



Annual Report for the period starting 1 July 2022 and ending 30 June 2023

MLC Super Fund

Preparation date
18 December 2023

Issued by the Trustee
NULIS Nominees (Australia)
Limited

ABN 80 008 515 633
AFSL 236465

For MLC Super Fund
(The Fund)
ABN 70 732 426 024



This Annual Report is relevant to:

- MLC MasterKey Super & Pension Fundamentals*
- MLC MasterKey Business Super*
- MLC MasterKey Personal Super*
- MLC MasterKey Term Allocated Pension*
- MLC Capital Guaranteed Personal Super Savings Plan Series 1-2*
- MLC Super Pension Plan*
- MLC Maturity Growth Superannuation Plan*
- MLC Whole of Life Superannuation*
- MLC Endowment Superannuation*
 - Whole of Life*
 - Endowment*
- MLC Pure Endowment Superannuation*
 - MLC Life Cover Super*
 - MLC Insurance (Super)*
 - MLC Protectionfirst*

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This document has been prepared on behalf of NULIS Nominees (Australia) Limited, ABN 80 008 515 633, AFSL 236465 (NULIS) as Trustee of MLC Super Fund, ABN 70 732 426 024. NULIS is part of the group of companies comprising Insignia Financial Ltd, ABN 49 100 103 722 and its related bodies corporate (Insignia Financial Group).

The information in this document is general in nature and doesn't take into account your objectives, financial situation or individual needs. Before acting on any of this information you should consider whether it is appropriate for you. You should consider obtaining financial advice before making any decisions based on this information.

References to 'we', 'us' or 'our' are references to the Trustee, unless otherwise stated.

MLC Limited uses the MLC brand under licence. MLC Limited is part of the Nippon Life Insurance Group and is not a part of the Insignia Financial Group.

Subject to super law, the final authority on any issue relating to your account is the Fund's Trust Deed, and the relevant insurance policy, which governs your rights and obligations as a member.

Past performance is not a reliable indicator of future performance.

Any projection or other forward looking statement ('Projection') in this document is provided for information purposes only. No representation is made as to the accuracy or reasonableness of any such Projection or that it will be met. Actual events may vary materially.

An online copy of this document is available at mlc.com.au/annualreports

MLC Super Fund at a glance

From 1 July 2022 to 30 June 2023

\$81.1b

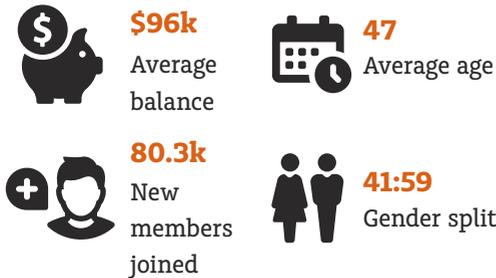
Funds under management



We've been looking after the retirement and investment needs of generations of Australians. Being with us means you're a part of one of Australia's largest super funds – so you know you're in good company.



Our members



Fund performance



Early release of your super



Easy access



¹ The MySuper return relates to the return for the MySuper Growth portfolio. The return is net of investment fees and tax considerations and does not include administration fees and costs. For details of how the MySuper product works and relevant fees and costs, refer to the PDS and Investment Menu.

² This includes Insurance Needs, SuperSizer, and Personal Super Calculator.

³ This includes calls for products issued by NULIS, MLC Investments Limited, ABN 30 002 641 661, AFSL 230705 and Navigator Australia Limited, ABN 45 006 302 987, AFSL 236466.

A message from the Chair

Welcome to the MLC Super Fund 2022-23 Annual Report.

The 2023 financial year was again marked by global and domestic economic uncertainty. Despite this, I'm pleased to say our dedicated team of experts again achieved solid investment returns for members.

I'm also proud that we delivered on our promise to simplify and improve our products, investments, customer service and technology processes. That's important to us, because we believe driving continual improvement of our products and services and providing consistent performance—in good times and bad—is key to our members' long-term financial wellbeing.



Lindsay Smartt

Delivering for our members

Over the year, we introduced a simpler, more contemporary investment menu that continues to offer members a diverse investment choice. The new investment menu is part of our ongoing commitment to helping members meet their retirement goals by providing enhanced products—with most members now paying lower investment fees and earning higher net investment returns over time.

