



2020 Member Outcomes Assessment Summary

Determination and product summary for
IOOF Portfolio Service Superannuation Fund
AvWrap Retirement Service Superannuation Fund

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What is the Member Outcomes Assessment?

This document will focus on the key outcomes found within the assessment in relation to IOOF's three main product categories: MySuper, Corporate Choice and Retail Choice.

It analyses how IOOF products compare to similar products, and whether our products are serving the financial interests of our members. The document will present the final conclusions and summary, before going into detail on steps 1 and 2 of the assessment.

All data is reported in accordance with APRA requirements. This assessment was undertaken in February 2021, and is relevant for the financial year ended 30 June 2020.

Approach for this assessment

Step 1: Measure and compare products



1. Return comparison
A comparison of returns



2. Fee comparison
A comparison of fees



3. Risk comparison
A comparison of investment risk

Step 2: Assess product appropriateness

Assessment of product appropriateness against key factors that can affect superannuation

Section 52(11)

1. Options, benefits and facilities
2. Investment strategy
3. Insurance strategy and fees

SPS 515

4. Scale
5. Operating costs
6. Fees

Step 3: Conclude

A publication with determinations of each product is required to see whether the financial interests of the beneficiaries who hold the product are being promoted.

Which category is your super product in?

For this assessment, all of our products have been grouped into the categories of “MySuper”, “Corporate Choice” or “Retail Choice” for analysis to be undertaken.

The following table outlines the products that comprise each of these broader categories.

There are also a number of closed products not listed here that we are phasing out. If you are a member of one of these products, you will be transitioned into one of the modern products listed here, which will better promote your financial interests.

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

Telephone 1800 913 118
 Email clientfirst@ioof.com.au
 Website www.ioof.com.au

Not sure which product you are in? You can find details in your annual statement.

| Your Super Product | This Assessment's Product Category | |
|---|--|---|
| IOOF MySuper | MySuper Employer super default investment | |
| IOOF Super IOOF Employer Super and subplans | Corporate Choice Employer super with a range of investment options | |
| eXpand eXpand Personal Super eXpand Pension | | |
| IOOF Essential IOOF Essential Personal Superannuation IOOF Essential Pension | | |
| Shadforth Portfolio Service Shadforth Portfolio Service - Super Shadforth Portfolio Service - Pension | | |
| IOOF Pursuit IOOF Pursuit Focus Personal Superannuation IOOF Pursuit Focus Allocated Pension IOOF Pursuit Select Personal Superannuation IOOF Pursuit Select Allocated Pension IOOF Pursuit Select Term Allocated Pension Infocus - Pursuit Focus for Infocus Personal Superannuation Infocus - Pursuit Focus for Infocus Allocated Pension Infocus - Pursuit Select for Infocus Personal Superannuation Infocus - Pursuit Select for Infocus Allocated Pension Annex - Pursuit Focus Personal Superannuation Annex - Pursuit Focus Allocated Pension Annex - Pursuit Select Personal Superannuation Annex - Pursuit Select Allocated Pension | | |
| IOOF Super IOOF Personal Super and subplans IOOF Pension and subplans | | |
| | | Retail Choice Superannuation and pension products with a range of investment options for the member who likes to steer their retirement strategy. |

How is your super product compared to the industry?

Listed to the right are the in-scope investment options for this LOA. These options are the in-house or IOOF manufactured investments – MultiMix, MultiSeries, Strategic Fund investment options — with 0.5% or more in total funds under management invested across all IOOF products.

Equivalent investment options for each other super fund will be mapped against these options and used for assessing fees, costs and performance.

For each category the following underlying investment options will be assessed

MySuper

| | |
|--------------|----------------------------|
| IOOF MySuper | Diversified, multi-manager |
|--------------|----------------------------|

Retail/Corporate Choice

| | |
|--|----------------------------|
| IOOF Balanced Investor Trust | Diversified, multi-manager |
| IOOF Cash Management Trust | Cash |
| IOOF MultiMix Australian Shares Trust | Australian equities |
| IOOF MultiMix Balanced Growth Trust | Diversified, multi-manager |
| IOOF MultiMix Cash Enhanced Trust | Cash |
| IOOF MultiMix Conservative Trust | Diversified, multi-manager |
| IOOF MultiMix Diversified Fixed Interest Trust | Fixed interest |
| IOOF MultiMix Growth Trust | Diversified, multi-manager |
| IOOF MultiMix International Shares Trust | International equities |
| IOOF MultiMix Moderate Trust | Diversified, multi-manager |
| IOOF MultiSeries 30 | Diversified, multi-manager |
| IOOF MultiSeries 50 | Diversified, multi-manager |
| IOOF MultiSeries 70 | Diversified, multi-manager |
| Strategic Australian Equity Fund | Australian equities |
| Strategic Fixed Interest Fund | Fixed interest |
| Strategic Global Property | Real estate |
| Strategic International Equity Fund | International equities |

Fees and returns will be compared to these superannuation funds



Complete list of 90 MySuper products from other superannuation funds

8-12 Australian Super Funds and up to 20 of their products were included in the peer set for the purposes of comparison. These included a blend of Industry and retail funds.

Product Determinations Summary

MySuper

We have determined that the financial interests of MySuper beneficiaries are being promoted.



Returns

The 1 year net return for MySuper members was in the top quartile (above median), with a positive return in a volatile year where most peer funds had a negative return. IOOF MySuper has consistently performed above the median across one, three and five year periods.



Fees

IOOF MySuper's total fees are higher than median but have reduced over the last year due to reduced investment transaction fees.



Investment Risk

MySuper Investment Risk is appropriate for the Fund's member demographic. APRA's MySuper statistics shows IOOF MySuper's level of investment risk falls within the Medium – High rating, the most common rating of MySuper funds.



Objective Assessment

In reference to the APRA MySuper Product Heatmap, the product is noted as appearing in the white colour gradation for performance but red and amber for Administration and Total fees as a percentage of account balance. The product is priced higher than the median charged across the industry but is performing above its peers.

Corporate Choice

We have determined that the financial interests of Corporate Choice beneficiaries are being promoted.



Returns

In a volatile year where many peers had negative returns, almost all IOOF's investment options had positive and higher than median returns. There is a clear trend of improved performance over time, as returns are stronger than 3 and 5 years ago.



Fees

IOOF Employer Super's Core pricing compares favourably against peers. IOOF Employer Full menu is priced above peers reflecting its comprehensive features and services. However many members also benefit from discounted fees and the actual fees charged compare favourably.



Investment Risk

IOOF's risk research team identifies investment risks and manages them in a structured governance process to ensure members' financial interests are always protected. All of the investment options offered by the Choice products were rated as Recommended by Lonsec.



