



# Target Market Determination (TMD) For the Future Super Fund

Effective date: 1 November 2023

## 1. About this document

Interests in Future Super are issued by Equity Trustees Superannuation Limited (ABN 50 055 641 757, RSE Licence No. L0001458, AFSL 229757) Level 1, 575 Bourke Street, Melbourne, VIC 3000 (“the Trustee” or “we”) as trustee of the Future Super Fund (ABN 45 960 194 277; RSE Registration R1072914) (“the Fund” or “Future Super”). Insurance cover is provided to eligible members by AIA Australia Limited (ABN 79 004 837 861; AFSL 230043) (“the Insurer”).

The promoter and investment manager of the Fund is Future Super Investment Services Pty Ltd (ABN 55 621 040 702; AFS Representative No. 001271441) (“the Promoter” and “the Investment Manager”), which is a Corporate Authorised Representative of Future Promoter Holdings Pty Ltd (ABN 90 167 800 580; AFSL 482684). This TMD seeks to provide consumers, distributors and staff with an understanding of the class of consumers for which this product has been designed, having regard to the objectives, financial situation and needs of the target market.

This document is not a Product Disclosure Statement (PDS), is not to be treated as a full summary of the product’s terms and conditions, does not take into account any person’s individual financial objectives, situation and needs and is not intended to provide financial advice. Consumers must refer to the PDS and any supplementary documents when making a decision about this product.

### **Product Disclosure Statement to which this target market determination applies**

This TMD applies to the Future Super Fund referred to in the following documents:

- [Product Disclosure Statement](#)
- [Additional Information Booklet](#)
- [Insurance Guide](#)

## 2. Class of consumers that constitutes the target market

The target market for these products comprises of consumers who:

- Want their superannuation invested in an investment portfolio that aims to invest in ethically screened investments and avoid investment in fossil fuels<sup>1</sup>; and
- Are between the ages of 18-65 and are eligible to contribute to their superannuation.

The products also cater for consumers who wish to access the following features of the products within a superannuation environment:

- Insurance cover through superannuation including Death-only cover, Death and TPD cover, and Income Protection cover.
- Binding and Non-binding nominations on death.

### Excluded class of consumers

The products are not suitable for consumers:

- Receiving the PDS outside of Australia.
- Seeking a short-term investment.
- Are looking for a Self-Managed Superannuation Fund (SMSF), self-directed investment options or single sector investment options.
- Are seeking defensive investment options.
- Are looking for a default investment option.
- Are seeking personal or tailored superannuation or life insurance advice.
- Are seeking investments that have not been ethically screened.
- Require insurance coverage for high-risk occupations that are excluded under the insurance policy<sup>2</sup>.

### Product description

The Fund is a public-offer retail Fund that enables consumers to save for retirement via superannuation. The Fund offers four investment options to accumulation members (Balanced Index, Balanced Impact, Renewables Plus Growth & High Growth).

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<sup>1</sup> For more information on how we invest, please visit [www.futuresuper.com/how-we-invest](http://www.futuresuper.com/how-we-invest)

<sup>2</sup> For more information on insurance, please visit [www.futuresuper.com/insuranceguide](http://www.futuresuper.com/insuranceguide)

## Key product attributes

<b>Investment choices</b>	4 investment options (Balanced Index, Balanced Impact, Renewables Plus Growth & High Growth)
<b>Insurance</b>	Opt-in Death only or Death and TPD within 60 days of first joining the Fund. Underwritten Death, Death & TPD and Income Protection cover is available to members.
<b>Communications</b>	Online functionality and regular member communications on important news and what we invest in.
<b>Fee levels</b>	A fee refund for parents who are off work or working less than 10 hours per week, for a period of up to 12 months after a new child <sup>3</sup> comes into their care. The fee refund will cover the flat fee part of the Administration Fee for a maximum of 12 months.  Fee information is available in the Product Disclosure Statement.

## Investments

The table below sets out the Investment options available and target market for each option.

