



Australian
**FOOD
SUPER**

 Your Industry Fund

MEMBER OUTCOMES ASSESSMENT SUMMARY

MYSUPER OPTION

MARCH 2024



Australian
**FOOD
SUPER**

 Your Industry Fund

We want to inspire all workers to understand their super, by protecting for today and investing for tomorrow

Our members' best interests are at the centre of everything we do.

Australian Food Super has been looking after members for more than 35 years.

Our recent rebrand to Australian Food Super has provided us with the opportunity to assist and engage people in alternate food processing and aligned businesses, while continuing to support our existing members within the meat industry where our heritage lies.

Our membership has grown over the last 12 months, and this rebranding will allow us to grow our business slowly and sustainably, and to assist people with similar traits as our current membership. While manual workers are our main member cohort (95%) our products are designed to benefit office workers as well.

We recently brought some of our key administrative services in-house: the contact centre, member email enquiries, insurance claims and customer complaints. We want to do better in these areas and our assessment has shown us that improvements in these areas, with

our personal oversight, will increase positive member outcomes.

We focus on providing personal service, and by understanding our membership we can ensure we offer appropriate service and products, while managing costs efficiently.

We also keep our fees low, our insurance simple and affordable, and provide a range of investments with comparable and competitive returns across 8 investment options because we want our members to have the best retirement outcome possible.

We have determined that the Australian Food Super MySuper product promotes the best financial interest of members.

From the Australian Food Super Trustees.

SUMMARY OF AUSTRALIAN FOOD SUPER MYSUPER OPTION DETERMINATIONS



FEES

Our fees and costs are amongst the lowest in the superannuation industry. They are fair, sustainable and do not unnecessarily erode members' accounts. Our comparison of fees in our MySuper option based on the industry standard of \$50,000 account balance shows that we are 6th of 57 MySuper funds, and we have exceeded our aim to cost less than 75% of other MySuper funds (based on APRA Quarterly Statistics 30/6/23).



INSURANCE COVER

Our insurance offering is appropriately tailored to our members with a focus on providing affordable cover to manual workers. We keep it simple with the same premium throughout life and fewer options that can complicate things. Our strategy is to keep premiums less than 10% of the superannuation guarantee contribution of an average worker in our industry. Our Income Protection is amongst the lowest cost in the industry and covers manual and office workers, with a 30-day wait and a 2-year benefit period covering \$2500[^] per month (less tax) as standard default cover. ([^]Or less depending on income).

We compare our premiums to a sample of competitor funds on a regular basis. Our target is to keep our lifetime average premiums lower than 50% of our sample of competitor funds. Our research shows that we are meeting that target.



RETURNS

Our MySuper returns are higher than benchmarks and relative to comparable funds. APRA's Quarterly Statistics showed our 5-year net investment return as 10th of 54 MySuper funds*.

Our MySuper investment passed the Government's 2023 Your Future, Your Super Performance test applied to all funds.



INVESTMENT STRATEGIES/RISK

Our investment strategy is designed for the level of risk our members are willing to accept. We aim to safeguard our members' contributions while earning better-than-average growth on their investments.

Like the majority of MySuper funds, our level of investment risk is 'Med – High' with a risk of a negative return 3.9 times out of every 20 years.



SERVICE

We offer a consistent and regular service where we focus on face-to-face client contact which suits the majority of our manual worker member base. Our Client Service Managers visit large worksites to assist members with super queries and education. We visited sites where 59% of our members received SG contributions in 2023.

75% of members surveyed in our most recent Member Satisfaction Research gave our Client Service Managers an 'extremely satisfied' score of between 8-10.



SCALE

The small but agile scale of our fund results in:

- › reduced operating costs
- › no hierarchical barriers
- › a close-knit passionate team
- › opportunities to partner with innovative newcomers to the industry, and
- › the ability to introduce change quickly.



SUSTAINABILITY

Australian Food Super remains a sustainable fund for all members. Our annual growth in 'Number of member accounts' was 5% on 30 June 2023 (APRA fund level statistics 2023). Our recent rebranding has provided the opportunity for us to assist people in aligned food processing areas so we can continue to grow.