And I was pleased to see our efforts recognised, with MLC's MySuper product delivering the industry's fifth-highest return over three years in the SuperRatings MySuper survey¹.

MLC MasterKey Business Super was also awarded *Insurance Best Fund 2023 Winner* by Chant West, which is given to the product judged to best deliver the right benefits to the people who really need them, for a reasonable price. This follows significant enhancements to our insurance claims experience, with the introduction of online underwriting and tele claims services making our claims process quicker and easier for members.

Straddling high inflation and possible recession

As always, it's key to look at the broader economic environment to understand what's driving investment performance.

The 2023 financial year saw inflation, interest rates and the war in Ukraine maintain pressure on consumers, globally. The steep increase of interest rates by central banks showed signs of moderating inflation but also stirred concerns of overstepping the mark, potentially leading to a global recession. And indeed, some economies like Germany and New Zealand did fall into recession due to lower consumer spending resulting from increased interest rates.

Encouragingly though, lower oil prices, reduced international shipping costs and the normalisation of global supply chains, have taken some heat out of global inflation pressures.

On the domestic front, high electricity, rent, property and food prices look set to continue, maintaining the inflation threat at home. With Australia's consumer inflation running at 6% in the year to June 2023, the Reserve Bank of Australia (RBA) maintains relatively high interest rates which are needed to reduce it to their 2% to 3% target. It remains to be seen if the RBA's interest rate increases manage to achieve that target without driving Australia's economy into recession.

Strong markets, despite global challenges

Despite economic challenges, global and US share market performance remained strong during the year. The global share market, returned 14.6%² for the 2023 financial year, largely stemming from the strength of the US share market.

A message from the Chair

By contrast, the Chinese share market continued to struggle, with concerns over the government's handling of its economy and private sector.

Australian shares, as measured by the S&P/ASX 300, made a robust 14.4% return for the 2023 financial year, boosted by very strong gains in the Information Technology and Resources sectors. The Consumer Discretionary and Financial sectors also delivered strong gains, despite the challenge of higher inflation and interest rates squeezing consumers.

Given the positive and negative developments at play in the current investment environment, it's important for investors to maintain an appropriately disciplined and diversified portfolio at this challenging time.

Your Future, Your Super

Turning to regulatory developments, namely the *Your Future, Your Super* reforms, which aim to make super easier and more effective for members.

When first introduced, the Australian Prudential Regulation Authority focused on how the industry's MySuper products stacked up to the reforms by conducting an annual performance test. In 2023, the test was expanded to include non-MySuper products with diversified investment strategies—of which all ours passed. Likewise, our MySuper product also passed again.

Responsible investment

Our members are increasingly looking for investments that better align to their preferences regarding social and ethical issues which is why we introduced the MLC Socially Responsible Growth investment option.

Importantly, we believe responsible investment can improve investment outcomes for our members, which drives our continued consideration of ESG factors, where possible, in the MLC investment options we offer.

If you'd like information about ESG factors and our responsible investing approach, please visit mlc.com.au/responsible-investment-policy

A message from the Chair

Thank you

On behalf of the Trustee Board, thank you for trusting MLC Super Fund to look after your long-term financial wellbeing.

We also look forward to inviting you to the 2023 Annual Members' Meeting. You'll receive your invitation to the meeting by this December, which will be held in February 2024. At the meeting, you'll hear about your fund's performance, get an outlook of what's to come, and have the opportunity to ask questions to the people looking after your super, including me.



Lindsay Smartt

Chair

NULIS Nominees (Australia) Limited

¹ SuperRatings Fund Crediting Rate Survey, June 2023

² MSCI AC World Index \$A Hedged (Net)

This report has been prepared by NULIS Nominees (Australia) Limited, as Trustee of the MLC Super Fund. It contains general information about the MLC Super Fund, including abridged financial statements and changes to the MLC Super Fund during the year.

Looking out for your interests

The directors of the Trustee Board have a variety of work and life experiences which help them represent and look out for your interests.

Made up of non-executive directors, the Trustee Board is responsible for the management and performance of the Fund.

The Trustee Board has professional indemnity insurance. And the Trustee has appointed its related company, MLC Wealth Limited, ABN 97 071 514 264, to carry out the day-to-day functions of the Fund.