Objective Assessment

The product options, benefits and facilities, such as member services, beneficial tax structure, investment options and online capability as well as investment strategy, insurance strategy and appropriate fee structure and other relevant matters lead to a conclusion of appropriateness of the product for Choice members.

Retail Choice

We have determined that the financial interests of Retail Choice beneficiaries are being promoted.



Returns

In a volatile year where many peers had negative returns, almost all of IOOF's investment options had positive and higher than median returns. There is a clear trend of improved performance over time, as returns are stronger compared to 3 and 5 years ago.



Fees

Fees are near or higher than median in a universe with Industry and comparable retail choice funds. The products offered by peers range from simple single strategy to offerings with more features, and this is reflected in the fees for each product. The IOOF retail products are among the more sophisticated in the market with extensive features, outstanding member services and a comprehensive investment menu.



Investment Risk

IOOF's risk research team identifies investment risks and manages them in a structured governance process to ensure members' financial interests are always protected. All of the investment options offered by the Choice products were rated as Recommended by Lonsec.



Objective Assessment

The product options, benefits and facilities, such as member services, beneficial tax structure, investment options and online capability as well as investment strategy, insurance strategy and appropriate fee structure and other relevant matters lead to a conclusion of appropriateness of the product for Choice members.

Product summary

MySuper

Product summary of the key outcomes within Steps 1 and 2 of the assessment for MySuper.



Step 1. Measure and Compare - Fees

**MySuper products
on a \$50,000 MySuper portfolio**
(shown as % p.a.)

| | Median peer fee | IOOF MySuper |
|---|-----------------|--------------|
| Investment fees and indirect cost ratio | 0.76% | 0.68% |
| Administration fees | 0.35% | 0.58% |
| Total fees | 1.11% | 1.26% |

MySuper Fee Comparison Analysis

The administration fee is 0.23% higher than the industry median (comprised of 90 MySuper products). However, this is offset by very competitive investment fees, resulting in a total fee that is close to the industry median at 1.26%; only 0.15% above the industry median.

As this data is based on disclosure documents, it does not reflect all actual fees being paid by IOOF MySuper members. It is noted that average fees for IOOF MySuper members are typically lower than this due to the application of discounts*. At 30 June 2020, member data indicates that the actual average IOOF MySuper total fee (taking into account discounts) applicable to a \$50,000 balance was 1.20%, which is only 6 basis points above the industry median.

Rating Key

- Above median
- Close to median
- Significantly below median

Source: APRA MySuper Quarterly Statistics, June 2020. Returns are calculated net of non-investment related fees, costs and taxes.

*Contact us if you would like to understand if discounts may be applicable to your account.

Step 1. Measure and Compare – Fees and Investment Returns

MySuper net return comparison (shown an % p.a.)

| | Median peer return | IOOF MySuper - Balanced Investor Trust |
|------------------------|--------------------|--|
| One-year return p.a. | -0.82% | 0.13% |
| Three-year return p.a. | 4.99% | 5.54% |
| Five-year return p.a. | 5.51% | 5.62% |

IOOF's MySuper product has performed above the median across one, three and five year periods, and has also improved relative to peers in rankings. Due to the long term nature of superannuation, IOOF will typically look to benchmark against the longest timeframe published.

In addition, it is anticipated that IOOF MySuper's strong short term investment performance will improve the longer (5-year) performance in future assessments.

MySuper fee comparison on a \$50,000 portfolio (shown as % p.a.)

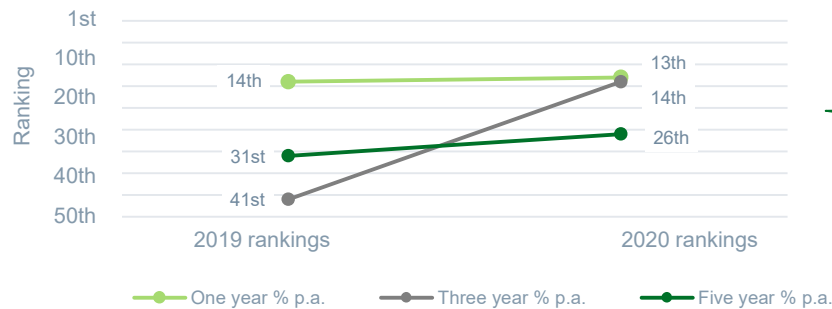
| | Median peer fee | IOOF MySuper |
|---|-----------------|--------------|
| Investment fees and indirect cost ratio | 0.76% | 0.68% |
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Due to the long term nature of superannuation, IOOF will typically look to benchmark against the longest timeframe published.

In addition, it is anticipated that IOOF MySuper's strong short term investment performance will contribute to an improved longer term (5-year) performance in future assessments.

Net returns ranked against ~90 MySuper peers



IOOF's MySuper investment returns have improved relative to peers.

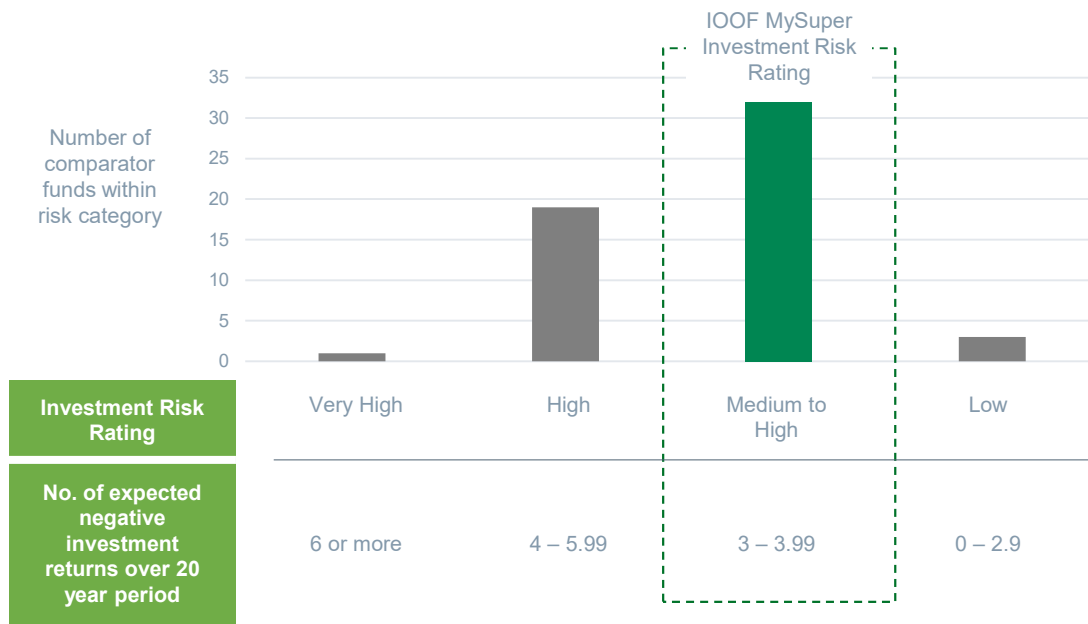
Rating Key

- Above median
- Close to median
- Significantly below median

Source: APRA MySuper Quarterly Statistics, June 2020. Returns are calculated net of non-investment related fees, costs and taxes.