We are well below all three APRA Heatmap Sustainability thresholds.



FEES

Our fees are amongst the lowest in the industry and we continually seek ways to reduce our costs.

Our target is to cost less than 75% of MySuper funds and we are currently exceeding that target. We aim to ensure our pricing remains as low as possible so as not to erode member accounts, while still maintaining the service levels members need and expect.

Our comparison of fees in our MySuper option based on the industry standard of \$50,000 account balance shows that we are 6th of 57* MySuper funds and have exceeded our aim to cost less than 75% of other MySuper funds.

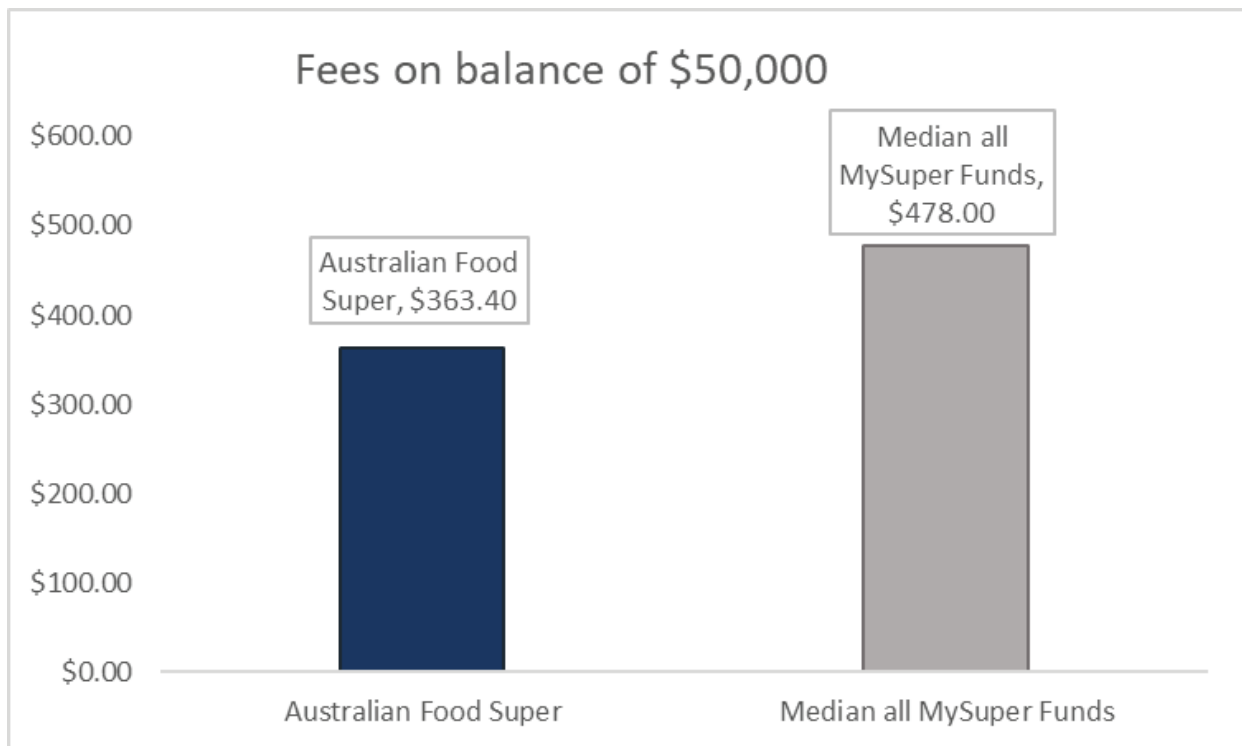
The fees include:

- › an administration fee (made up of a flat weekly member fee amount of \$1.70pw plus 0.07% p.a. of the account balance)
- › and an investment fee of 0.48% p.a.

Note: The Total Investment Fees include management fees, performance fees and indirect investment fees. These are not drawn directly from member accounts, but are deducted from the assets of the Fund before the annual crediting rate is determined. Administration fees are deducted from member accounts.