<b>Investment option</b>	<b>Option description and suitability</b>
<b>Balanced Index</b>	<p>Balanced Index investment strategy is suitable for members comfortable with accepting short-term market/performance volatility in order to achieve higher long-term returns.</p> <p>The investment return objective is to achieve returns (after investment fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 2.5% over rolling 10-year periods.</p> <p>The risk rating is High - Risk Band 6<sup>4</sup> (4 to less than 6 estimated negative annual returns over any 20-year period).</p> <p>This option has a recommended minimum investment timeframe of 10 years.</p> <p>Specific allocations may vary but the Fund will retain a broad 70/30 split between growth and income assets and a bias toward Australian assets.</p> <p>This option targets investments that are ethically screened<sup>5</sup> and have zero exposure to fossil fuels.</p> <p>The Balanced Index investment strategy is the lower cost option of the four investment strategies on offer in Future Super.</p>

<sup>3</sup> A 'new child' means the birth of a new child by a member or their spouse or the adoption of a child by a member.

<sup>4</sup> Based on the Standard Risk Measure. For more information, see *Section 3 - Risks of super* in the Additional Information Booklet

<sup>5</sup> For more information on how ethical screens apply to each asset class, please visit [www.futuresuper.com/how-we-invest](http://www.futuresuper.com/how-we-invest)

<p><b>Balanced Impact</b></p>	<p>Balanced Impact investment strategy is suitable for members comfortable with accepting short term market/performance volatility in order to achieve higher long-term returns.</p> <p>The investment return objective of this investment strategy is to achieve returns (after investment fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 2.5% over rolling 10-year periods.</p> <p>The risk rating is High - Risk Band 6<sup>6</sup> (4 to less than 6 estimated negative annual returns over any 20-year period).</p> <p>This option has a recommended minimum investment timeframe of 10 years.</p> <p>Specific allocations may vary but the Fund will retain a broad 65/35 split between growth and income assets and a bias toward Australian assets.</p> <p>This option targets investments that are ethically screened<sup>4</sup> and have zero exposure to fossil fuels. It targets investment in social impact and renewable energy projects.</p>
<p><b>Renewables Plus Growth</b></p>	<p>Renewables Plus Growth investment strategy is suitable for members comfortable with accepting short term market/performance volatility in order to achieve higher long-term returns.</p> <p>The investment return objective of this investment strategy is to achieve returns (after investment fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 2.5% over rolling 10-year periods.</p> <p>The risk rating is High - Risk Band 6<sup>7</sup> (4 to less than 6 estimated negative annual returns over any 20-year period).</p> <p>This option has a recommended minimum investment timeframe of 10 years.</p> <p>This option aims to provide investors with the highest possible returns consistent with a 'growth' investment strategy, through investment in companies and assets, and will avoid investment in the companies who do not meet the ESG criteria of the Fund.</p> <p>All assets in the option are ethically screened<sup>4</sup>.</p> <p>Specific allocations may vary but the Fund will retain a broad 75/25 split between growth and income assets and a bias toward Australian assets.</p> <p>The option will target a 20% exposure to renewable energy and other related industries, diversified across a range of asset classes including Australian shares, International shares, private equity, infrastructure and various types of debt including, but not limited to, corporate bonds and secured notes.</p>
<p><b>High Growth</b></p>	<p>High Growth investment strategy is suitable for members comfortable with accepting short term market/performance volatility to achieve higher long-term returns.</p>

<sup>6</sup> Based on the Standard Risk Measure. For more information, see *Section 3 - Risks of super* in the Additional Information Booklet

<sup>7</sup> Based on the Standard Risk Measure. For more information, see *Section 3 - Risks of super* in the Additional Information Booklet