Step 1. Measure and Compare - Investment Risk

MySuper Risk Comparison



MySuper Risk Comparison Analysis

Based on APRA data, IOOF’s MySuper product is at the low end of the Medium to High investment risk grouping, with a level of investment risk shown as 3.00 expected negative investment returns over a 20 year period. The investment risk value of the Medium to High grouping for the other 31 comparison funds ranges from 3.00 to 3.99, with a median of 3.50.

Generally, the level of investment risk correlates to the return target (annualised target net return above CPI over ten years). In IOOF’s case, this return target is shown as 3.00% in the APRA data, with the peer group in the Medium to High grouping ranging from 2.00% to 5.35%.

Source: APRA Annual MySuper Statistics for the year ended 30 June 2020. Returns are calculated net of non-investment related fees. APRA’s Reporting Standard SRS 700.0: Product Dashboard provides that the “Medium to High” investment risk label correlates to an estimated 3 to less than 4 negative net investment returns over a 20 year period

Step 2. Objective Assessments

This is an assessment of product appropriateness against six key factors that can affect a superannuation product.

Options, Benefits and Facilities

The advantageous tax structure, member education, improving online capability and well regarded member services are considered appropriate for MySuper members. MySuper members can access many of the features available in the comprehensive products.

Investment Strategy

The MySuper fund is performing significantly better than the median and has been leading amongst peers for the past year. The improving performance coupled with a reduction in fees is the outcome of an appropriate investment strategy. Regular external reviews commissioned by the Trustee confirm that the return target and level of investment risk is appropriate to the demographic of IOOF's MySuper membership.

Insurance strategy and fees

The insurance strategy is considered appropriate to IOOF MySuper members on the basis of several factors; the enhanced Trustee insurance default, customisation of default employer arrangements, personalisation of member cover and the protection provided by the erosion policy. IOOF is currently in the process of finalising a tender for a new insurance provider. It is expected member outcomes will improve further as a result of this tender.



Scale

MySuper assets have experienced a significant growth in funds under management to \$3b. Although the number of members has decreased due to the introduction of legislative changes and the COVID-19 early release scheme, the average member balance has increased. Announced mergers with MLC and ANZ Wealth will also increase IOOF's scale significantly. Therefore there is confidence that the scale leads to the product being appropriate for members.

Operating Costs

The operating costs of the Trustee's business operations do not inappropriately affect the financial interests of those members

Fees

The basis for the setting of fees is assessed as appropriate for those members. The total fees for IOOF has reduced over the last year, due to the reduction in investment transaction fees, and is close to the median. The MySuper Heatmap shows IOOF fees as red and amber. This is partly due to the current structure and disclosure of fees. For example peers may have low administration fees but high investment fees. Until legislation requiring investment costs are disclosed on a like-for-like basis is fully implemented, there is no standard approach to fees which allows for a like-for-like comparison. The MySuper Heatmap compares Product Disclose Statement rates. Many members have the benefit of discounted fees*, so the actual fees paid by members is close to the median.

*Contact us if you would like to understand if discounts may be applicable to your account.

Product summary

Corporate Choice

Product summary of the key outcomes within Steps 1 and 2 of the assessment for Corporate Choice.



Step 1. Measure and Compare - Fees

Corporate Choice Administration Fee Comparison (shown as % p.a.)

IOOF Average fee (actual average fees paid, factoring in discounts) and Employer Super Core are close to or well below median fees.

| Member Balance | IOOF Employer Super Core (PDS rates) | IOOF Employer Super Full (PDS rates) | Actual IOOF average fees | Median peer fee |
|----------------|--------------------------------------|--------------------------------------|--------------------------|-----------------|
| \$50,000 | 0.58% | 1.06% | 0.65% | 0.60% |
| \$100,000 | 0.47% | 0.88% | 0.59% | 0.53% |
| \$300,000 | 0.37% | 0.73% | 0.37% | 0.46% |
| \$500,000 | 0.32% | 0.64% | 0.29% | 0.39% |
| \$1,000,000 | 0.20% | 0.42% | 0.31% | 0.31% |

This comparison includes the Product Disclosure Statement (PDS) rates for IOOF Employer Super Core and Full as well as the *average actual* fee paid by the member for the account balance. The actual fees paid are less than the PDS rates due to the benefit of discounts*. The actual fee includes both Core and Full products and compares favourably across these balances.

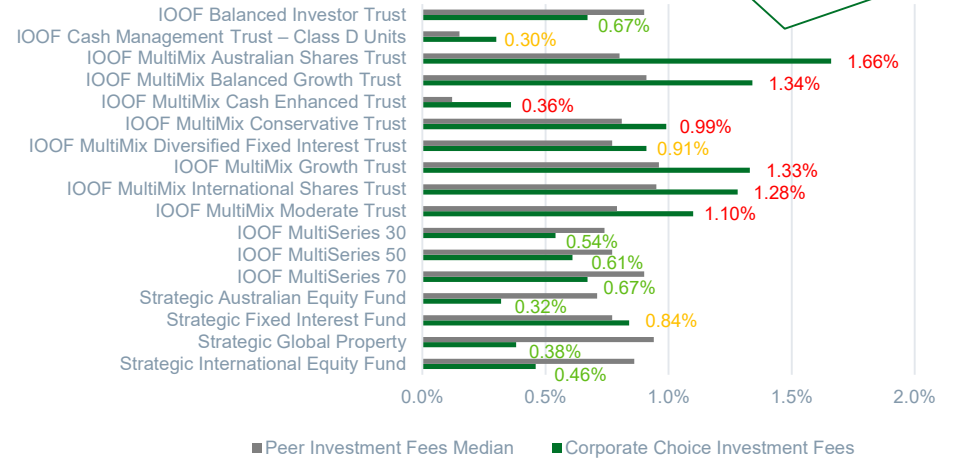
IOOF Employer Super Core compares favourably against peers, including industry funds. It is below the median for members with balances under \$100,000 which accounts for the majority of our members.

The comprehensive product (IOOF Employer Super Full) is priced above the median but is also the most sophisticated offering with many more features and benefits.

