

Member Outcomes Assessment
Financial Year ending 30 June 2023

AFLPA & AFL Industry Superannuation Plan

A Plan in SignatureSuper®

Including MySuper and Choice Accumulation and Pension



About this document and assessment

This assessment is issued by N.M. Superannuation Proprietary Limited (NM Super) ABN 31 008 428 322 AFSL 234654 RSE L0002523 as trustee for the AMP Super Fund ABN 78 421 957 449. AMP SignatureSuper® is a registered trademark of AMP Limited ABN 49 079 354 519. AFLPA & AFL Industry MySuper Authorisation 78421957449083. SignatureSuper product determination and summary includes personal super, allocated pension and transition to retirement pension products

Acknowledgment of Country

N.M. Superannuation Proprietary Limited acknowledges all First Nations Peoples across Australia. We recognise the Traditional Custodians of the land and value the connection to Country, waterways and sky. We pay our respects to the Elders for their resilience, courage and wisdom; for ensuring the survival of this country's rich culture and heritage.



Introduction

About the AFLPA & AFL Industry Superannuation Plan

The Trustee has designed a MySuper arrangement specifically for members of the AFLPA & AFL Industry Superannuation Plan that continues to provide competitive features and fees.

The plan makes available a range of Choice investment options and the MySuper default investment option which is called AFLPA & AFL Industry MySuper.

The AFLPA and AFL Industry Superannuation Plan is part of SignatureSuper within the AMP Super Fund. At 30 June 2023 we had more than \$55bn in funds under management and over 690,000 member accounts in the AMP Super Fund.

The AFLPA & AFL Industry Superannuation Plan has approximately \$270m in assets and over 2,800 members, of which \$176m is invested in the MySuper option.

Improving member outcomes

Since 2020, the Trustee and AMP have been focused on delivering a multi-year transformational program to deliver enhanced outcomes for members.

For further details regarding the Trustee's strategy and commitment to member outcomes, refer to the [SignatureSuper outcomes assessment](#).

How to read this document

The AFLPA & AFL Industry Superannuation Plan outcomes assessment is written to be read in conjunction with the [SignatureSuper outcomes assessment](#) attached to the back of this document. For ease, reference to relevant information in the attached document is opened by clicking on the links throughout this document.



Assessing performance

Each year, N.M. Superannuation Proprietary Limited (NM Super, the Trustee) is required to assess whether we are promoting the financial interests of members.

The assessment compares how SignatureSuper performed for AFLPA & AFL Industry MySuper and Choice accumulation and pension members during the financial year ending 30 June 2023 across the key assessment factors:

- Investments and performance
- Fees and costs
- Scale and operating expenses
- Member experience
- Insurance offer

Assessment and determination

The Trustee has determined that it is promoting the best financial interests of AFLPA & AFL Industry MySuper and Choice accumulation and pension members of SignatureSuper. In doing so the Trustee has considered its results across the key assessment factors. The Trustee has also considered the progress it's made against the strategy in making the determination based on the following factors:

Investment performance

The Trustee considers investment performance to be **appropriate**, noting improving performance against investment objectives is a key ongoing focus area. Investment returns were positive for all AFLPA & AFL Industry MySuper Lifestages age cohorts for the year to 30 June 2023. AFLPA & AFL Industry MySuper Lifestages also passed the Australian Prudential Regulatory Authority's (APRA) annual performance test for the period. MySuper returns were below the peer median. This was mainly driven by differences in asset allocations in unlisted and alternative investments. Of the available choice options, 25 of 27 had a positive return for the year to 30 June 2023 with all options subject to the performance test passing. **Focus >** Continuing to improve investment performance against benchmark returns and peers.