	<p>The investment return objective of this investment strategy is to achieve returns (after investment fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 3.5% over rolling 12-year periods.</p> <p>The risk rating is Very High - Risk Band 7<sup>8</sup> (6 or more estimated negative annual returns over any 20-year period).</p> <p>This option has a recommended minimum investment timeframe of 12 years.</p> <p>This option aims to provide investors with returns consistent with a 'high growth' investment strategy, through investment in companies and assets, and will avoid investment in the companies who do not meet relevant ESG criteria.</p> <p>All assets in the option are ethically screened<sup>4</sup>.</p> <p>Specific allocations may vary but the Fund will retain a broad 90/10 split between growth and income assets.</p>
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### **Consistency between target market and the products**

The issuer considers that the products are likely to be consistent with the likely objectives, financial situation and needs of consumers within the target market because:

- The investment options are consistent with the target market of consumers who want their superannuation invested in an investment portfolio that aims to invest in ethically screened investments and avoid investment in fossil fuels.
- There is a range of insurance options to cater for a broad range of insurance needs (including type and level of cover).

### **Distribution channels**

This product is designed to be distributed direct to consumers through the following means:

- The Future Super website [futuresuper.com.au](http://futuresuper.com.au)
- Future Super contact centre
- Authorised Partnerships and events

### **Distribution conditions**

This product should only be distributed under the following circumstances:

- The product should only be distributed through the channels listed above to consumers who are within the class of consumers that constitute the target market.

### **Adequacy of distribution conditions and restrictions**

The Trustee has determined that the distribution conditions and restrictions will make it likely that consumers who purchase the products are in the class of consumers for which it has been designed. The Trustee considers that the distribution conditions and restrictions are appropriate and will assist distribution in being directed towards the target market for whom the product has been designed.

It is unlikely that consumers would not be aware of the ethical screens and purpose when using the online join form to acquire the product.

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<sup>8</sup> Based on the Standard Risk Measure. For more information, see *Section 3 - Risks of super* in the Additional Information Booklet

### **3. Reviewing this TMD**

The issuer will review this TMD in accordance with the below:

#### **Periodic reviews**

- Within 3 years of the date of issue.

#### **Date of last review**

- 1 November 2023

## Review triggers or events

Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include

(but not limited to):

- issue of an updated Product Disclosure Statement;
- business performance review or adverse finding from a Member Outcomes Assessment;
- a material change to the design or distribution of the product, including related documentation;
- occurrence of a Significant Dealing;
- distribution conditions found to be inadequate;
- external events such as adverse media coverage which would significantly impact the sustainability of the Fund or regulatory changes that significantly affect the product or the distribution of the product;
- significant changes in metrics, including, but not limited to, complaints, sales volumes, investment option switching rates and/or increase in cancellation rates during the cooling-off period;
- the use of a Regulator's Product Intervention Powers in relation to the product.

Where a review trigger has occurred, this TMD will be reviewed within 10 business days.

## 4. Reporting and monitoring this TMD

Distributors have the obligation to report the following information to us in relation to this TMD.

### Complaints

Distributors must record and report all complaints that relate to the product or its distribution. The record should include the substance of complaints in relation to the product covered by this TMD. Where a complaint relating to the product and/or its distribution is received, the distributor must report this complaint information to the issuer at six monthly intervals (end of March and September). This will include written details of the complaints.

### Significant Dealings

Distributors must report if they become aware of a Significant Dealing in relation to this TMD within 10 business days. Reporting for complaints and significant dealings should be directed to the issuer. See our website at [www.futuresuper.com](http://www.futuresuper.com) for more information.

The information in this document is general in nature and should not be relied upon as personal advice as your personal needs, objectives and financial situation have not been considered. Before making a decision about this product, you should obtain and read a copy of the PDS, consider whether it suits your particular circumstances and, where appropriate, you may wish to seek financial advice specific to your needs. An investment in Future Super is neither a deposit nor a liability of Future Super, Equity Trustees Superannuation Limited, nor any of their related entities and none of them guarantees your investment in the products. Interests in Future Super are issued by Equity Trustees Superannuation Limited (ABN 50 055 641 757, RSE Licence No. L0001458, AFSL 229757) Level 1, 575 Bourke Street, Melbourne, VIC 3000 as trustee of the Future Super Fund (ABN 45 960 194 277; RSE Registration R1072914).