

Member Outcomes Assessment

Year ended
30 June 2023

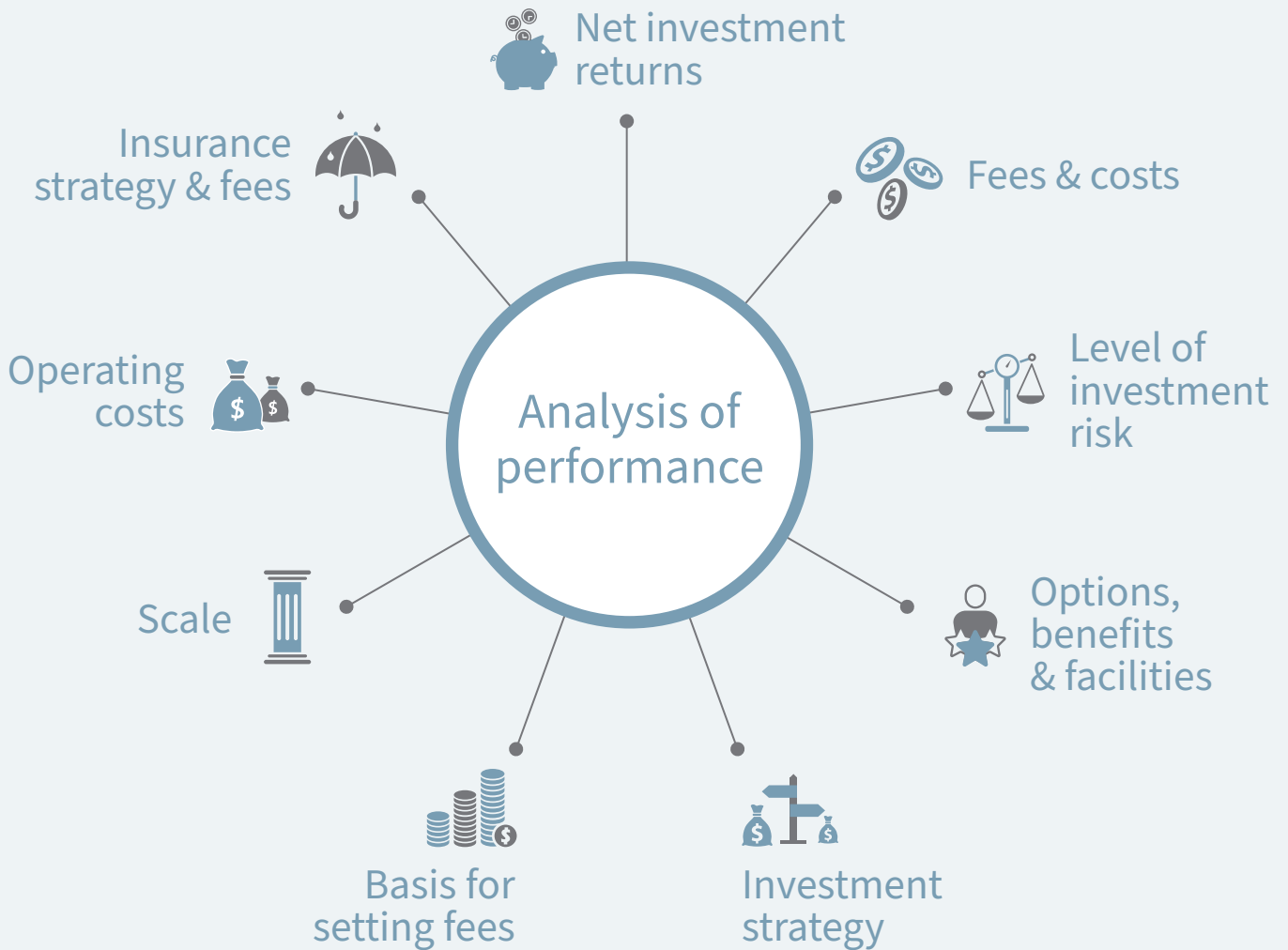
The information in this document
relates to Shadforth Portfolio
Service Super and Shadforth
Portfolio Service Pension

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



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 sfg.com.au/portfolio

Shadforth Portfolio Service is a wrap platform customised to support Shadforth clients' needs in super and retirement with a menu covering managed investments, Australian listed securities, and term deposits. For the purpose of the investment related assessment, only the managed investments will be in-scope.



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

I Summary of findings

The findings below cover both Shadforth Portfolio Service Super (**Shadforth Super**) and Shadforth Portfolio Service Pension (**Shadforth Pension**).

Factor	Data source/timing ¹	Findings
Overall assessment		
Net investment returns	APRA ² Expanded Performance Test 2022-23 IIML STIC ³ Quarterly Reporting	
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	IIML Financial Reports FY2023 Product Disclosure Statements	
Scale	APRA Fund-level Superannuation Statistics	
Operating costs	IIML Financial Reports FY2023	
Insurance strategy & fees	IIML Risk Appetite Statement July 2023 APRA Life Insurance Claims and Disputes Statistics	



'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 Australian Prudential Regulation Authority (APRA)

³ IIML Superannuation Trustee Investment Committee

Product comparison, performance and ratings

Net investment returns	<p>Net investment return is the return we deliver to you minus investment fees and costs, and taxes.</p> <p>We've determined that the net investment returns for Shadforth Super and Shadforth Pension are promoting members' financial interests on the basis that the majority of the Shadforth investment options have achieved performance above median over a combined 1 year and 5 year performance period, and Shadforth Super has passed APRA's Your Future Your Super assessment.</p>
Fees & costs	<p>These are the administration fees and costs related to your superannuation account.</p> <p>We've determined that the fees and costs for Shadforth Super and Shadforth 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.</p>
Level of investment risk	<p>This is a measure of the risk profile of your investment in relation to performance, benchmarks and objectives.</p> <p>We've determined that the investment risk for Shadforth Super and Shadforth Pension is promoting members' financial interests on the basis that the:</p> <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	<p>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.</p> <p>We've determined that the options, benefits and facilities for Shadforth Super and Shadforth 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.</p>
Investment strategy	<p>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.</p> <p>We've determined that the investment strategy for Shadforth Super and Shadforth 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.</p>
Basis for setting fees	<p>This determines whether the fee structure of each product is appropriate and fair.</p> <p>We've determined that the basis for setting fees for Shadforth Super and Shadforth Pension is promoting members' financial interests on the basis that:</p> <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 are available for members 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	<p>This measures whether IIML has sufficient scale to promote the financial interests of members.</p> <p>We've determined that IIML has sufficient scale to sustain member outcomes into the future and is therefore promoting members' financial interest.</p>

<p>Operating costs</p>	<p>This measures IIML’s costs in operating the various superannuation funds.</p> <p>We’ve determined that operating costs for IOOF Investment Management Limited, as the trustee of IOOF Portfolio Service Superannuation Fund Shadforth Super and Shadforth Pension 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 other IIML products and one-off expenses related to product simplification. These indicators are expected to improve in the near term.</p>
<p>Insurance strategy & fees</p>	<p>This assesses whether IIML’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 (not applicable to Shadforth Pension).</p> <p>Shadforth Super provides both group and retail insurance options to members.</p> <p>We’ve determined that the insurance strategy and fees (both group and retail) for Shadforth Super are promoting members’ financial interests. Members can apply through their adviser for a flexible insurance offer that meets their personal circumstances.</p>

I Overall conclusion

Shadforth Portfolio Service Super	Shadforth Portfolio Service Pension
<p>We’ve determined that, overall, the Shadforth Portfolio Service 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, the Shadforth Portfolio Service 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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