

MAP Super

Year in Review 2020

Summary

Thank you for reading the MAP Super (MAP) product summary which includes the product determination, a summary of our annual member outcomes assessment and comparison for the 2019-2020 financial year.

The Trustee's strategic objective is to deliver quality, value for money outcomes for members, achieving sustainability and success over the long term, and helping individuals meet their superannuation needs over a required time horizon.

As at 30 June 2020, MAP had 1,285 members and was a sub-plan of MAP Master Superannuation Plan Division II (MAP). Members of MAP were transferred as part of the larger MAP transfer into OneSuper¹ from 1 December 2020. This transfer enabled members to take advantage of greater efficiencies through being part of a larger fund which is expected to ultimately lead to improved member outcomes. MAP offers an accumulation superannuation product and an account based pension, with a transition to retirement option, direct to members.

The 2019-2020 financial year was an unprecedented year with challenges arising from prolonged drought conditions, the worst bushfire season on record, and the onset of COVID-19 in February 2020, which impacted business and communities on a global scale.

During the year, we implemented the following positive changes:

- We completed the transition of a number of our investment options to the reconstructed investment pools. The consolidation of the underlying investments, resulting in a reduction of investment fees should drive greater positive returns in the future.
- We simplified our disclosure documents and enhanced our members' digital experience with continued improvements to the online portals and the launch of a new public website, with increased and improved communications to members. We also provided access to educational and research material to assist during this challenging year.

¹ Members were transferred into OneSuper ABN 43 905 581 638 (formerly known as Smartsave 'Member's Choice' Superannuation Master Plan) by way of Successor Fund Transfer (SFT).

MAP Super a sub plan of OneSuper ABN 43 905 581 638 RSE R1001341

Trustee: Diversa Trustees Limited **ABN:** 49 006 421 638 **RSE Licence Number:** L0000635 **AFSL Licence:** 235153

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We focused on creating the right investment structure for members and providing education and support to assist them in navigating through what has been a very challenging year. On balance, and based on the assessment of the outcomes achieved and evidence contained in this summary, we have determined that:

- members' interests are being promoted;
- the basis for the setting of fees is appropriate for members;
- members have not been disadvantaged due to the scale of, and within, the Trustees' business operations;
- the operating costs of the Trustees' business operations are not inappropriately affecting the financial interests of members;
- the options, benefits and facilities offered under the product are appropriate to members;
- the investment strategy for the product, including the level of investment risk and the return target, is appropriate to members; and
- the insurance strategy for the product is appropriate to members.

Fees, investment returns and risk

Where we have used the median in our comparisons, benchmarks or measurements, the median is defined as the middle of a sorted list of values. For example, take this list of numbers: 2, 10, 12. The average is found adding all of the numbers together and dividing the number of items in the set: $(2 + 10 + 12) \div 3 = 8$. The median is just the middle number: 10 in the range of values.

We have used the median either calculated using APRA statistical data, or provided by SuperRatings², a company which specialises in ratings and research for the super industry and compares funds across a range of quantitative and qualitative factors. We benchmarked our fees, returns and level of investment risk against our peers³.

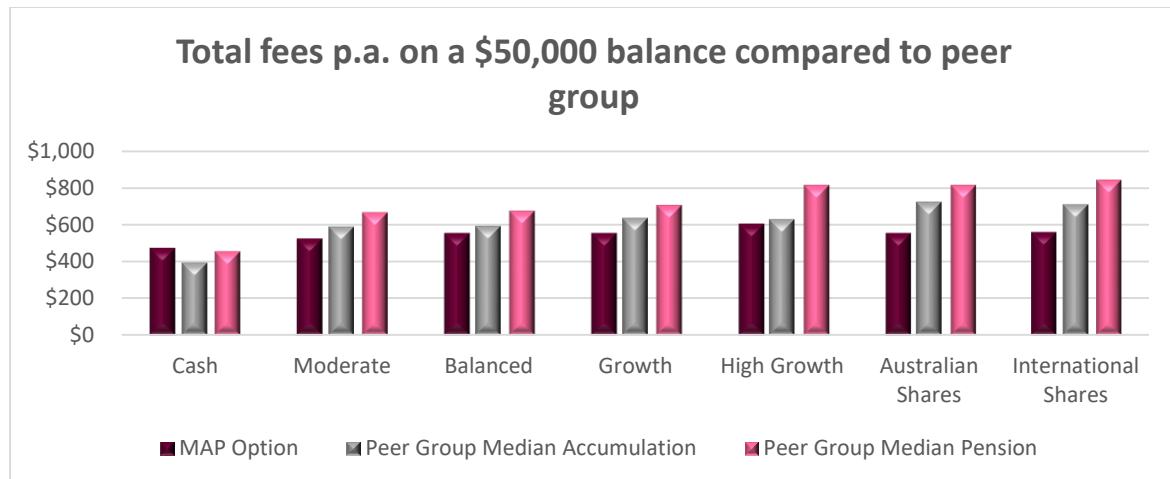
MAP members have access to a diverse range of Pooled Investment Options, designed to meet different investment objectives.

