

# FUTURE SUPER

## Target Market Determination For Future Super Fund

Interests in Future Super are issued by Diversa Trustees Limited (ABN 49 006 421 638; AFSL 235153; RSE Licence L0000635) ("the Trustee") 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 Promoter of the Fund is Future Super Investment Services Pty Ltd (ABN 55 621 040 702; AFS Representative No. 001271441), which is a Corporate Authorised Representative of Future Superannuation Holdings Pty Ltd (ABN 90 167 800 580; AFSL 482684).

### **1. About this document**

This target market determination (TMD) seeks to offer 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 to be treated as a full summary of the product's terms and conditions and is not intended to provide financial advice. Consumers must refer to the Product Disclosure Statement (PDS) and any

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supplementary documents which outline the relevant terms and conditions under the product 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 issued 5 October 2021](#)
- [Additional Information Booklet issued 5 October 2021](#)
- [Insurance Guide issued 5 October 2021](#)

## **2. Important dates**

Date from which this target market determination is <b>effective</b>	5 October 2021
Date when this target market determination was last <b>reviewed</b>	5 October 2021
Date when this target market determination will be next <b>reviewed</b>	5 October 2022

## **3. Class of consumers that fall within this target market**

The information below summarises the overall class of consumers that fall within the target market for Future Super Fund.

This product is intended for everyday Australians who want to shift their retirement savings away from companies and activities which are harmful to the environment and society, and instead want to see their super invested in companies and activities which make a positive impact.

Future Super Fund **is** designed for consumers who:

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- o Want their superannuation invested in a fund where all portfolios are 100% fossil fuel free across each of the asset classes that the fund invests in (categories of investment).
- o Are between the ages of 18-45 and are making regular contributions or rollovers
- o Is seeking to have Insurance cover through their Super Fund.

Future Super Fund is **not** designed for consumers who:

- o Are looking for a Self-Managed Superannuation Fund (SMSF), self-directed investment options or single sector investment options
- o Are seeking defensive or high growth investment options
- o Are looking for a default investment option
- o Are seeking investments other than fossil fuel free options
- o Require insurance coverage for high-risk occupations that are excluded under the insurance policy, refer to the Insurance Guide linked above for further information.

## Product description and key attributes

The key eligibility requirements and product attributes of Future Super are:

<b>Investment choices</b>	To grow retirement savings by investing in a future free from climate change and inequality.  3 investment option (Balanced Index, Balanced Impact & Renewables Plus Growth)
<b>Returns</b>	Investment options across the board are performing competitively with peers. The SuperRatings Fund Crediting Rate Survey at 30 June 2021 shows Renewables Plus Growth

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	<p>ranked 12th of 212 balanced funds in the 3 years to 30 June 2021 and Balanced Impact ranked 43rd of 212 balanced funds to 30 June 2021.</p> <p>Balanced Index does not have 3 years of performance history as of 30 June 2021.</p>
<b>Insurance</b>	<p>Opt-in Death only or Death and TPD within 60 days of first joining the fund. Underwritten Death, Death &amp; TPD and Income Protection cover is available to members.</p>
<b>Features</b>	<p>Online functionality and regular member communications on important news and what we invest in.</p>
<b>Fee levels</b>	<p>No dollar-based administration fee is charged to account balances less than \$6,000</p> <p>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* comes into their care. The fee refund will cover the flat fee part of the Administration Fee for a maximum of 12 months.</p>

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	<p>*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.</p>
<b>Certification</b>	<p>Responsible Investment Association Australasia (RIAA) Certified. BCorp certified</p>

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## Objectives, financial situation, and needs

The table below sets out the class of consumers that each investment option within Future Super has been designed for.