Our relatively low asset based fees (0.35% administration for core investments) result in a better relative comparison as members' balances increase. As members' balances grow over time the benefit from reduced fees contributes towards building a secure retirement.

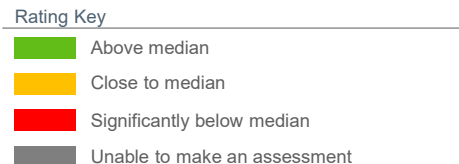
Corporate Choice Investment Fee Comparison (shown as % p.a.)

The majority of investments are priced less than or close to the median for investment fees.



Total fees are made up of administration fees plus investment fees. Corporate Choice administration fees were slightly above median, however when combined with an investment option with lower fees the total fees were better than the median, making it a competitive option against peers.

The investment options with higher fees, which can be a reflection of more active management, have also produced the more outstanding investment returns.



Source: Various peer fund PDS documents

*Contact us if you would like to understand if discounts may be applicable to your account.

Step 1. Measure and Compare - Investment Returns

We provide members with an extensive choice of investment options to meet their super and retirement planning needs. The investment options are intended to allow members to make choices that match their individual circumstances, diversify their portfolio and match their investment risk and return profile.

Many of our members are invested in our multi-manager solutions which simplify the investment selection process by providing access to investments managed by a team of award winning and experienced professionals who are dedicated to identifying, blending and monitoring different investment strategies managed by leading third party managers.

The number of investment options performing close to or above the median has increased over the 5 year to 3 year to 1 year performance.

A majority of IOOF's multi-manager investments have performed better than the median of comparative funds' investment options in 1 year returns, with many ranked in the top quartile (above median).

IOOF Investment Options ranked in the top quartile for 1 year performance return to 30 June 2020

- IOOF MultiMix Balanced Growth Trust

- IOOF MultiMix Growth Trust

- IOOF MultiMix Growth Trust

- IOOF Balanced Investor Trust

- IOOF MultiMix Conservative Trust

- IOOF MultiMix Diversified Fixed Interest Trust

- IOOF MultiMix Moderate Trust

- IOOF MultiMix International Shares Trust

- IOOF MultiMix Australian Shares Trust

- IOOF MultiSeries 30

- IOOF MultiSeries 50

- IOOF MultiSeries 70



OptiMix Wholesale Australian Fixed Interest Trust A



Specialist Property Fund



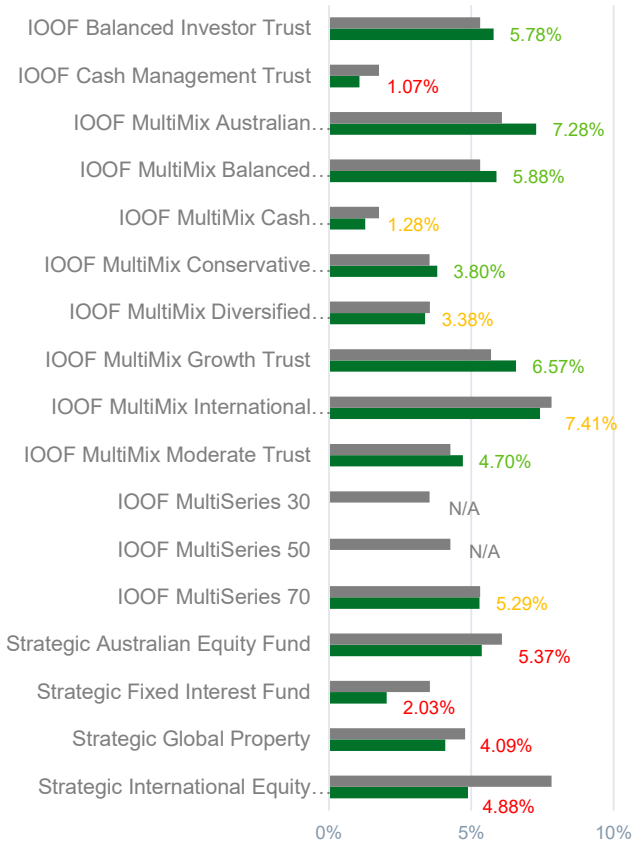
Product summary – Corporate Choice

Step 1. Measure and Compare - Investment Returns

Five year

(% p.a. over five years to 30 June 2020)

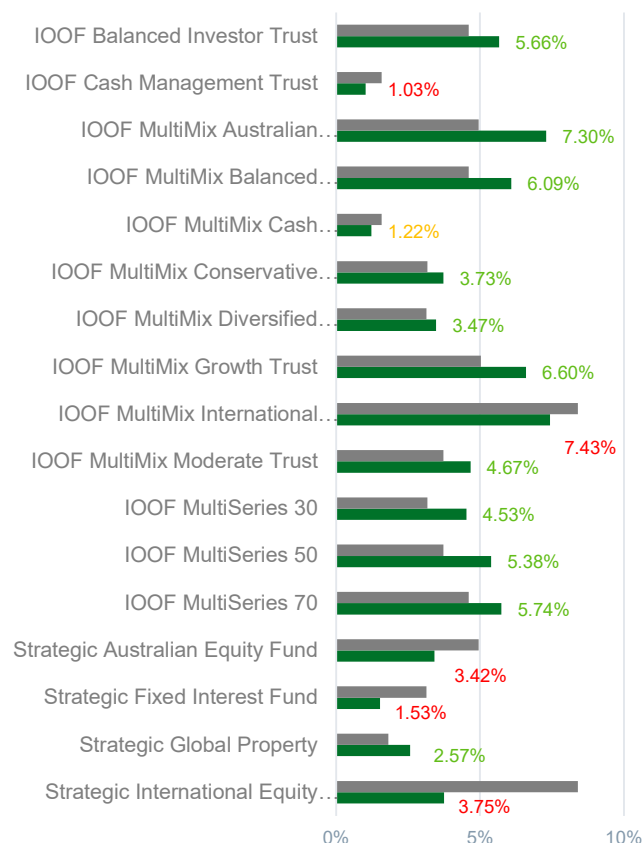
5 year returns are better than or close to the median for around half the investment options. The performance over more recent years has improved as can be seen in the 3 and 1 year performance.