² Fee medians are sourced from SuperRatings and are as at 30 June 2020.

³ Peer Group is defined as all Master Trusts – Personal, Master Trust – Corporate, Industry – Personal, and Industry Public Offer Corporate – Personal products with data sourced from SuperRatings

Fees

Our aim is to maintain an adequate fee structure to ensure that member services can be appropriately delivered and be less expensive than the median of our peers. As shown below, this was achieved for six of our seven pooled investment options. We will continue to review the overall pricing to find further efficiencies following the transfer into OneSuper with the aim of reducing member fees.



Members' investments in the Pooled Investment Options are charged a percentage-based fee, subject to a minimum annual administration fee of \$150 which is prorated. The percentage-based administration fee is tiered and is reduced when a member's balance is greater than \$249,000. No asset-based fees are charged for balances over \$1.5M. There is no flat account keeping fee. The average account balance of our members is \$121,290.

Our operating expense ratio is 0.70% p.a., is higher than the median of 0.60% for retail funds and 0.40% p.a. for the whole industry. Post the transfer of members to OneSuper, MAP leverages the scale of being part of an umbrella fund with funds under management of over \$1.15 billion⁴, and we will continue to seek fee reductions where possible. Therefore, the Trustee has determined that our members are not disadvantaged due to the scale of, and within, the Trustees' business operations, and the operating costs of the Trustees' business operations are not inappropriately affecting the financial interests of members.

⁴ Figure is as at 30 June 2020

Investment Returns and Investment Risk

Investment Returns

The below table provides the investment returns ⁵for the pooled options relative to their investment objective. Returns higher than the investment objective are indicated in green, and returns lower than the objective are indicated in red.

Pooled Investment Option	3year	5year	10year	Since inception
MAP Cash Investment Option	1.13%	1.36%	2.71%	4.11%
Investment Objective (Bloomberg AustBond BB Index)	1.21%	1.43%	2.44%	5.88%
MAP Moderate Investment Option	3.21%	3.19%	3.89%	4.73%
Investment Objective (CPI + 0.5%)	1.61%	1.76%	2.30%	2.86%
MAP Balanced Investment Option	3.88%	4.07%	N/A	5.13%
Investment Objective (CPI + 1.5%)	2.62%	2.77%	N/A	3.12%
MAP Growth Investment Option	4.59%	4.66%	5.31%	5.95%
Investment Objective (CPI + 2.5%)	3.63%	3.78%	4.33%	4.91%
MAP High Growth Investment Option	5.31%	5.38%	6.03%	6.29%
Investment Objective (CPI + 3.5%)	4.64%	4.79%	5.35%	5.84%
MAP Australian Shares Investment Option	4.20%	5.29%	6.33%	6.97%
Investment Objective (S&P/ASX 300 Accumulation Index)	5.24%	6.00%	7.71%	7.96%
MAP International Shares Investment Option	8.20%	6.59%	7.73%	4.98%
Investment Objective (MSCI World (ex Aust) Index in \$A)	8.85%	7.33%	10.32%	5.12%
MAP Cash - Pension	1.29%	1.59%	3.07%	4.64%
Investment Objective (Bloomberg AustBond BB Index)	1.21%	1.43%	2.44%	5.85%
MAP Moderate - Pension	3.46%	3.62%	4.31%	5.54%
Investment Objective (CPI + 0.5%)	1.61%	1.76%	2.30%	2.90%
MAP Balanced - Pension	4.23%	4.58%	N/A	5.69%
Investment Objective (CPI + 1.5%)	2.62%	2.77%	N/A	3.12%
MAP Growth - Pension	4.58%	5.03%	5.75%	6.52%
Investment Objective (CPI + 2.5%)	3.63%	3.78%	4.33%	4.91%
MAP High Growth - Pension	5.25%	5.68%	6.41%	6.78%
Investment Objective (CPI + 3.5%)	4.64%	4.79%	5.35%	5.84%
MAP Australian Shares - Pension	4.31%	5.09%	6.44%	7.27%
Investment Objective (S&P/ASX 300 Accumulation Index)	5.24%	6.00%	7.71%	7.96%
MAP International Shares - Pension	5.73%	5.33%	7.45%	4.80%
Investment Objective (MSCI World (ex Aust) Index in \$A)	8.85%	7.33%	10.32%	5.12%

