplace is provided to members, 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're on track to delivering your target returns in the future.
	We've determined that the investment strategy for Expand Extra Super and Expand Extra Pension is promoting members' financial interests on the basis that the investment strategy for the Fund is reviewed and approved annually by the IIML 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 the products are appropriate and fair.
	We've determined that the basis for setting fees for Expand Extra Super and Expand Extra Pension is promoting members' financial interests on the basis that: <ul style="list-style-type: none"> • there is a demonstrated fee equity between members indicating minimal cross subsidisation between members through 'user pay' fee structures and fee caps; • Family Fee Aggregation discounts for members are available to reflect the benefits of bringing 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 IIML has sufficient scale to promote the financial interests of members.
	We've determined that IIML has sufficient scale to sustain member outcomes into the future and is therefore promoting members' financial interest.

Operating costs	This measures IIML's costs in operating the various superannuation funds.
	We've determined that our operating costs, as the trustee of IOOF Portfolio Service Superannuation Fund are not promoting members' financial interests on the basis that operation and expense management key performance indicators have not been met. This was largely due to member fee reductions across the Expand product suite and one-off expenses related to product simplification. These indicators are expected to improve in the near term.
Insurance strategy & fees	This assesses whether IIML's insurance strategy and provision of insurance is appropriate for members and considers whether the fees (premiums) charged inappropriately erodes members' retirement savings (no insurance is provided within Expand Extra Pension).
	Expand Extra Super provides both group and retail insurance options to members. We've determined that the insurance strategy and fees (both group and retail) for Expand Extra Super are promoting members' financial interests. Members can apply through their adviser for a flexible insurance offer that meets their personal circumstances.

Overall conclusion

Expand Extra Super	Expand Extra Pension
<p>We've determined that, overall, Expand Extra Super is promoting members' financial interests.</p> <p>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. The majority of the investment options have achieved performance above median over a combined 1 year and 5 year performance period.</p> <p>Administration fees and costs are lower than median compared to peers. Members can tailor insurance coverage to their individual needs.</p>	<p>We've determined that, overall, Expand Extra Pension is promoting members' financial interests.</p> <p>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. The majority of the investment options have achieved performance above median over a combined 1 year and 5 year performance period.</p> <p>Administration fees and costs are lower than median compared to peers.</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.

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