Fees and Costs

The Trustee assesses AFLPA & AFL Industry MySuper fees as **appropriate**. Whilst at 30 June 2023 total AFLPA & AFL Industry MySuper fees for two options (1970s and 1980s) were outside of the Trustee's target objective of better than median (middle of the market) compared to peers, fee reductions passed onto members effective 1 July 2023 have improved fee positioning. As at 29 February 2024, all AFLPA & AFL Industry MySuper options are now better than peer relative median.

The Trustee assess total fees and costs for Choice options as appropriate. Comparing all open investment options against the market the Trustee found that total fees and costs, as at 30 June 2023, were generally below the median (middle of the market).

Focus > Fee reductions were passed onto AFLPA & AFL Industry MySuper members on 1 July 2023, which will continue to improve the competitive position of total fees and costs. The Trustee continues to monitor member fees to ensure they are market competitive.

Scale and operating costs

The Trustee considers fund operating costs and costs per member as **appropriate**. Operating costs and fees for members have reduced as a result of our transformation programs. The AMP Super Fund had more than \$55bn in assets and approximately 690,000 member accounts at 30 June 2023. This includes \$270m in the AFLPA & AFL Industry Superannuation Plan. Total fund membership and cashflows growth are below the Trustee's objectives due to historical reputation and brand challenges. While still below the objectives set and peers, underlying cashflows are improving.

Focus > Initiatives to retain and grow membership of the fund and ensure long-term sustainability.

Member experience

The Trustee considers our broad range of options, benefits and services as **appropriate**. SignatureSuper offers members of the AFLPA & AFL Industry Superannuation Plan a diverse investment menu, flexible insurance arrangements, practical online digital services, valuable superannuation advice, education

and regular member communications. The Trustee assess these as appropriate for its target member segments and they are well regarded by independent research companies. The service standards and experience members receive are in line with the Trustee's expectations.

Focus > Implementing new retirement solutions, advice and reducing costs over time through further investment in technology.

Insurance offer

To suit our members who are employed across a wide range of occupations and industries, the Trustee has made cover available from various insurers. We have made insurance cover available for AFLPA & AFL Industry Superannuation Plan members through the insurer Zurich. The insurance design for AFLPA & AFL Industry Superannuation Plan members was developed through a process which included consultation with the AFLPA to ensure it is appropriate.

Focus > We will continue to work with the AFLPA to make sure the insurance provided continues to meet the plan's specific needs.



Investment performance

Fund investment strategy and governance

The Trustee’s investment governance framework outlines the structures, policies and processes for managing investment options. This is supported by expert independent investment advice provided by JANA Investment Advisers.

MySuper

Strategy

The Trustee assesses the MySuper strategy as appropriate. AFLPA and AFL Industry MySuper manages members’ savings throughout their working life. This investing approach known as Lifestages, evolves as members age.

Younger members born in the 1980’s and 1990’s have longer until retirement, and therefore have a higher exposure to growth assets like shares, property and infrastructure. For members approaching retirement, the Trustee reduces the level of growth assets and add in more defensive assets, like cash and fixed interest, to reduce the impact on members of a market downturn.

OPTIONS	Allocation to growth assets (level of risk)	1 YEAR			3 YEAR			5 YEAR		
		FUND RETURN	MEDIAN	RELA-TIVE TO MEDIAN	FUND RETURN	MEDIAN	RELA-TIVE TO MEDIAN	FUND RETURN	MEDIAN	RELA-TIVE TO MEDIAN
CAP STABLE	40-60%	4.38	6.64	BELOW	2.86	4.02	BELOW	2.63	3.24	BELOW
1950s	40-60%	4.54	6.92	BELOW	2.89	4.24	BELOW	2.72	3.91	BELOW
1960s	40-60%	6.02	9.04	BELOW	4.90	6.85	BELOW	3.95	5.16	BELOW
1970s	60-80%	8.81	10.24	BELOW	8.02	8.41	BELOW	5.55	5.86	BELOW
1980s	80-95%	9.15	10.89	BELOW	8.66	8.66	BELOW	5.91	6.06	BELOW
1990s PLUS	80-95%	9.40	10.89	BELOW	8.55	8.55	BELOW	5.65	6.07	BELOW

APRA MySuper Statistics, June 2023. The returns are for a member with a representative portfolio of \$50,000 and compared against all other Lifestages investment options with the peer universe determined according to member age (midpoint of our cohorts). Returns are Net Returns after investment fees, administration fees and tax.