<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>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>Balanced Index is fossil fuel free and all assets are ethically screened.</p> <p>The Balanced Index investment strategy is the lower cost option of the three investment strategies on offer in Future Super.</p>
<b>Balanced Impact</b>	<p>Balanced Impact investment strategy is suitable for members comfortable with accepting short term market/performance volatility</p>

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	<p>in order to achieve higher long-term returns.</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>Balanced Impact invests for impact, is fossil fuel free and all assets are ethically screened. 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>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>

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	<p>This option targets investments that are ethically screened and have zero exposure to fossil fuels.</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 Fund will target a 20% exposure to renewable energy and other related industries.</p>
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The table below sets out the class of customers that each insurance option within Future Super has been designed for.

<b>Standard Cover Death and Total &amp; Permanent Disablement (TPD) Cover</b>	<p>Death and TPD cover is offered to members on an opt-in basis within 60 days of first joining the fund</p> <p>The target market for Death &amp; TPD cover is members between the ages of 15 to 54 (inclusive), with Death only cover from 55-64 (inclusive) who are seeking insurance cover through their superannuation fund and may not necessarily hold</p>
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	<p>insurance cover outside of superannuation.</p> <p>Members aged 65 and over are unable to hold insurance through the fund.</p> <p>Opt-in cover provides members with a set amount of cover based on their age next birthday and is obtainable through a limited set of underwriting questions on the online member portal.</p> <p>Eligible members are permanent employees or contractors working at least 20 hours per week.</p>
<b>Standard Cover Death Only cover</b>	<p>Death only cover is offered to members on an opt-in basis within 60 days of first joining the fund.</p> <p>The target market for Death only cover is members between the ages of 15 to 54 (inclusive) who are seeking insurance cover through their superannuation fund and may not necessarily hold insurance cover outside of superannuation.</p> <p>Once an insured member reaches age 55, cover reverts to Death Only</p>

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cover, which remains available to the member until they reach age 65, subject to premiums being paid.

Opt-in cover provides members with a set amount of cover based on their age next birthday and is obtainable through a limited set of underwriting questions.

Eligible members are:  
permanent employees, or  
Contractors, or  
Casual employees, or  
Not gainfully employed

Standard cover is not available to members who are in active service, participation in a combat or fighting force, engage in (including planning or preparing for) any terrorism act, any act of invasion or war, for death as a result of suicide; Terminal Illness or TPD as a result of attempted suicide, a self-inflicted act or the Insured Member engaging in any Hazardous Pursuits which include abseiling, aviation, boxing, bungy

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	<p>jumping (not one off jump), cycling (racing), cage fighting, football (professional), hang gliding, horse riding (competing only, not dressage), kite surfing, martial arts (contact only), mixed martial arts, motor racing, mountaineering (overseas or above snow line), parachuting (not one off jumps), power boat racing, rafting (white water), rock climbing (not indoors), sailing (ocean racing only), scuba diving (over 30m depth), skiing (competition, jumping, trick skiing), sky diving (not one off jumps), weight lifting (competitions), wrestling and yachting (racing) or any other pursuit or pastime consider to be of a similar degree of risk.</p>
<p><b>Voluntary Death only, Death &amp; TPD cover</b></p>	<p>Voluntary cover is offered to members who wish to increase their standard opt-in cover amount or that are not eligible for opt-in cover and wish to be underwritten for voluntary cover.</p> <p>Voluntary cover is offered to members who wish to fix their cover</p>

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	<p>amount so that the cover does not change with age.</p> <p>There is no maximum cover amount for Death, TPD has a maximum of \$3,000,000 cover.</p> <p>Voluntary cover allows acceptance at non-standard terms by the insurer.</p> <p>Voluntary cover is customisable by the member to suit their personal needs.</p> <p>No New Events cover restrictions apply to Voluntary cover.</p> <p>Premiums are based on a member's age next birthday, sex and occupation.</p>
<b>Transfer Cover Death and Total &amp; Permanent Disablement (TPD)</b>	<p>A member may be eligible to transfer the Death Only or Death and TPD insurance cover they hold through another superannuation fund or another insurance policy, to the Fund.</p> <p>For cover to be accepted by the Insurer under individual transfer</p>

