








## Comparison guide

# BlackRock Global Allocation Fund (Aust) (Class D Units) moving to MLC Flexible Assertive

Below is a summary of key differences between the BlackRock Global Allocation Fund (Aust) (Class D Units) and MLC Flexible Assertive options. See the side-by-side investment profile comparison below this for full details of the differences. This information is current as at 27 March 2023.

Key differences	
 Investment objective	<p><b>Changes to:</b> Aims to grow by inflation +3.75% pa (after fees and after tax), subject to limiting the risk of negative returns, over 7 years.</p> <p>See full investment profile comparison below for details of current investment objective.</p>
 Benchmark	<p><b>From:</b> A diversified allocation of 36% S&amp;P 500 Index, 24% FTSE World Index (ex US) Index, 24% BofA Merrill Lynch Current 5-year US Treasury Index, and 16% Citigroup Non-US Dollar World Government Bond Index.</p> <p><b>To:</b> Inflation is measured by the Consumer Price Index, calculated by the Australian Bureau of Statistics.</p>
 How the option is managed	Moves from a single investment manager to MLC's multi-manager approach.
 Minimum suggested time to invest	Increases from 5 years to 7 years.
 Asset allocation	Changes from a Strategic Asset Allocation limited to fixed income and equities to a flexible approach with asset allocation ranges specified across a broader range of asset classes.
 Investment fees and costs and transaction costs	<p><b>MasterKey Super &amp; Pension Fundamentals Super &amp; Pension pre-retirement phase:</b> No change.</p> <p><b>MasterKey Super &amp; Pension Fundamentals Super &amp; Pension Retirement phase:</b> ↓ <b>Decreases</b> 1.38% pa to 1.36% pa.</p>
 Buy-sell spreads	Reduces from 0.30%/0.30% to 0.15%/0.10%.

Full investment profile comparison		
	BlackRock Global Allocation Fund (Aust) (Class D Units)	MLC Flexible Assertive (from 26 May 2023)
Investment objective	<p>Aims to provide high total investment return through a fully managed investment policy utilising international equity securities, debt and money market securities, the combination of which will be varied from time to time both with respect to types of securities and markets in response to changing Investment objective market and economic trends.</p> <p>Currency is actively managed in the fund around a fully hedged Australian Dollar benchmark.</p>	<p>Aims to grow by inflation +3.75% (after fees and after tax), subject to limiting the risk of negative returns, over 7 years.</p> <p>This careful risk management approach means there may be times, such as when interest rates are unusually low, when the portfolio requires an extended time period to achieve its return objective. In most circumstances the portfolio is expected to provide positive returns over 7 years, although there will sometimes be negative returns over shorter periods.</p>
Benchmark	The benchmark is a diversified allocation of 36% S&P 500 Index, 24% FTSE World Index (ex US) Index, 24% BofA Merrill Lynch Current 5-year US Treasury Index, and 16% Citigroup Non-US Dollar World Government Bond Index.	Inflation is measured by the Consumer Price Index, calculated by the Australian Bureau of Statistics.

