



Target Market Determination for Vision Super Account Based Pension

Issued by Vision Super Pty Ltd (ABN 50 082 924 561).

This statement was prepared on
5 October 2021

1. About this document

When to use this target market determination

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. Consumer must refer to the **Product Disclosure Statement (PDS)** and any supplementary documents when making a decision about this product.

Please call **1300 300 820** for further information. Consumers may also wish to obtain financial advice before joining this product.

Product Disclosure Statement to which this target market determination applies

This TMD applies to Vision Super Account Based Pension as referred to in the following Product Disclosure Statement:

- > Vision Income Streams Product Disclosure Statement

Date from which this target market determination is effective

5 October 2021

2. Class of customers that fall within this target market

The information below summarises the overall class of consumers that fall within the target market for the Vision Super Account Based Pension, based on the product key attributes and the objectives, financial situation and needs that it has been designed to meet.

Vision Super Account Based Pension has been designed for consumers whose likely objectives, financial situation and needs (as listed below) are aligned with the product (including the key attributes).

The Vision Super Account Based Pension is for those who are seeking a flexible way to utilise their retirement savings in a low-cost and tax-effective environment. The product allows members to either select from a range of investment options or to invest their capital in the Three Bucket Pension investment strategy to be allocated between three investment options depending on the level of income selected.

Product description and key attributes

The key product attributes of the Vision Super Account Based Pension are:

- > Access to 5 premixed investment options, and 6 single sector options that allows members to mix and match their investments to suit their goals or the Three Bucket Pension that allows members to automate their investment selection across three options depending on their desired income level.
- > Online and mobile account access using Vision Online and/or the Vision Super Mobile App.
- > Members can easily switch products online.
- > Access to a potential retirement bonus set at 0.5% to eligible members who start with Vision Super Account Based Pension. This is applied in the form of a credit towards the establishment of the retirement income account.
- > A minimum initial investment amount of \$10,000 applies unless the member selects a Three Bucket Pension, in which case a minimum of \$50,000 applies.
- > A maximum investment amount of \$1.7 million applies.
- > A minimum lump sum withdrawal of \$500 applies.
- > Administration fees and costs are charged at 0.35% per annum (p.a.) of a member's account balance (capped at \$1,050 p.a.).
- > Investment fees of 0.05% - 0.56% p.a. and transactions costs of 0.00% - 0.11% p.a. depending on the selected investment option are charged as a percentage of each investment option's assets p.a. Investment fees and costs are taken into account in the calculation of the unit prices for the investment options and are therefore reflected in the returns allocated to your account through changes in the unit prices.

Objectives, financial situation, and needs

This product has been designed for individuals who:

- > Want access to flexible income payments (subject to minimum drawdown criteria) and to select the frequency of their payments.
- > Are seeking a flexible, tax-effective regular income stream in retirement, whilst benefitting from strong risk-adjusted returns at a low cost.
- > Seeking the ability to pass any unused capital to their nominated beneficiaries in the event of their death.
- > Have sufficient capital to make an initial investment of at least \$10,000.
- > Able to fund the pension account's administration, and investment fees and costs which are deducted directly from the pension account.

The table below sets out the class of customers that the Three Bucket investment strategy within Vision Super Account Based Pension has been designed for.

Investment option	Designed to meet the needs of members who:
Three Bucket Pension	<ul style="list-style-type: none"> > Are seeking the varied investment objectives across the Conservative, Growth and Cash investment options, with their investment automatically rebalanced to achieve the desired level of income. > Are prepared to strike a balance between stability and capital growth in the medium to long term. > Are seeking a stable, regular pension income stream over time in their retirement. > Are willing to invest in Vision Super's Conservative, Growth and Cash investment options (i.e. three buckets), to provide exposure to a diversified portfolio. > Are willing to accept the level of risk that is across the Conservative, Growth and Cash investment options.

The table below sets out the class of customers that each investment option within Vision Super Account Based Pension has been designed for.

Investment option	Designed to meet the needs of members who:
Conservative	<ul style="list-style-type: none"> > Are seeking to outperform (after fees and taxes) the rate of inflation as measured by the Consumer Price Index (CPI) by 1.5% p.a. > Are seeking to invest in a diversified portfolio with a higher exposure to cash and diversified bonds, and a lower exposure to equities. > Are willing to invest in the option for a minimum investment timeframe of 4 years. > Are prepared to select a less aggressive asset allocation in exchange for more stability and security. > Are willing to accept a low to medium level of risk and the potential for a negative annual return in 1 to less than 2 in 20 years.
Balanced	<ul style="list-style-type: none"> > Are seeking to outperform (after fees and taxes) the rate of inflation as measured by the CPI by 2.75% p.a. > Are seeking to invest in a diversified portfolio with exposure to cash, diversified bonds, property, and equities. > Are prepared to accept a moderate to high risk tolerance. > Are willing to invest in the option for a minimum investment timeframe of 5 years. > Are willing to accept a medium to high level of risk and the potential for a negative annual return in 3 to less than 4 in 20 years.
Sustainable balanced	<ul style="list-style-type: none"> > Are seeking to outperform (after fees and taxes) the rate of inflation as measured by the CPI by 3.25% p.a. > Are seeking to invest in a diversified portfolio with a moderate exposure to cash and diversified bonds, and a higher exposure to equities, while having regard to Environmental, Social and Governance (ESG) principles. > Are willing to invest in the option for a minimum investment timeframe of 7 years. > Are prepared to accept a more aggressive asset allocation than the 'Balanced' option. > Are interested in socially responsible investing. > Are willing to accept a high level of risk and the potential for a negative annual return in 4 to less than 6 in 20 years.
Balanced growth	<ul style="list-style-type: none"> > Are seeking to outperform (after fees and taxes) the rate of inflation as measured by the CPI by 3.75% p.a. > Are seeking to invest in a diversified portfolio with some exposure to cash and diversified bonds, and a higher exposure to equities. > Are willing to invest in the option for a minimum investment timeframe of 6 years. > Are prepared to accept a more aggressive asset allocation than the 'Balanced' option. This option has the potential of providing higher returns, but also increases the risk of a negative return. > Are willing to accept a high level of risk and the potential for a negative annual return in 4 to less than 6 in 20 years..