Meet the Board

The directors are:

Lindsay Smartt (Chair)

Bachelor of Arts
Fellow of the Institute of Actuaries
Fellow Australian Institute of Company Directors

Karen Gibson

Bachelor of Science
Graduate Diploma of Teaching
Master of Business Administration
Associate Diploma of Superannuation Management
Graduate Australian Institute of Company Directors

Jane Harvey

Bachelor of Commerce
Master of Business Administration
Fellow Institute of Chartered Accountants Australia and New Zealand
Fellow Australian Institute of Company Directors

Beth McConnell

Master of Commercial Laws
Bachelor of Commerce
Bachelor of Laws (Honours)
Diploma of Superannuation Management
Graduate Australian Institute of Company Directors

Steve Schubert

Bachelor of Science (Applied Mathematics and Physics)
Fellow Institute of Actuaries of Australia
Graduate Australian Institute of Company Directors (Order of Merit)

Trustee director movements

Robert Andrew Bloore resigned effective 9 December 2022.

Looking out for your interests

Operational Risk Financial Requirement (Reserve) **General reserves**

The Government requires superannuation fund trustees to hold adequate financial resources (Reserve) to cover any losses that members incur due to operational errors. The Reserve has been established in full by corporate capital contributed by the Trustee and its former ultimate shareholder. If the Reserve falls below our targets, we propose to fund the shortfall through corporate capital, rather than seeking contributions from members. This means that we don't currently require members to contribute to the Reserve, but members will be notified if this changes in the future. As the Reserve is held by the Trustee, it isn't reported in the financial statements of the Fund.

The balance of the Reserve at the end of the last 3 financial years is summarised below:

- 30 June 2023: \$297M
- 30 June 2022: \$286M
- 30 June 2021: \$288M

We have established general reserves to provide liquidity to assist in the management of the Fund for the benefit of members. We manage and replenish these reserves in accordance with its applicable policy, with the guiding principle that the general reserves should be replenished from sources that are not easily allocated back to members, unless members have been explicitly advised.

The balance of the General reserve at the end of the last 3 financial years is summarised below:

- 30 June 2023: \$54M
- 30 June 2022: \$44M
- 30 June 2021: \$44M

For details of the balances and movement of the General reserve and other reserves, refer to the Abridged financial information – Statement of changes in reserves on page 21.

Some things you should know

Policy Committees (MLC MasterKey Business Super members only)

If your employer plan had a policy committee during the financial year, you can find details about your plan's policy committee and members in your Annual Statement.

We have a set of rules for the appointment and removal of employer and member representatives of the Policy Committee. These rules provide for equal representation of member and employer representatives. Member representatives are generally elected by members and are typically appointed for a period of three years. Employer representatives are appointed by your employer for a period determined by your employer.

Transfers to the Australian Taxation Office (ATO) in Other Circumstances

The law and rules defining the transfer of unclaimed superannuation money to the ATO can be viewed at ato.gov.au

In summary, we're generally required by law to transfer your account to the ATO if any of the following occurs:

- your account balance is less than \$6,000 and either:
 - no contributions or rollovers have been made to your account for 12 months, you haven't otherwise contacted the Fund for 12 months and we have no way of contacting you, or
 - you've been a member of the Fund for more than 2 years, your account was set up through your employer sponsor, and there have been no contributions or rollovers made to your account for over 5 years,
- you're over 65, contributions haven't been made to your account for over 2 years, you haven't contacted us for at least 5 years, and we haven't been able to contact you,
- the ATO informs us that you were a former temporary resident and left the country over six months ago, or
- upon your death, where no contributions have been made for at least 2 years, and after a reasonable period of time, we've tried but haven't

been able to identify or contact the beneficiary of your account.

We're also required to transfer your super balance to the ATO if your account remains inactive for a period of 16 months or more, and the balance is less than \$6,000. Your account is considered inactive if you haven't made any additional contributions or certain changes to it over that time including:

- had contributions or rollovers from other super funds paid into your account
- changed your investment options or strategy
- changed or elected to cancel your insurance cover (where your insurance is held within your super account), or
- made or amended a binding beneficiary nomination.

We may also transfer your account balance to the ATO if:

- your investment switching activity is deemed to be contrary to the interests of other members, or
- your account has been closed and you are eligible for a payment from MLC and we've not received any instructions from you.