Risk

The Trustee considers the level of investment risk and amount of growth assets for all age cohorts to be appropriate and within acceptable ranges based on its own risk bands and against comparable Lifestages options.

APRA Performance Test

AFLPA and AFL Industry MySuper Lifestages passed the Annual APRA Performance Test at 30 June 2023, though performance was below APRA’s benchmark portfolio. This test measures the net returns of the MySuper Lifestages options against long-term investment benchmarks determined by the Government and tested by APRA.

Performance

The year ending 30 June 2023 saw more positive market conditions than previous years. Returns were driven by a strong rebound in global shares following a challenging 2022 for markets. Share market gains were led by the US tech sector which benefited from positive sentiment around the future applications of Artificial Intelligence (AI). We also saw meaningful contributions in performance from Australian shares, global listed property and credit.

All AFLPA and AFL Industry MySuper age cohorts have a return objective that is a percentage margin above inflation (measured by the Consumer Price Index (CPI)). With inflation rising rapidly in 2022/23, all MySuper age cohorts underperformed their benchmark for the year and over longer time periods. Returns relative to CPI+ margin investment objectives are expected to improve as inflation slows from its recent highs.

Relative to Strategic Asset Allocation weighted benchmarks, each MySuper age cohort outperformed over 3 years but underperformed for 1 and 5 years.

Against peers, performance was below median, driven predominantly by differences in allocations to peers in unlisted assets and alternatives.

We have reviewed our investment strategy, and we are implementing changes to improve performance against peers, internal and external benchmarks.

These include:

- Increasing and reshaping allocations to unlisted assets, which will align more with peers.
- Reducing reliance on stock selection in listed asset classes.
- Ensuring structural and operational cost efficiency to drive scale benefits and returns to members.

2023 returns


As a result of the changes we are making, we are already seeing improved investment performance. We delivered an investment return of 11.6 per cent for members in the AFLPA and AFL Industry MySuper 1970s option for the calendar year ending 31 December 2023.

Those AFLPA and AFL Industry MySuper members born in the 1980s and 1990s and with exposure to a higher growth asset allocation benefited from returns of 11.8 per cent for the calendar year.

These returns are above median verses peers for these age cohorts.

Choice accumulation and pension

Strategy, risk and performance

For more information on Investment Performance, Outlook and Actions including Choice accumulation and pension options refer to  **SignatureSuper outcomes assessment.**

Fees & costs

The fee and cost arrangements for SignatureSuper are appropriate across AFLPA & AFL Industry MySuper, Choice Accumulation and Pension offers. AFLPA & AFL Industry MySuper and all AMP options included in APRA's most recent Annual Superannuation Performance Test passed for the year ending 30 June 2023.