Three year

(% p.a. over three years to 30 June 2020)

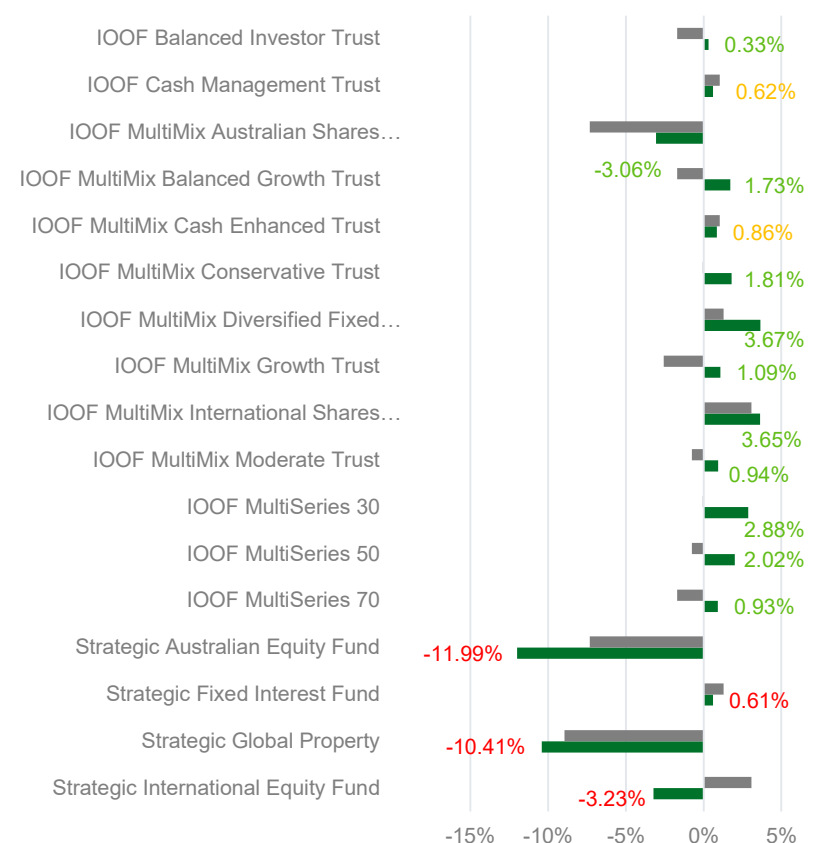
There is a clear trend of improved performance over time with the majority of investment options performing above median.



One year

(% p.a. over one year to 30 June 2020)

In a volatile year where many peers had negative returns, a majority of IOOF's investment options had positive and higher than median returns indicating well performing investment options.



Rating Key

- Above median
- Close to median
- Significantly below median

■ Peer performance median ■ IOOF performance

Step 1. Measure and Compare - Investment Risk

Choice Risk Comparison

| Choice Product | Lonsec Risk Rating |
|--|--------------------|
| IOOF Balanced Investor Trust | Recommended |
| IOOF Cash Management Trust | Recommended |
| IOOF MultiMix Australian Shares Trust | Recommended |
| IOOF MultiMix Balanced Growth Trust | Recommended |
| IOOF MultiMix Cash Enhanced Trust | Recommended |
| IOOF MultiMix Conservative Trust | Recommended |
| IOOF MultiMix Diversified Fixed Interest Trust | Recommended |
| IOOF MultiMix Growth Trust | Recommended |
| IOOF MultiMix International Shares Trust | Recommended |
| IOOF MultiMix Moderate Trust | Recommended |
| IOOF MultiSeries 30 | Recommended |
| IOOF MultiSeries 50 | Recommended |
| IOOF MultiSeries 70 | Recommended |
| Strategic Australian Equity Fund | Recommended |
| Strategic Fixed Interest Fund | Recommended |
| Strategic Global Property | Recommended |
| Strategic International Equity Fund | Recommended |

Choice Risk Comparison Analysis

The investment risk of the investment options are assessed by an external rating house Lonsec as well as the IOOF research team. All of the Choice investment options were rated as Recommended by Lonsec.

The Lonsec ratings have been used as a representative measure of investment risk. Research houses compare and rate investment options on risk and return outcomes, investment process, due diligence of investment teams and operations, liquidity and other metrics to determine an overall assessment and ranking.

IOOF’s research team identifies investment risks and manages them in a structured governance process to ensure members’ financial interests continue to be protected.

Lonsec Risk Rating Key

| | |
|--------------------|---|
| Highly Recommended | Indicates that Lonsec has very strong conviction the financial product can generate risk adjusted returns in line with relevant objectives. |
| Recommended | Indicates that Lonsec has strong conviction the financial product can generate risk adjusted returns in line with relevant objectives. The financial product is considered an appropriate entry point to this asset class or strategy. |
| Investment Grade | Indicates that Lonsec has conviction the financial product can generate risk adjusted returns in line with relevant objectives. |
| Screened Out | Indicates that Lonsec currently does not have conviction that the financial product can generate risk adjusted returns in line with relevant objectives. |
| Fund Watch | Indicates that no new investment into this financial product is recommended. A significant change has occurred with the financial product and a detailed assessment of the change is needed and / or series of rectifying actions required prior to this rating being changed |
| Redeem | Indicates the financial product is no longer considered worthy of investment for any time period and investors should immediately redeem units from the financial product, subject to seeking financial advice. |

Step 2. Objective Assessments

This is an assessment of product appropriateness against six key factors that can affect a superannuation product.

Options, Benefits and Facilities

The advantageous tax structure, member education, improving online capabilities and well regarded member services are considered appropriate for Corporate Choice members. The Corporate Choice product provides access to a vast range of benefits but is still priced favourably compared to the market.

Investment Strategy

The investment strategy and governance is considered appropriate on the basis that members have access to a breadth of investment choices to meet their requirements. This includes award winning cost effective options for inexperienced members and a diverse offering of over 600 investments for the financially sophisticated or advised member. Many members hold IOOF in-house investment options, with a number of these having performed well over the recent period.

Insurance strategy and fees

It is deemed that the insurance strategy is appropriate to IOOF Corporate Choice members. Several features support this assessment, such as the enhanced Trustee insurance default, customisation of default employer arrangements, personalisation of member cover, the protection provided by the erosion policy and the ability of Corporate Choice members to choose from group or retail insurance. With the completion of a tender imminent, member outcomes are expected to improve further.



Scale

With \$29 million dollars in the fund, there has been a steady increase in assets held by Choice members. Announced mergers with MLC and ANZ Wealth will also increase IOOF's scale significantly. There is confidence the scale contributes to the product being appropriate for members.

Operating Costs

The operating costs of the Trustee's business operations do not inappropriately affect the financial interests of those members

Fees

The basis for setting fees is considered appropriate for Corporate Choice members. We will continue to review our fees to ensure they are suitable and sustainable.

Product summary

Retail Choice

Product summary of the key outcomes within Steps 1 and 2 of the assessment for Retail Choice.



Step 1. Measure and Compare - Fees

Retail Choice Administration Fee Comparison

(shown as % p.a.)