We'll advise you in writing at your last known address if we intend to transfer your account balance and will proceed if you don't respond with instructions regarding an alternative super fund.

There may be other circumstances in which we need to transfer your account to the ATO.

If your account is transferred to the ATO, you can contact them on **13 10 20** to claim your benefit.

Special rules for temporary residents

If you're a temporary resident and your visa has expired and you leave Australia permanently, you may be able to claim the superannuation you hold with us as a Departing Australia Superannuation Payment. Withholding taxes may apply to the lump-sum payment. However, if you don't make a claim within six months of your visa expiring or your departure from Australia (whichever happens last), we may be required to transfer your superannuation to the ATO as unclaimed super. In these circumstances, relying on relief from ASIC, we're not required to notify you or give you an exit statement and you'll need to contact the ATO directly to claim

Some things you should know

your superannuation. For more information go to ato.gov.au

Delayed and suspended transactions

We may delay or suspend transactions, for example where an investment manager delays or suspends unit pricing, or when there are adverse market conditions.

We may process withdrawal and switch requests in instalments over a period of time and may also suspend processing of withdrawal and switch requests we have received. In certain circumstances we may refuse a request. Where requests are delayed, suspended or being paid in instalments, the unit prices used for transactions will be those available on the day the transaction takes effect, rather than the day of the request. In the event that the investment option becomes suspended (e.g. due to illiquidity), you will be unable to make additional contributions, withdrawals or switches into or out of that suspended investment option. As part of the suspension:

- Any contributions or rollovers that would otherwise be invested in the suspended investment option in accordance with your investment strategy will instead be invested in an alternative option, e.g. MLC Cash, until you provide us with alternative instructions;
- Any insurance cover you hold may cease if there are insufficient monies in your non-suspended investment options to cover the cost of the insurance; and
- You may only withdraw your funds in accordance with any withdrawal offer that we make.

We are not responsible for losses that delayed or suspended transactions may cause.

Resolving complaints

If you have a complaint, we can usually resolve it quickly over the phone on **132 652**. If you'd prefer to put your complaint in writing, you can email us at complaints@mlc.com.au, or send a letter to **GPO Box 4341, Melbourne VIC 3001**.

We'll conduct a review and provide you with a response in writing. If you're not satisfied with our resolution, or we haven't responded to you in 45 days, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA).

AFCA provides an independent financial services complaint resolution process that's free to consumers. You can contact AFCA at any time by writing to **GPO Box 3, Melbourne VIC 3001**, at their website (afca.org.au), by email at info@afca.org.au, or by phone on **1800 931 678** (free call).

To view our complaints management policy, visit mlc.com.au/complaint

Some things you should know

This section is specific to MLC MasterKey. It is a reminder about how your account operates.

Protecting all members

We look out for you, so we've introduced processes that help protect the interests of all members.

Investment switching

You can change your investment options any time. We do not charge a fee for you to do this. However, buy-sell spreads may apply.

Monitoring of frequent switching

This product is not appropriate for members who wish to switch their investments frequently in the pursuit of short-term gains.

We monitor all investment options for abnormal transaction activity because this sort of activity can have adverse impacts for other members.

To maintain equity, we have the right to deal with members who frequently switch by:

- delaying, limiting, rejecting or applying special conditions to future switch requests
- permanently cancelling membership
- rejecting applications to open new accounts in the Fund, and/or
- rejecting contributions and rollovers to existing accounts.

Prudent management

We reserve the right to refuse applications or vary the terms for processing any transaction in certain circumstances, such as when:

- there are significant falls in investment markets
- we have difficulty in completing transactions due to low liquidity

We also reserve the right to suspend processing of requests for up to five business days at the end of the financial year.

Should any of these events occur, we'll use the unit price on the day we process your request.

Buy-sell spreads and transaction costs

We are responsible for ensuring that the costs of buying and selling assets when members transact are shared in an equitable way. This is achieved by meeting costs as they arise:

- for an investment option as a whole by offsetting them against investment earnings. This is the approach when there is a single unit price, sometimes called no-spread unit pricing, or
- due to member transactions by offsetting them against the individual member assets. This is the approach when investment options have a buy-sell spread in the unit price.

The transaction costs borne by an investment option are identical in each approach and, generally, both methods work well.