The industry standard is to apply the fee on an account balance of \$50,000 for comparison to other super funds. Our fee is \$363.40 p.a. or 0.73% of \$50,000.

The median of all MySuper superannuation funds is \$478*p.a., more than 30% higher than Australian Food Super's fee.



*Based on APRA's Quarterly Superannuation Product Statistics at 30 June 2023

MySuper Lifecycle products used to compare are those closest to our level of investment risk number (estimated number of negative net investment returns over a 20-year period)



INSURANCE STRATEGY AND COST

We aim to provide insurance cover to our members that is easy to acquire and balances a level of protection with affordability.

We believe many of our members employed in heavy manual or blue-collar jobs might not have insurance coverage without their Australian Food Super membership. We aim for the cover to be sufficient to provide basic assistance to members and their beneficiaries without the premiums eroding member accounts.

We understand the working arrangements of members in the food processing and aligned industries. Australian Food Super provides cover for full time, part time, casual, visa workers, contractors, and even self-employed members.

Our strategy is to keep premiums less than 10% of the Superannuation Guarantee contribution of an average worker in the food industry. Our Income Protection cover is one of the

lowest cost products in the industry open to blue collar, heavy manual workers. Our default IP cover pays \$2,500 per month, less tax (or less depending on income, cover is up to 75% of income), with a 30 day wait and 2-year benefit period.

We compare the premiums of a sample of competitor funds on a regular basis. Our target is to keep our lifetime average premiums lower than 50% of our sample competitor funds. Our research shows that we are meeting our target.

There are many other super funds who do not cover the occupations of our members.

Simple to access, affordable and uncomplicated.	Our insurance premiums remain the same through life @ \$9.10 per week	Life insurance and TPD benefits reduce with age	Income Protection remains the same cost with age. 2-year benefit 30 day wait
Default Cover for 26 year old	Default Cover for 36 year old	Default Cover for 46 year old	Default Cover for 56 year old
Life \$124,600	Life \$103,800	Life \$83,100	Life \$60,200
TPD \$62,300	TPD \$51,900	TPD \$41,550	TPD \$30,100
IP \$2,500 per mth	IP \$2,500 per mth	IP \$2,500 per mth	IP \$2,500 per mth
Cost \$9.10 Manual Worker	Cost \$9.10 Manual Worker	Cost \$9.10 Manual Worker	Cost \$9.10 Manual Worker
		Life \$3.54	
		TPD \$2.98	
		IP \$2.75	
		Total \$9.10	