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	<p>terms, the member must complete the Insurance Transfer Application Form to the Insurer's satisfaction and provide proof of previous cover.</p> <p>The maximum amount of Death Only or Death and TPD cover that can be transferred to the Fund is \$1,000,000.</p>
<b>Income Protection cover (SCI)</b>	<p>Income Protection cover is offered to members on a voluntary basis and cover is underwritten by the insurer.</p> <p>The target market is members wanting to protect their income through superannuation and who may not necessarily hold cover outside of superannuation.</p> <p>Income Protection is offered with 30, 60 or 90 day waiting periods and a benefit period of up to 2 years or Age 65 if earlier.</p> <p>Members wanting a longer benefit period are not in the target market.</p>

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<b>Stand-alone TPD cover</b>	Stand alone TPD cover is not offered to members under the policy.
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Please note that members in a hazardous or special risk or uninsurable occupations, or members that engage in hazardous pursuits, may not be eligible to obtain insurance cover through Future Super.

Information about the occupation category which applies to specific occupations and employment circumstances, and what constitutes a hazardous pursuit, can be obtained by reading the Insurance Guide available on the Future Super website.

## Consistency between target market and the product

The product has been created with the specific audience in mind. All the features and attributes of the product are consistent with the identified class of consumers.

<b>Future Super Fund Attributes</b>	<b>Consistency with Target Marker</b>
<b>Investment choices</b>	
To grow retirement savings by investing in a future free from climate change and inequality.  3 investment option (Balanced Index, Balanced Impact & Renewables Plus Growth)	Overall the investment options are consistent with the target market of consumers who want their superannuation invested 100% fossil fuel free across each asset class the fund invests in and are purpose aligned.

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<p>Balanced Index investment option</p>	<p>The Balanced Index investment option is primarily for investors who are seeking an investment option with a combination of both growth and defensive assets.</p> <p>This option is suited to members who are below preservation age and have sufficient time to recover any potential market losses.</p> <p>The Balanced Index option is the lower fee option and is consistent with to younger members who are growing their superannuation balance.</p>
<p>Balanced Impact investment option</p>	<p>The Balanced Impact investment option is primarily for investors who are seeking an investment option with a combination of both growth and defensive assets.</p> <p>This option is suited to members who are below preservation age and have sufficient time to recover any potential market losses.</p>

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	<p>The Balanced Impact option is consistent with members who are purpose aligned and wanting to have greater exposure to impact investments.</p>
<p>Renewables Plus Growth investment option</p>	<p>The Renewables Plus Growth investment option is primarily for investors who are seeking an investment option with a combination of both growth and defensive assets.</p> <p>This option is suited to members who are below preservation age and have sufficient time to recover any potential market losses.</p> <p>The Renewables Plus Growth option is consistent with members who are purpose aligned and wanting to have greater exposure to renewable assets.</p>
<b>Insurance</b>	
<p>Opt-in Death only or Death and TPD within 60 days of first joining the fund.</p>	<p>Consistent with the target market of consumers who are of working age</p>



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	<p>and seeking to have insurance cover through their superannuation fund.</p> <p>Death and TPD or Death only insurance cover is available and offered on an opt in basis for eligible members.</p> <p>The target market for Death and TPD and Death only insurance consists of accumulation members between the ages of 15 to 64.</p>
<p>Underwritten Death or Death &amp; TPD cover.</p>	<p>Consistent with the target market of consumers who are of working age and seeking to have insurance cover through their superannuation fund.</p> <p>Death and TPD or Death only insurance cover is available to members who wish to increase their standard opt-in cover amount or that are not eligible for opt-in cover and wish to be underwritten.</p> <p>The target market for Death and TPD insurance consists of accumulation members between the ages of 15 to 64.</p>