IOOF Essential and IOOF Pursuit Focus are affordable and well priced compared to our peers. eXpand and IOOF Pursuit Select are comprehensive platforms with extensive features and are priced above the median. However, the actual average fee charged to members across all the products which, includes applicable discounts, brings the fees down close to median.

| Member Balance | IOOF Essential & IOOF Pursuit Focus (PDS Rates) | eXpand/ IOOF Pursuit Select (PDS rates) | Actual IOOF average fees | Median peer fee |
|----------------|---|---|--------------------------|-----------------|
| \$50,000 | 0.58% | 1.06% | 0.82% | 0.68% |
| \$100,000 | 0.47% | 0.88% | 0.63% | 0.55% |
| \$300,000 | 0.37% | 0.73% | 0.48% | 0.39% |
| \$500,000 | 0.32% | 0.64% | 0.39% | 0.32% |
| \$850,000 | 0.23% | 0.46% | 0.27% | 0.25% |
| \$1,000,000 | 0.21% | 0.42% | 0.21% | 0.21% |

The administration fee includes the Product Disclosure Statement (PDS) rates as well as the average actual fee paid by members in the product paid by IOOF members. The actual fees paid are less than the PDS rates due to the benefit of discounts*. Because this actual fee is based on an average, it is an illustrative fee amount and not necessarily representative of all members.

The peer set of comparative funds for Wrap platforms includes both retail and Wrap peers, as well as the leading industry funds. The retail and Wrap peers are comparable in features and benefits including the technology offering, investment menus and transaction and switching features. In terms of scale, IOOF sits in the middle of the peer set. The peers represent a cross section of funds that are small, medium and large in scale. Each peer offers a simple entry level product and a more comprehensive product.

The entry level product IOOF Essential is positioned very competitively in amongst peers, including industry funds. Even as an entry level product it offers access to a number of multimanager investment options, which places it an advantageous position compared to similar retail competitors and single strategy industry funds.

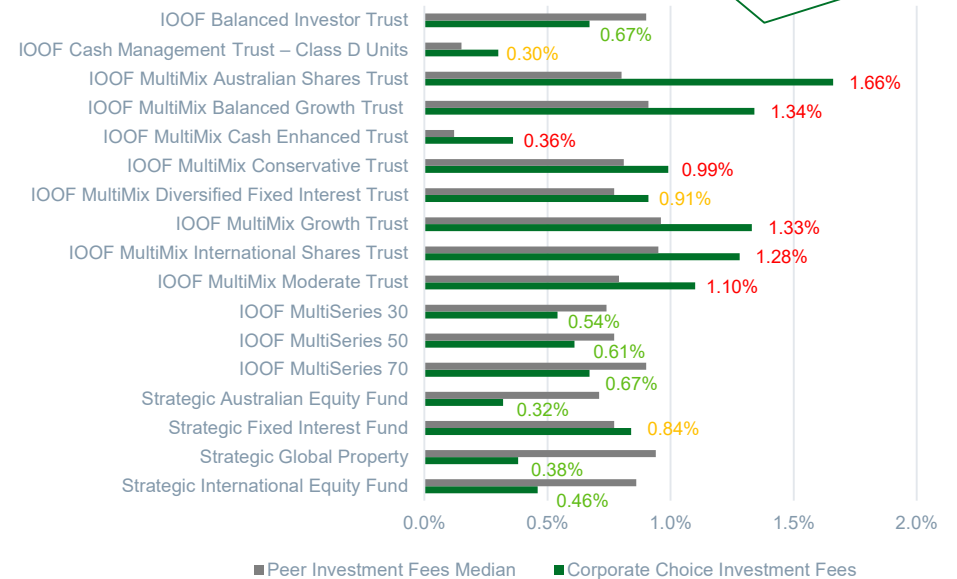
The comprehensive products eXpand and IOOF Pursuit Select, are priced above the median compared to peers. The range of products offered by peers range from simple single strategy to comprehensive offerings and this is reflected in the fees for each product. The IOOF retail products are among the more sophisticated in the market with extensive features, outstanding member services and a sizeable investment menu.

*Contact us if you would like to understand if discounts may be applicable to your account.

Retail Choice Investment Fee Comparison

(shown as % p.a.)

The majority of investment options are better than or close to the median for investment fees. Several of the investment options with higher fee have outperformed in returns.



Total fees are made up of administration fees plus investment fees. The actual administration fees paid by Retail Choice member's was close to the median but when combined with an investment option with lower fees the total fees were better than the median, making it a competitive option against peers.

The investment options with higher fees, which can be a reflection of more active management, have also produced the more outstanding investment returns.

Rating Key

- Above median
- Close to median
- Significantly below median

Source: Various peer fund PDS documents

Step 1. Measure and Compare - Investment Returns

We provide members with an extensive choice of investment options to meet their super and retirement planning needs. The investment options are intended to allow members to make choices that match their individual circumstances, diversify their portfolio and match their investment risk and return profile.

Many of our members are invested in our multi-manager solutions which simplify the investment selection process by providing access to investments managed by a team of award winning and experienced professionals who are dedicated to identifying, blending and monitoring different investment strategies managed by leading third party managers.

The number of investment options performing close to or above the median has increased over the 5 year to 3 year to 1 year performance.

A majority of IOOF's multi-manager investments have performed better than the median of comparative funds' investment options in 1 year returns, with many ranked in the top quartile (above median).

IOOF Investment Options ranked in the top quartile for 1 year performance return to 30 June 2020

- IOOF MultiMix Balanced Growth Trust

- IOOF MultiMix Growth Trust

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- IOOF Balanced Investor Trust

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- IOOF MultiMix International Shares Trust