For no-spread investment options, we allow for expected transaction costs in the valuation of assets to protect members in an investment option that is in decline.

Buy-sell spreads may change daily and in certain circumstances, increase or decrease significantly. The current buy-sell spreads of an investment option are available at mlc.com.au/buysellspreads

Note: Buy-sell spreads are managed through our Product Governance Framework.

How your money is invested

In this section we tell you how the Trustee invests your money

One of our responsibilities is to make sure your investments are managed according to the investment strategies and objectives established by us.

We offer many products for you to invest in. Some of these will have similar investment objectives and strategies. To make this section easier for you to read, we've grouped products with common objectives and strategies together on the following pages.

Investment managers

Investment managers of the investment options available on our menu during the year were:

Altrinsic Global Advisors, LLC

Antares Capital Partners Limited¹

Ausbil Investment Management Limited

BlackRock Investment Management Australia Limited

Fairview Equity Partners Pty Ltd²

Investors Mutual Limited

Macquarie Investment Management Global Limited

MAPP Pty Limited

MLC Limited

MLC Asset Management Services Limited¹

National Australia Bank Limited

Perennial Value Management Limited

Perpetual Investment Management Limited

PIMCO Australia Pty Limited

Platinum Investment Management Limited

Schroder Investment Management Australia Limited

Vanguard Investments Australia Ltd

We may use the services of Insignia Financial Group related companies where it makes good business sense to do so and will benefit our customers.

Amounts paid for these services are always negotiated on an arm's-length basis.

Asset allocation and large investments

Further information about your actual asset allocation can be found at mlc.com.au/fundprofiletool or for MLC Capital Guaranteed products, the actual asset allocation can be found in your Annual Statement.

As at 30 June 2023, the MLC Super Fund held the following assets with a value of greater than 5% of the Fund's total assets:

- WM Pool - Australian Equities No. 2 – 12%³
- JANA Diversified Australian Share Trust – 10.1%³
- JANA Diversified Global Share Trust – 8.9%³
- WM Sector - Diversified Debt (All) Trust – 6.4%³
- WM Pool - Equities Trust No. 75 – 5.5%³

Many different investment options and products across the MLC Super Fund invest in these underlying assets.

¹ A member of the Insignia Financial Group.

² The Insignia Financial Group of Companies (Insignia Financial Group) is a minority shareholder in this investment manager.

³ MLC Investments Limited, a related company, is the responsible entity of these investment options.

How your money is invested

Derivatives

Derivatives may be used in any of the investment options.

Derivatives are contracts that have a value derived from another source such as an asset, market index or interest rate. There are many types of derivatives including swaps, options and futures. They are a common tool used to manage risk or improve returns.

Some derivatives allow investment managers to earn large returns from small movements in the underlying asset's price. However, they can lose large amounts if the price movement in the underlying asset is unfavourable.

Risks particular to derivatives include the risk that the value of a derivative may not move in line with the underlying asset, the risk that counterparties to the derivative may not be able to meet payment obligations and the risk that a particular derivative may be difficult or costly to trade.

Our Derivatives Policy permits the use of derivatives in MLC investment options where consistent with an investment option's objective, risk profile, disclosure and governing documents, legislative and regulatory requirements. They may be used for:

- hedging
- efficient portfolio management, and
- investment return generation.

Further information on our Derivatives Policy is available at mlc.com.au/derivativesforsuper

How the external investment managers invest in derivatives is included in their **PDS**, available at mlc.com.au/findafund in the 'External funds' tab.

Understanding your investment performance

We offer many products, most of which offer a range of investment options for you to invest in. The investment performance of the Fund is determined by reference to the investment performance of each product and its investment option(s). Investment options can invest in a range of assets, and different types of assets will perform differently in different market conditions. In your product, you may get to choose the investment options for your super (and, accordingly, the assets that the Fund is invested in). The investment performance of your investment option(s) is allocated to your account. You should refer to your annual statement for the year ended 30 June 2023 for details of the investment performance of your investment option(s).

Alternatively, information on the performance of most investment options is available at mlc.com.au/fundprofiletool.

Some investment options are closed to additional and new investment. If you're invested in a closed investment option, it may not be referred to in the current Investment Menu or in a current Product Disclosure Statement for your product.