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<p>Underwritten Income Protection cover.</p>	<p>Consistent with the target market of consumers who are of working age and seeking to have insurance cover through their superannuation fund.</p> <p>The target market is members wanting to protect their income through superannuation.</p>
<p><b>Features</b></p>	
<p>Online functionality and regular member communications on important news and what we invest in</p>	<p>Consistent with the target market of members who are of working age and are building their superannuation balance.</p>
<p><b>Fee Levels</b></p>	
<p>No dollar-based administration fee charged to account balances less than \$6,000</p>	<p>Consistent with the target market of people aged between 18-45 and may be new to the workforce and are building their superannuation balance.</p>
<p>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* comes into their care. The fee refund will cover the flat fee part of the Administration Fee for a maximum of 12 months.</p> <p>*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.</p>	<p>Consistent with the target market of people aged between 18-45 and who are more likely to take leave due to starting a family.</p>
<p><b>Certifications</b></p>	

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Responsible Investment Association Australasia (RIAA) Certified. BCorp certified	Consistent with the target market of consumers who are looking to have their funds invested with defined ESG principles and ensuring their superannuation benefit is not invested in fossil fuels.
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## 4. How this product is to be distributed

### Distribution channels

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

- o The Future Super website [futuresuper.com.au](http://futuresuper.com.au)
- o Future Super contact centre
- o Authorised Partnerships such as Flare HR .

### Distribution conditions

This product should only be distributed under the following circumstances:

- o The product should only be distributed through the channels listed above

### Adequacy of distribution conditions and restrictions

Future Super is marketed to consumers who are aligned with our purpose and are wanting to have their superannuation invested to create a world worth retiring into. Future Super is transparent in their marketing on the purpose of the product and how the balances of members are invested.

Future Super has a distinct investment offering and fully discloses the investment holdings on the fund website. As a choice product, consumers have to choose one of three investment options when joining the fund.

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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.

## 5. Reviewing this target market determination

We will review this target market determination in accordance with the below:

Initial review	5 October 2021
Periodic reviews	5 October 2022
Review triggers or events	<p>Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but is not limited to):</p> <ul style="list-style-type: none"><li>• a material change to the design or distribution of the product, including where an Significant Event Notice is issued and or a re-issue the Product Disclosure Statement;</li><li>• external events such as adverse regulatory attention;</li><li>• significant changes in complaints, complaint trends;</li><li>• significant increase in investment option switching;</li><li>• significant increase in members exiting the product;</li><li>• significant proportion of insurance cancellation rates;</li><li>• significant proportion of insurance claims being denied or withdrawn;</li><li>• persistent member complaints about investment options or product;</li></ul>

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	<ul style="list-style-type: none"><li>• suspicious adverse results from market or different returns from those expected from the market;</li><li>• significant change in exposure in products, such as developments in international markets where the product may be overweight;</li><li>• acquisition of an asset that does not meet the ESG requirements of the Fund and is not disposed of within the required timeframes;</li><li>• a change has occurred that affects the objectives of the target market;</li><li>• Regulatory change that impacts part or all of the TMD;</li><li>• Significant dealings outside of the target market;</li><li>• Failure to achieve Member Outcomes.</li></ul>
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Where a review trigger has occurred, this target market determination will be reviewed within 10 business days.

## 6. Reporting and monitoring this target market determination

We may collect the following information from our distributors in relation to this TMD.

<b>Complaints</b>	Distributors will be required to report to issuers, complaints and other requested information that they receive, assisting issuers to assess whether their product governance arrangements are appropriate and their products are meeting the needs of consumers. Ensure that this information is reported within 24 hours or as soon as practicable.
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	<p>This will include the substance of complaints and general feedback relating to the product and its performance.</p>
<b>Significant dealings</b>	<p>Distributors will report if they become aware of a significant dealing in relation to this TMD as soon as possible and not later than 10 business days.</p> <p>A significant dealing includes:</p> <ul style="list-style-type: none"><li>• A significant proportion of consumers who have acquired the product but are not in the target market, including the proportion of consumers who are part of a class of consumers that have been specifically excluded from the target market;</li><li>• Potential/actual harm to consumers if consumers outside the target market acquire the product;</li><li>• Inconsistency of distribution conditions with the TMD;</li><li>• Proportion of superannuation contributions from the product from consumers outside the target market;</li><li>• Time period when consumers outside the target market acquired the product</li></ul>
<b>Other information required</b>	<p>Distributors will report within a quarterly reporting period.</p>