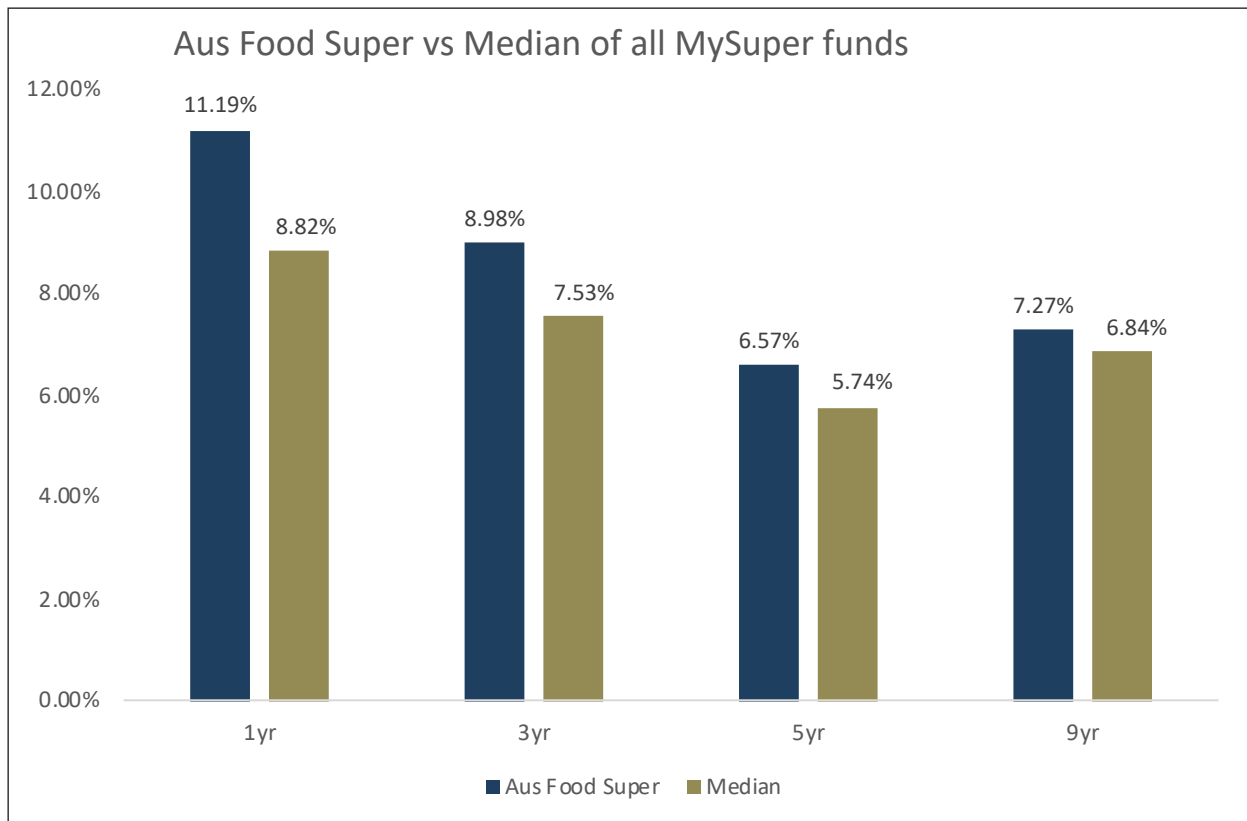
RETURNS AND INVESTMENT STRATEGIES

Our investment strategies are designed for the level of risk our members are willing to accept. Our MySuper investment option's aim is to safeguard our members' contributions while earning better than average growth on their investments.

The Australian Food Super MySuper option, like the majority of funds, has a 'medium to high' risk level with negative returns expected in 3.9 of every 20 years. However, our MySuper option has returned a negative return only 4 times in the last 30 years.

Our target is to outperform our benchmarks and to be in the highest 50% of performers of MySuper superannuation funds with a similar risk level.

Below are our returns at 30 June 2023 compared to the median of all superfunds based on the APRA Quarterly Superannuation Publication. The Australian Food Super MySuper option returns are higher than the median of all MySuper funds over all timeframes.



Based on APRA's Quarterly Superannuation Product Statistics at 30 June 2023

MySuper Lifecycle products used to compare are those closest to our level of investment risk number (estimated number of negative net investment returns over a 20-year period)



SERVICE

Our goal is to make it easy for our members to connect with us.

Being an industry focused fund means we visit our members' work sites on a regular basis (quarterly, 6 monthly or annually). We offer a consistent and regular service that focuses on face-to-face client contact which suits the majority of our blue-collar member base. Our team is a visible reminder and encouragement to members to care about their superannuation. All staff are qualified to give general advice.

We aim to be available on a regular basis at work sites to at least 50% of our contributing members. We strive to achieve an 'extremely satisfied' score of between 8-10 from at least 75% of our members in our 'member satisfaction' research.

Since 2010 Australian Food Super has engaged an independent company, Woolcott Research, to conduct tracking research. These surveys provide the business with an overview of member satisfaction with our service, product features and the overall performance of the fund.



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This document is issued by Australian Meat Industry Superannuation Pty Ltd ABN 25 002 981 919, AFSL No. 238829, as Trustee for the Australian Meat Industry Superannuation Trust ABN 28 342 064 803 (Australian Food Super).

The information in this document is general information only. It does not take into account your particular objectives, financial situation or needs. Before acting on information in this document you should consider the appropriateness of the information having regard to your particular objectives, financial situation and needs. You should obtain financial advice tailored to your personal circumstances.

You should also consider the Australian Food Super PDS and Target Market Determination (TMD) available at ausfoodsuper.com.au.