How your money is invested

| Product name | Investment objective | Investment strategy | About your account value |
|--|--|--|--|
| MLC MasterKey | | | |
| MLC MasterKey Super & Pension Fundamentals MLC MasterKey Business Super MLC MasterKey Personal Super MLC MasterKey Term Allocated Pension | To provide a selection of investment options so you can invest according to your individual needs and circumstances. | <p>The Trustee invests in suitably structured portfolios.</p> <p>Each investment option available has an individual investment objective and strategy.</p> | <p>When money is paid into your account, units are allocated to your account and when money is paid out, units are deducted from your account.</p> <p>The value of your account is based on:</p> <ul style="list-style-type: none"> the number of units in your chosen investment options, and the price of those units. <p>The overall value of your account will change according to the unit price and the number of units you hold.</p> <p>Unit prices are calculated as at the end of each business day and robust unit pricing policies are used to do this.</p> <p>The unit price will reflect the performance of the underlying assets, income earned, fees, expenses and taxes paid and payable.</p> <p>The performance of the underlying assets is influenced by movements in investment markets such as local and overseas share markets, bond and property markets.</p> <p>If you would like to find out more about our unit pricing philosophy, go to mlc.com.au/unitpricephilosophy</p> <p>NAB Term Deposit (only available to members in MLC MasterKey Super & Pension Fundamentals)</p> <p>A guaranteed interest rate is payable for the term selected. Interest is calculated daily and credited annually on the anniversary of the term, or on maturity.</p> <p>Early withdrawals are only permitted in extreme circumstances and will result in reduced interest.</p> |

How your money is invested

| Product name | Investment objective | Investment strategy | About your account value |
|--|---|--|--|
| MLC Super Pension Plan | | | |
| MLC Super Pension Plan | To provide a fixed regular income stream for a selected period or life. | The Trustee has purchased an annuity policy with MLC Limited. | This plan provides a fixed or indexed regular income stream for a selected period. |
| MLC Capital Guaranteed products | | | |
| MLC Maturity Growth Superannuation Plan MLC Capital Guaranteed Personal Super Savings Plan Series 1-2 | To balance risk and return considerations while securing guarantees to members. | The Trustee invests in policies issued by MLC Limited who, in turn, invests in a suitably structured portfolio of securities. Surplus assets, over and above those required to fund guaranteed benefits, are generally invested in a more diversified portfolio to increase potential returns. | A declared rate of interest is allocated to your account after 30 June each year. If you make a full withdrawal during the year, an interim rate is calculated and applied to your daily account balance before your benefit is paid. The interim rate is set with the intention to reflect the year to date earnings and, as a result, may differ from the declared rate. |
| MLC Whole of Life Superannuation MLC Endowment Superannuation MLC Pure Endowment Superannuation Whole of Life Endowment | Aims to provide a guaranteed benefit payable on maturity of the policy or your death. | The Trustee invests in policies issued by MLC Limited who, in turn, invests in a suitably structured portfolio of securities. Surplus assets, over and above those required to fund guaranteed benefits, are generally invested in a more diversified portfolio to increase potential returns. | In most cases, these products earn bonuses which are allocated annually. Your bonuses, where applicable, are advised each year in your Annual Statement. |
| MLC Insurance products | | | |
| MLC Life Cover Super MLC Insurance (Super) MLC Protectionfirst | Your contributions are used to pay the premiums for the insurance cover selected. | | These products do not have an account balance or value. |

Financial Report

The following abridged Fund financial information for the financial year ended 30 June 2023 is for the MLC Super Fund.

Please call us if you wish to receive a printed copy of the full audited financial statements and auditor's report.