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- IOOF MultiSeries 30

- IOOF MultiSeries 50

- IOOF MultiSeries 70



OptiMix Wholesale Australian Fixed Interest Trust A



Specialist Property Fund



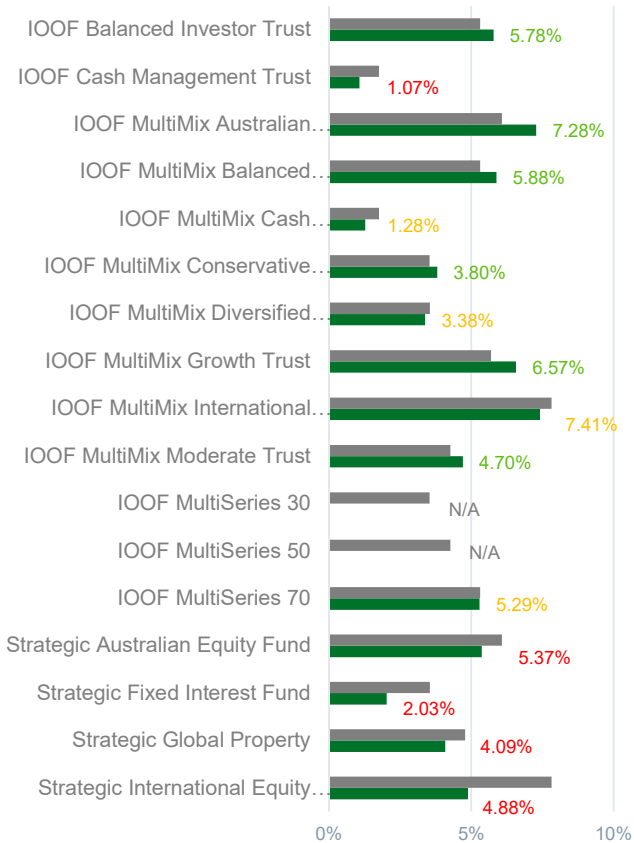
Product summary – Retail Choice

Step 1. Measure and Compare - Investment Returns

Five year

(% p.a. over five years to 30 June 2020)

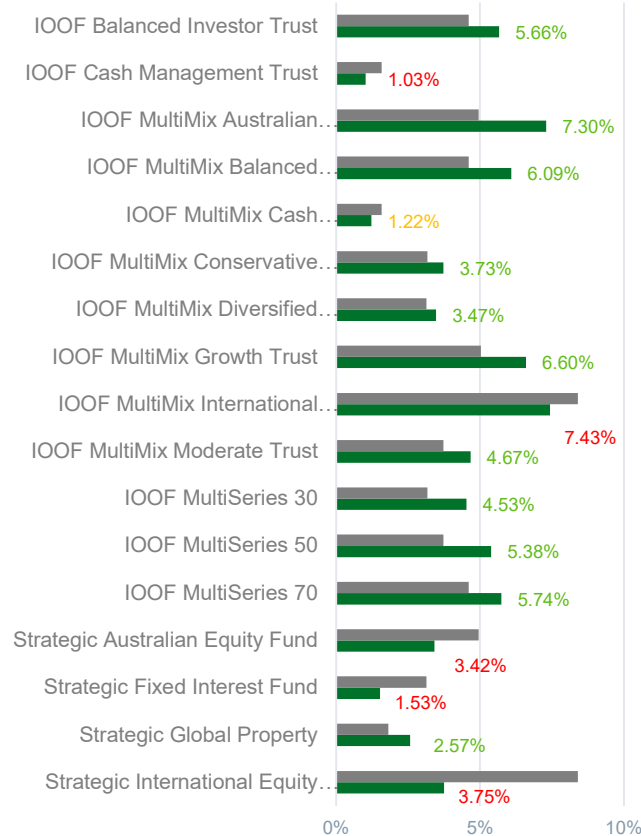
5 year returns are better than or close to the median for around half the investment options. The performance over more recent years has improved as can be seen in the 3 and 1 year performance.



Three year

(% p.a. over three years to 30 June 2020)

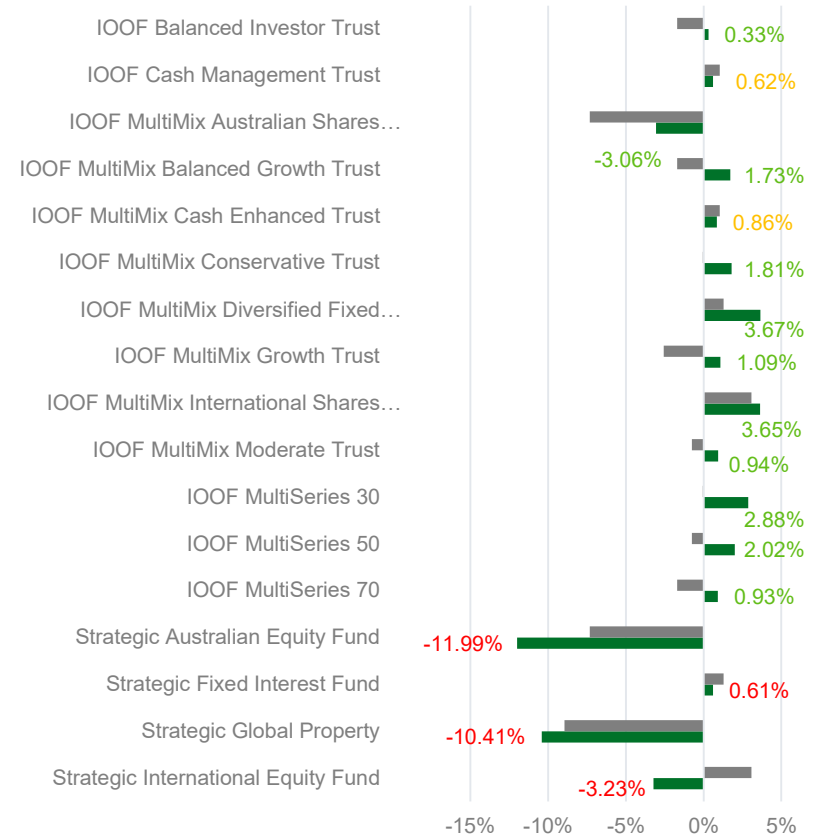
There is a clear trend of improved performance over time with the majority of investment options performing above median.



One year

(% p.a. over one year to 30 June 2020)

In a volatile year where many peers had negative returns, a majority of IOOF's investment options had positive and higher than median returns indicating well performing investment options.



■ Peer performance median ■ IOOF performance

Rating Key

- Above median
- Close to median
- Significantly below median

Step 1. Measure and Compare - Investment Risk

Choice Risk Comparison

| Choice Product | Lonsec Risk Rating |
|--|--------------------|
| IOOF Balanced Investor Trust | Recommended |
| IOOF Cash Management Trust | Recommended |
| IOOF MultiMix Australian Shares Trust | Recommended |
| IOOF MultiMix Balanced Growth Trust | Recommended |
| IOOF MultiMix Cash Enhanced Trust | Recommended |
| IOOF MultiMix Conservative Trust | Recommended |
| IOOF MultiMix Diversified Fixed Interest Trust | Recommended |
| IOOF MultiMix Growth Trust | Recommended |
| IOOF MultiMix International Shares Trust | Recommended |
| IOOF MultiMix Moderate Trust | Recommended |
| IOOF MultiSeries 30 | Recommended |
| IOOF MultiSeries 50 | Recommended |
| IOOF MultiSeries 70 | Recommended |
| Strategic Australian Equity Fund | Recommended |
| Strategic Fixed Interest Fund | Recommended |
| Strategic Global Property | Recommended |
| Strategic International Equity Fund | Recommended |

Choice Risk Comparison Analysis

The investment risk of the investment options are assessed by an external rating house Lonsec as well as the IOOF research team. All of the Choice investment options which were in-scope for assessment against peers were rated as Recommended by Lonsec.