## BlackRock Global Allocation Fund (Aust) (Class D Units) moving to MLC Flexible Assertive

	<b>BlackRock Global Allocation Fund (Aust) (Class D Units)</b>	<b>MLC Flexible Assertive (from 26 May 2023)</b>
<b>How the investment option is managed</b>	<p>The fund invests in both equity and debt securities, including money market securities and other short-term securities or instruments, of issuers located around the world. There is no limit on the percentage of assets the fund can invest in a particular type of security. Generally, the fund seeks diversification across markets, industries and issuers as one of its strategies to reduce volatility. This flexibility allows the fund to look for investments in markets around the world that are believed to provide the best relative strategic asset allocation to meet the fund's investment objective.</p> <p>This fund is considered a hedge fund by the Australian Securities and Investments Commission because it uses some sophisticated investment techniques.</p>	<p>The key aspects of the way the portfolio is managed are:</p> <ol style="list-style-type: none"> <li>1. Flexible asset allocation – the asset allocation is actively managed in accordance with our investment experts' changing view of potential opportunities and risks in investment markets.</li> <li>2. Diversification – the portfolio invests across a wide range of assets and strategies. These may include both mainstream (eg shares and bonds) and alternative investments (eg hedge funds) that may not be widely used in other investment funds. Specialist investment managers from around the world are carefully selected to manage the assets and strategies.</li> <li>3. Strong focus on risk management – the portfolio has the flexibility not to invest in an asset class if that would cause too much risk of a negative return over 7 years. This means the portfolio may have low exposure to growth assets in some market conditions.</li> </ol> <p>Techniques such as derivatives, currency management and short selling may be used to adjust the portfolio's exposure to assets.</p>
<b>The investment option may be suited to you if...</b>	<p>you want a single fund that offers broad global exposure.</p>	<ul style="list-style-type: none"> <li>• you're aiming to achieve a return above inflation but, more importantly, are concerned about losing money over a 7 year period</li> <li>• you understand the return achieved by the portfolio may be significantly higher or lower than its objective</li> <li>• you want our investment experts to flexibly adjust the portfolio's asset allocation in accordance with their changing view of potential opportunities and risks in investment markets, and</li> <li>• you want to manage investment risk by diversifying across asset classes and strategies.</li> </ul>
<b>Minimum suggested time to invest</b>	<p>5 years.</p>	<p>7 years.</p>

# BlackRock Global Allocation Fund (Aust) (Class D Units) moving to MLC Flexible Assertive



	BlackRock Global Allocation Fund (Aust) (Class D Units)		MLC Flexible Assertive (from 26 May 2023)	
Asset allocation	<b>Strategic asset allocation</b>		<b>Ranges</b>	
	<b>Asset class</b>		<b>Asset class</b>	
	Fixed Income	40%	Cash	0-30%
	Equities	60%	Fixed income - diversified	0-40%
			Fixed income - credit	0-30%
			Alternatives and other	0-50%
			Infrastructure	0-20%
			Property	0-20%
			Global shares	10-80%
			Australian shares	0-40%
			Private equity	0-20%
			<b>Defensive assets</b>	<b>0-60%</b>
			<b>Growth assets</b>	<b>40-100%</b>
Standard Risk Measure	High (estimate of 4 to 6 negative annual returns in any 20 year period).		No change.	
The investment fees and costs are made up of:	<b>MasterKey Super &amp; Pension Fundamentals Super &amp; Pension pre-retirement phase</b>	<b>MasterKey Super &amp; Pension Fundamentals Retirement phase</b>	<b>MasterKey Business Super/Personal Super MasterKey Super &amp; Pension Fundamentals Super &amp; Pension pre-retirement phase</b>	<b>MasterKey Super &amp; Pension Fundamentals Retirement phase MasterKey Term Allocated Pension</b>
Performance fee (% pa)	0.88	0.87	0.43	0.43
Plus other investment fees and costs (% pa)	0.30	0.30	0.84	0.84
<b>Equals investment fees and costs (% pa)</b>	<b>1.18</b>	<b>1.17</b>	<b>1.27</b>	<b>1.27</b>
Transaction costs (% pa)	<b>0.19</b>	<b>0.21</b>	<b>0.10</b>	<b>0.09</b>
Buy-sell spreads (%/%)	<b>0.30/0.30</b>	<b>0.30/0.30</b>	<b>0.15/0.10</b>	<b>0.15/0.10</b>

Administration fees and costs apply in addition to the fees and costs shown in this table. Please refer to the relevant **Product Disclosure Statement, Investment Menu, and Fee Brochure** for further information about fees and costs, including how the figures shown above are calculated.

Return to [mlc.com.au/investmentchanges](https://mlc.com.au/investmentchanges) to see the full list of changes.

### Important information

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