Financial Report

MLC Super Fund Abridged Financial Information – Statement of Financial Position

As at 30 June 2023

| | 2023 | 2022 |
|--|---------------|---------------|
| | \$m | \$m |
| Assets | | |
| Cash and cash equivalents | 496 | 765 |
| Outstanding settlements receivable | 18 | 12 |
| Receivables | 4 | 51 |
| Investment assets: | | |
| Interest bearing securities | 138 | 166 |
| Term deposits | 184 | 85 |
| Unlisted unit trusts | 81,121 | 76,403 |
| Life insurance policies | 138 | 152 |
| Derivative assets | 5 | 8 |
| Current tax assets | 48 | - |
| Total assets | 82,152 | 77,642 |
| Liabilities | | |
| Payables and accruals | 137 | 110 |
| Investment liabilities: | | |
| Derivative liabilities | 12 | 158 |
| Deferred tax liabilities | 456 | 12 |
| Total liabilities excluding member benefits | 605 | 280 |
| Net assets available for member benefits | 81,547 | 77,362 |
| Member benefits | | |
| Defined contribution member liabilities | 77,799 | 73,681 |
| Defined benefit member liabilities | 3,316 | 3,554 |
| Unallocated contributions | 12 | 14 |
| Total member liabilities | 81,127 | 77,249 |
| Total net assets | 420 | 113 |
| Equity | | |
| Defined benefit that are over/(under) funded | 320 | 34 |
| Administration reserve | 8 | 7 |
| Self-insurance reserve | 11 | 10 |
| General reserve | 54 | 44 |
| Other reserves | 27 | 18 |
| Total equity | 420 | 113 |

Financial Report

MLC Super Fund Abridged Financial Information – Income Statement

For the year ended 30 June 2023

| | 2023 | 2022 |
|--|--------------|----------------|
| | \$m | \$m |
| Superannuation activities | | |
| Interest income | 21 | 6 |
| Distribution income | 1,651 | 3,032 |
| Rebates received | 4 | 8 |
| Net changes in fair value of investments | 5,226 | (5,832) |
| Other income | 31 | 27 |
| Total revenue/(loss) | 6,933 | (2,759) |
| Expenses | | |
| Administration expenses | 293 | 316 |
| Investment expenses | 156 | 153 |
| Other operating expenses | 22 | 17 |
| Total expenses | 471 | 486 |
| Profit/(loss) from operating activities | 6,462 | (3,245) |
| Add/(less): Net benefits allocated to defined contribution member accounts | (5,960) | 2,207 |
| Add: Net change in defined benefit member liabilities | (125) | 400 |
| Profit/(loss) before income tax | 377 | (638) |
| Income tax expense/(benefit) | 376 | (576) |
| Profit/(loss) after income tax | 1 | (62) |

Financial Report

MLC Super Fund

Abridged Financial Information – Statement of changes in member benefits

For the year ended 30 June 2023

| | Defined Contribution Members \$m | Defined Benefit Members \$m | Total \$m |
|--|---|--------------------------------------|---------------|
| Opening balance of member benefits as at 1 July 2022 | 73,681 | 3,554 | 77,235 |
| Contributions: | | | |
| Employer | 4,059 | 196 | 4,255 |
| Member | 893 | 4 | 897 |
| Transfer from other superannuation plans | 1,464 | 4 | 1,468 |
| Successor fund transfer out | (2) | (26) | (28) |
| Transfer to other superannuation plans | (4,609) | (43) | (4,652) |
| Income tax on contributions | (517) | (21) | (538) |
| Net after tax contributions | 1,288 | 114 | 1,402 |
| Benefits to members/beneficiaries | (2,790) | (190) | (2,980) |
| Insurance premiums charged to members' accounts | (710) | (4) | (714) |
| Death and disability benefits credited to members' accounts | 390 | 3 | 393 |
| Reserves transferred to/(from) members' accounts | | | |
| Defined benefit that are over/ (under) funded | - | (286) | (286) |
| Administration reserve | (1) | - | (1) |
| General reserve | (7) | - | (7) |
| Other reserves | (12) | - | (12) |
| Benefits allocated to members' accounts comprising: | | | |
| Net investment income | 6,249 | - | 6,249 |
| Administration fees | (289) | (4) | (293) |
| Net change in defined benefit member benefits | - | 129 | 129 |
| Closing balance of member benefits as at 30 June 2023 | 77,799 | 3,316 | 81,115 |
| Opening balance of member benefits as at 1 July 2021 | 78,864 | 3,723 | 82,587 |
| Contributions: | | | |
| Employer | 3,717 | 84 | 3,801 |
| Member | 1,121 | 8 | 1,129 |
| Transfer from other superannuation plans | 1,292 | 7 | 1,299 |
| Transfer to other superannuation plans | (4,421) | (113) | (4,534) |
| Income tax on contributions | (481) | (9) | (490) |
| Net after tax contributions | 1,228 | (23) | 1,205 |
| Benefits to members/beneficiaries | (3,857) | (127) | (3,984) |
| Insurance premiums charged to members' accounts | (684) | (2) | (686) |
| Death and disability benefits credited to members' accounts | 347 | 1 | 348 |
| Transfers of funds from DB member benefits | - | - | - |
| Reserves transferred to/(from) members' accounts | | | |
| Defined benefit that are over/ (under) funded | - | 382 | 382 |
| Administration reserve | 1 | - | 1 |
| Other reserves | (12) | - | (12) |
| Benefits allocated to members' accounts comprising: | | | |
| Net investment income | (1,894) | - | (1,894) |
| Administration fees | (312) | (5) | (317) |
| Net change in defined benefit member benefits | - | (395) | (395) |
| Closing balance of member benefits as at 30 June 2022 | 73,681 | 3,554 | 77,235 |