⁵ Past performance is not a reliable indicator of future performance

The majority of the pooled investment options have met their investment objective over the relevant period. We believe that with the recent restructuring of the underlying investments, including the reduction in investment fees, returns will improve in the future.

Investment Risk and Strategy

The general investment objectives of MAP are:

- To offer members a range of different approved investment options by return potential, risk profile and style, to suit members individual circumstances and promote diversification of member strategies.
- To achieve competitive investment returns for members commensurate with risk.

The average MAP member is 54 years of age, with an account balance of \$121,290. This range of options has been chosen to cater for different types of investors who have different investment needs.

MAP does not have a default investment option. The labelling of the diversified options and the aligned Standard Risk Measure are consistent with other comparable funds.

MAP is focused on providing its members with greater returns and better long-term outcomes. Based on the above, the Trustee has determined that, on balance, the basis for the setting of fees, the investment strategy for the product, including the level of investment risk and the return target, is appropriate to members.

Member services and product options

2020 was a year in which we focused on driving improvements to our communication and member engagement tools, introducing improved, regular communications and an upgraded website to ensure information was easy for members to find and access. Given the uncertainty created by COVID-19 and the broader market downturn, it was vital that we were able to increase the support provided to members in these ways.

A vital part of the upgraded communications were the educational emails sent on the latest insights directly to the member's inbox. These communications were very well received, with MAP achieving almost double the average industry email open rate, reflecting the relevancy and importance of communications with our members. In the period to 30 June 2020, member interest in fund emails were well over benchmark, with emails being opened by members over 39% of the time. Where a click-through to an article was applicable, the industry benchmark was well exceeded with up to 7% click-through rates on the quarterly eNews⁶.

⁶ Open rates and Click-through rates statistics are evidenced from Promoter Mailchimp reporting data.

The new OneSuper website was launched on 1 December 2020, with MAP given its own set of pages within this secure site to augment the existing fund website enhancing members' digital experience. It's easy to navigate around and from the site, access the member portal for account, investment and insurance information.

We also continue to enhance our member digital experience. We've done this through conducting a comprehensive review of the current end-to-end digital experience. Through this, we created new member educational tools, FAQs and provided links to other websites providing members with assistance, for example, moneysmart.org videos and financial help pages to assist members to navigate through what has been a very challenging year.

We also refreshed our disclosure documents to make them simpler to understand and reviewed our investment offering.

The Trustee has determined that the options, benefits and facilities offered under the product are appropriate to members.

Insurance

MAP provides members with access to insurance cover to help protect a member family's financial security against the unexpected. Group Life Cover and Group Income Protection Cover (IP) is available. Members can apply for unlimited Death cover of up to \$3 million of Total Permanent Disablement (TPD). IP insurance is also available, covering up to 75% of salary over a 2-year or to age 65 benefit period, with a choice of 30, 60-or 90-day waiting periods.

Default Death & TPD is provided if members elect to receive it, that is opt-in, after considering their personal situation and needs, and the cost of the cover, and as such, the Trustee does not look to measure the impact of insurance eroding your retirement income.

Based on the above, the Trustee has determined that the insurance strategy for the product is appropriate to members, and that there is no inappropriate erosion of members' retirements income due to the impact of insurance premiums.

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