Fee structures

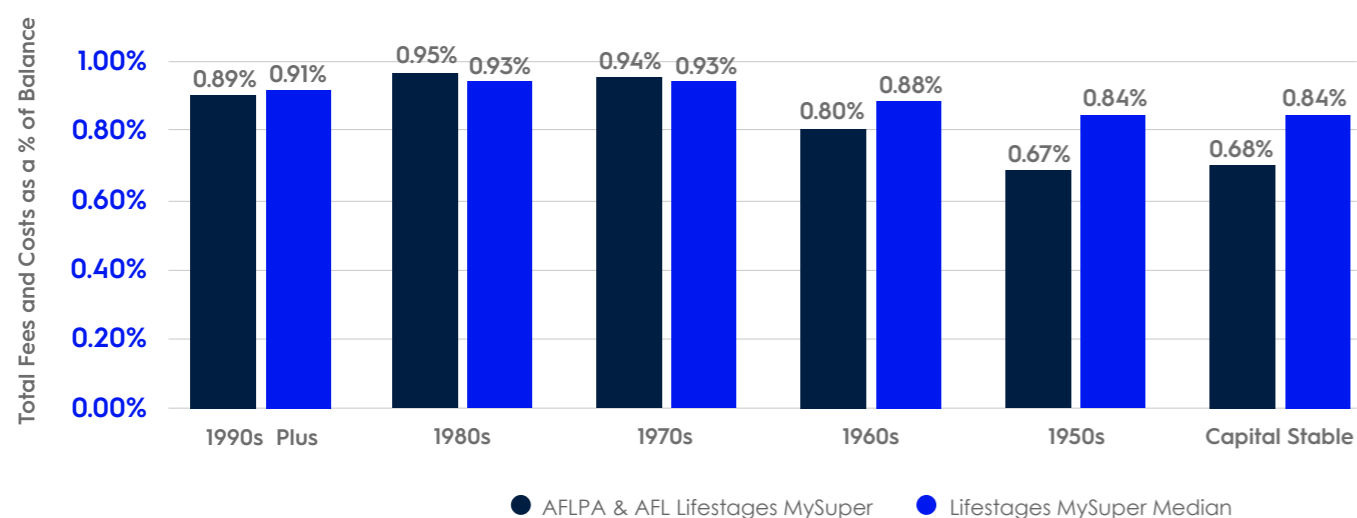
The administration fee structure has a fixed dollar-based fee, a percentage-based fee on the first \$500,000 in a member's account, and from 1 July 2023 a percentage-based fee paid from the super fund's assets (not deducted from member accounts). Investment fees and costs are designed to cover the relevant costs of investments associated with each investment option.

AFLPA & AFL Superannuation Plan members receive discounted administration fees. This means that AFLPA & AFL Industry Superannuation Plan members pay minimum administration fees of \$48 pa, capped at \$398 p.a. for accounts over \$500,000 deducted from their account effective 1 July 2023.

AFLPA & AFL Industry MySuper¹

All AFLPA & AFL Industry MySuper options, except the 1970s and 1980s options, had total fees and costs below their peer median (middle of the market), ranging from the 1950s option being 19% below peer median through to the 1990s Plus option being 1% below peer median. The 1970s and 1980s options were marginally above peer median by 1% and 3% respectively. Further fee reductions introduced for members on 1 July 2023 have improved this position.

AFLPA & AFL Lifestages MySuper Total Fees (\$50,000 balance)
Year ending 30 June 2023



¹We've used APRA data to compare the total fees of each AFLPA & AFL Industry MySuper Lifestages option against similar age options. Members can compare their super fund using the ATO's new Your Super Comparison Tool. Go to <https://www.ato.gov.au/YourSuper-Comparison-Tool/>.

The Trustee compared the total fees for the AFLPA & AFL Industry MySuper options against all MySuper products in the market, including single strategy offers². AFLPA & AFL Industry MySuper total fees were greater than the median of all MySuper products, ranking a few positions higher than the median and in the third quartile of all MySuper products.

Fee reductions introduced on 1 July 2023

AFLPA & AFL Industry MySuper administration fees were reduced on 1 July 2023, meaning these reductions will be reflected in next year's assessment. Total fees and costs benchmarking has been conducted using the latest available market information as at 29 February 2024³. Based on this information that incorporates updated investment fees and costs for FY22/23, along with the 1 July 2023 fee reductions, all of AFLPA & AFL Industry MySuper's options are now better than peer relative median when comparing at both a \$50,000 and \$100,000 balance.

Choice Accumulation and Pension

SignatureSuper also offers a range of Choice options for accumulation and pension members. These range from passively managed investments that track market movements through to actively managed funds which aim to outperform the market.