Financial Report

MLC Super Fund Abridged Financial Information – Statement of changes in reserve

For the year ended 30 June 2023

| | Investment reserve | Defined benefit that are over/ (under) funded | Administration reserve | Self-insurance reserve | General reserve | Other reserves | Total Equity |
|---|-----------------------|---|---------------------------|---------------------------|--------------------|-------------------|-----------------|
| | \$m | \$m | \$m | \$m | \$m | \$m | \$m |
| Opening balance as at 1 July 2022 | - | 34 | 7 | 10 | 44 | 18 | 113 |
| Net transfers to/(from) members' | - | 286 | 1 | - | 7 | 12 | 306 |
| Loss | - | - | - | 1 | 3 | (3) | 1 |
| Closing balance as at 30 June 2023 | - | 320 | 8 | 11 | 54 | 27 | 420 |

| | Investment reserve | Defined benefit that are over/ (under) funded | Administration reserve | Self-insurance reserve | General reserve | Other reserves | Total Equity |
|---|-----------------------|---|---------------------------|---------------------------|--------------------|-------------------|-----------------|
| | \$m | \$m | \$m | \$m | \$m | \$m | \$m |
| Opening balance as at 1 July 2021 | 58 | 416 | 8 | 11 | 44 | 9 | 546 |
| Net transfers to/(from) members' | - | (382) | (1) | - | - | 12 | (371) |
| Loss | (22) | - | - | (1) | - | (3) | (26) |
| Reclassification Mid to Redemption Price | (36) | - | - | - | - | - | (36) |
| Closing balance as at 30 June 2022 | - | 34 | 7 | 10 | 44 | 18 | 113 |

Financial Report

MLC Super Fund Abridged Financial Information – Statement of cash flows

For the year ended 30 June 2023

| | 2023 | 2022 |
|---|----------------|----------------|
| | \$m | \$m |
| Cash flows from operating activities | | |
| Interest received | 21 | 6 |
| Distribution received | 270 | 433 |
| Other income received | 61 | 1 |
| Administration expenses paid | (278) | (317) |
| Insurance premiums paid | (716) | (691) |
| Investment expenses paid | (156) | (144) |
| Other expenses paid | (21) | (17) |
| Income tax received/(paid) | 19 | (924) |
| Net cash flows from operating activities | (800) | (1,653) |
| Cash flows from investing activities | | |
| Proceeds from sale of investments | 33,744 | 23,795 |
| Purchases of investments | (32,027) | (19,962) |
| Net cash flows from investing activities | 1,717 | 3,833 |
| Cash flows from financing activities | | |
| Employers' contributions | 4,255 | 3,806 |
| Members' contributions | 896 | 1,128 |
| Transfer from other superannuation plans | 1,441 | 1,300 |
| Successor fund transfer out | (28) | - |
| Transfer to other superannuation plans | (4,625) | (4,534) |
| Benefits to members/beneficiaries | (2,979) | (3,988) |
| Death and disability benefits credited to members' accounts | 392 | 347 |
| Income tax on contributions | (538) | (490) |
| Net cash flows from financing activities | (1,186) | (2,431) |
| Net decrease in cash and cash equivalents | (269) | (251) |
| Cash and cash equivalents at the beginning of the year | 765 | 1,016 |
| Cash and cash equivalents at the end of the year | 496 | 765 |

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For more information call us from anywhere in Australia on 132 652 or contact your financial adviser.

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