The Lonsec ratings have been used as a representative measure of investment risk. Research houses compare and rate funds on risk and return outcomes, investment process, due diligence of investment teams and operations, liquidity and other metrics to determine an overall assessment and ranking.

IOOF’s research team identifies investment risks and manages them in a structured governance process to ensure members’ financial interests continue to be protected.

Lonsec Risk Rating Key

| | |
|--------------------|---|
| Highly Recommended | Indicates that Lonsec has very strong conviction the financial product can generate risk adjusted returns in line with relevant objectives. |
| Recommended | Indicates that Lonsec has strong conviction the financial product can generate risk adjusted returns in line with relevant objectives. The financial product is considered an appropriate entry point to this asset class or strategy. |
| Investment Grade | Indicates that Lonsec has conviction the financial product can generate risk adjusted returns in line with relevant objectives. |
| Screened Out | Indicates that Lonsec currently does not have conviction that the financial product can generate risk adjusted returns in line with relevant objectives. |
| Fund Watch | Indicates that no new investment into this financial product is recommended. A significant change has occurred with the financial product and a detailed assessment of the change is needed and / or series of rectifying actions required prior to this rating being changed |
| Redeem | Indicates the financial product is no longer considered worthy of investment for any time period and investors should immediately redeem units from the financial product, subject to seeking financial advice. |

Step 2. Objective Assessments

This is an assessment of product appropriateness against six key factors that can affect a superannuation product.

Options, Benefits and Facilities

The advantageous tax structure, member education, improving online capability and well regarded member services are considered appropriate for Retail Choice members. The Retail Choice product provides access to a vast range of benefits but is still priced favourably compared to the market.

Investment Strategy

The investment strategy and governance is considered appropriate on the basis that members have access to a breadth of investment choices to meet their requirements. This includes award winning cost effective options for inexperienced members and a diverse offering of over 600 investments for the financially sophisticated or advised member. Many members hold IOOF in-house investment options, with a number of these having performed well over the recent period.

Insurance strategy and fees

It is deemed that the insurance strategy is appropriate to IOOF Retail Choice members. Several features support this assessment, such as the enhanced Trustee insurance default, customisation of default employer arrangements, personalisation of member cover, the protection provided by the erosion policy and the ability of Retail Choice members to choose from group or retail insurance. IOOF is currently in the process of finalising a tender for a new insurance provider. It is expected member outcomes will improve further as a result of this tender.



Scale

There has been a decline in the number of Choice members but a steady increase in assets. Although the number of members has decreased the average member balance has increased. Announced mergers with MLC and ANZ Wealth will also increase IOOF's scale significantly. Therefore there is confidence that the scale leads to the product being appropriate for members.

Operating Costs

The operating costs of the Trustee's business operations do not inappropriately affect the financial interests of those members

Fees

The basis for setting fees is considered appropriate for Retail Choice members. Re-pricing was undertaken in 2018 and subsequent pricing changes have also been implemented in response to competitor pricing reductions. The comprehensive product is less fee competitive compared to peers but also comes with additional service features.

Closed Products Determination

Determination relevant to products that are
currently closed to new members



What is a Closed Product?

A number of our products have been closed to new members and we will be transitioning members in these products to more contemporary products. These products are referred to as 'Closed Products' in this document.

The following table outlines the products that are classified as Closed Products.

| Your Super Product |
|--|
| IIOF Portfolio Service Superannuation Fund IIOF Portfolio Service Standard |
| Employer Super, Corporate Super, Personal Super, Allocated Pension, Term Allocated Pension |
| Bendigo Financial Solutions |
| Personal Super, Allocated Pension, Term Allocated Pension |
| Financial Partnership Portfolio Service LifeTrack |
| Staff Super, Personal Super, Cashback Pension, Complying Super |
| Integral Master Trust |
| Super, Allocated Pension |
| IIOF Pursuit Core |
| Super, Allocated Pension, Term Allocated Pension |
| IIOF Portfolio Service Wholesale |
| Personal Super, Allocated Pension |
| IIOF Portfolio Service (GO) |
| Personal Super, Standard Allocated Pension, Term Allocated Pension |
| AvWrap Retirement Service Superannuation Fund AvWrap Retirement Service |
| Personal Super, Account Based Pension |
| Acquire Retirement Service |
| Personal Super, Account Based Pension |

Closed Products

We have determined that the financial interests of members in the Closed Products may not be being sufficiently promoted. In order to address this concern, transition plans have been developed. For each of these Closed Products, members will be transitioned to products which have been determined to promote their financial interests.

The transition will ensure members have, at least, equivalency in fees, costs and benefits. The transition will bring scale and simplicity to the fund's product offering, enabling improvement of member outcomes through efficiency, sustainability and the ability to innovate.



Fees

Fees and costs have been mapped out for Closed Products to ensure members have equivalency. It is expected that more than half will be better off upon transition.



Options,
Benefits
& Facilities

Members currently in Closed Products will benefit from a significant uplift in features that includes more investment options, retail insurance, access to family fee aggregation discounting and improved user experience including online transactions, ability to maintain beneficiaries online and modern/automated communications and statements



Scale

The scale of IIOF's superannuation fund will remain the same and efficiencies expected from the transition will benefit all members in the fund.

About us

At IOOF, we have been helping Australians secure their financial future since 1846. During that time, we have grown substantially to become a leading provider of quality financial services.

As an ASX top 200 company, and with more than \$149.5 billion in funds under management, administration and advice, we currently service more than 500,000 customers around Australia.

Our advice-led, ClientFirst philosophy together with a broad range of products and services means that our ability to provide tailored solutions to help advisers and their clients achieve their financial goals is unparalleled. We believe that success only comes from caring about people and providing quality service and consistent performance.

At IOOF, we have a long history of partnering with other financial services organisations, as well as other advice providers throughout Australia. This ensures we always act in our clients' best interests providing them with greater choice and flexibility.

Important information

This document has been prepared by IOOF Investment Management Limited (IIML) ABN 53 006 695 021, AFS Licence No. 230524 as Trustee of the IOOF Portfolio Service Superannuation Fund ABN 70 815 369 818. IIML is part of the IOOF Group of companies, consisting of IOOF Holdings Limited ABN 49 100 103 722 and its related bodies corporate. The information in this document has been given in good faith and has been prepared based on information that is believed to be accurate and reliable at the time of publication. Before making any decisions, advisers and their clients should consider the relevant Product Disclosure Statements.