The AFLPA & AFL Industry Superannuation Plan receives discounted administration fees, resulting in 65% of Choice accumulation assets paying total fees and costs (at both \$50,000 and \$100,000 account balances) below peer median (middle of the market).

For more information on Choice Accumulation and Pension fees, refer to the [SignatureSuper outcomes assessment](#).

Outlook and actions

- Administration fee reductions were passed onto AFLPA & AFL Industry MySuper members on 1 July 2023, meaning these reductions will be reflected in next year's assessment.
- Based on the latest available market information as at 29 February 2024, all AFLPA & AFL Industry MySuper options are now better than peer relative median.

² A weighted average total fee was calculated for each Lifestages offer in the market and compared against single strategy MySuper offers.

³ Chant West Member Outcomes Dashboard as at 29 Feb 2024.

Scale & operating expenses

Size and fund growth

As at 30 June 2023, the AFLPA & AFL Industry Super Plan MySuper offer had \$175m in assets and over 2,000 member accounts.

Refer to the [🔗 SignatureSuper outcomes assessment](#) for further information.

Operating expenses

Operating expenses and scale of the fund are deemed appropriate.

Refer to the [🔗 SignatureSuper outcomes assessment](#) for detail.

Member experience

The Trustee considers member services, including options, benefits and facilities as appropriate. The Trustee is committed to improving retirement outcomes by providing more members with access to digital services, advice, help and communications.

Members of the AFLPA & AFL Industry Superannuation Plan have access to a competitive range of member services, including on-site education, seminars and access to advice, which are important in achieving better retirement outcomes.

For further information regarding options, benefits and facilities offered to members, refer to the [🔗 SignatureSuper outcomes assessment](#).

Insurance

Insurance arrangements available

To suit our members who are employed across a wide range of occupations and industries, the Trustee has made cover available from various insurers. We have made insurance cover available for AFLPA & AFL Industry Superannuation Plan members through the insurer Zurich. The insurance design for AFLPA & AFL Industry Superannuation Plan members was developed through a process which included consultation with the AFLPA to ensure it is appropriate.

The insurance includes income protection cover to age 65 for certain member categories, which is uncommon for default insurance offers and therefore attracts a higher premium. Additionally, there is a bespoke TPD definition that's been designed to better meet the specific needs of AFL players.

Our Insurance Strategy and Management Framework sets out how we ensure appropriate outcomes through the cost of insurance, cover design, range of definitions and overall service standards, such as claims processing times and acceptance rates.

Insurance affordability

It's important members' balances aren't inappropriately eroded by insurance premiums. The Trustee has developed guidelines to manage premium erosion and communicate with members considered at risk. Overall, the insurance affordability (balance erosion) has been met, with 55% members paying below 1% of their estimated salary. Noting, this plan has categories that are specifically tailored to AFL Players and has been priced accordingly. While premiums have met guidelines, the Trustee is always considering ways to improve outcomes.

Claims acceptance rates, processing times and disputes

Four claims were received during the period and no disputes were recorded. Due to the low volume a comparison to industry benchmarks is not appropriate.

Further information

For more information about the investment objectives, fees and costs and level of risk associated with investing in superannuation please refer to the relevant [Product Disclosure Statement](#) and [Target Market Determination](#).

For information on the AMP Super Fund (ASF) of which SignatureSuper is part of, please refer to the [ASF Annual Report 2023](#). The information provided in this Product Determination is general information only. It is not financial product advice nor is it a substitute for obtaining proper financial advice that is tailored to your personal circumstances, financial goals and needs. It's important to consider your own circumstances before making any decisions and remember that past performance is not an indicator of future performance.

All information in this determination was obtained from sources the Trustee considers are reliable, however it does not guarantee it is accurate, free of errors or complete. You shouldn't rely upon it. The Trustee doesn't accept any liability for any resulting loss or damage whatsoever to a reader or any other person.

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