Investment option (continued)	Designed to meet the needs of members who:
Growth	<ul style="list-style-type: none"> > Are seeking to outperform (after fees and taxes) the rate of inflation as measured by the CPI by 4.25% p.a. > Are seeking to invest in a diversified portfolio with a high exposure to equities. > Are willing to invest in the option for a minimum investment timeframe of 7 years. > Are prepared to accept a more aggressive asset allocation than the 'Balanced growth' option. This option has the potential of providing higher returns, but also increases the risk of a negative return. > Are willing to accept a high level of risk and the potential for a negative annual return in 4 to less than 6 in 20 years.
Cash	<ul style="list-style-type: none"> > Are seeking to outperform (after fees and before taxes) the Bloomberg Ausbond Bank Bill Index. > Are seeking to invest cash in money market securities such as bank term deposits and bank bills. > There is no minimum investment timeframe for this investment option. > Are prepared to select a less aggressive asset allocation in exchange for more stability and security. > Are willing to accept a very low level of risk and the potential of returns being influenced by the Reserve Bank of Australia (RBA) cash rates as the returns are heavily affected by the cash rate targets.
Diversified bonds	<ul style="list-style-type: none"> > Are seeking to outperform (after fees and before taxes) the 50% Bloomberg Ausbond Composite All Maturities Bond Index and 50% FTSE World Government Bond Index ex Australia (hedged in AUD). > Are seeking to invest across a range of fixed interest securities in Australia and overseas. > Are willing to invest in the option for a minimum investment timeframe of 4 years. > Are prepared to select a less aggressive asset allocation in exchange for more stability and security. > Are willing to accept a high level of risk and the potential for a negative annual return in 4 to less than 6 in 20 years.
Innovation and disruption	<ul style="list-style-type: none"> > Are seeking to outperform (after fees and before taxes) the MSCI All Countries ex-Australia Net Dividends Index, partly hedged based on the long term strategic currency exposure target. > Are seeking to invest in high growth companies overseas that generally use technology in various forms to power their growth. > Are willing to invest in the option for a minimum investment timeframe of 10 years. > Are prepared to accept an aggressive asset allocation which has the potential of providing higher returns, but also increases the risk of a negative return. > Are willing to accept a very high level of risk and the potential for a negative annual return in 6 or greater in 20 years.
International equities	<ul style="list-style-type: none"> > Are seeking to outperform (after fees and before taxes) the MSCI All Countries World ex Australia Net Dividends Index, partly hedged based on the long term strategic currency exposure target. > Are seeking to invest in overseas companies usually listed on one or more overseas stock exchanges. > Are willing to invest in the option for a minimum investment timeframe of 8 years. > Are prepared to accept an aggressive asset allocation which has the potential of providing higher returns, but also increases the risk of a negative return. > Are willing to accept a very high level of risk and the potential for a negative annual return in 6 or greater in 20 years.

Investment option (continued)	Designed to meet the needs of members who:
Australian equities	<ul style="list-style-type: none"> > Are seeking to outperform (after fees and before taxes) the S&P/ASX 300 Accumulation Index. > Are seeking to invest in Australian companies usually listed on the Australian Stock Exchange (ASX) with allocations to both active and index managers. > Are willing to invest in the option for a minimum investment timeframe of 8 years. > Are prepared to accept an aggressive asset allocation which has the potential of providing higher returns, but also increases the risk of a negative return. > Are willing to accept a very high level of risk and the potential for a negative annual return in 6 or greater in 20 years.
Just shares	<ul style="list-style-type: none"> > Are seeking to outperform (after fees and before taxes): <ul style="list-style-type: none"> • 45% S&P/ASX 300 Accumulation Index • 55% MSCI All Countries World ex Australia Net Dividends Index, partly hedged based on the long term strategic currency exposure target. > Are seeking to invest in a premixed portfolio of Australian and international equities. > Are willing to invest in the option for a minimum investment timeframe of 8 years. > Are prepared to accept a more aggressive asset allocation than the 'Growth' option. This option has the potential of providing higher returns, but also increases the risk of a negative return. > Are willing to accept a very level of risk and the potential for a negative annual return in 6 or greater in 20 years.

Consistency between target market and the product

The Vision Super Account Based Pension is likely to be consistent with the likely objectives, financial situation and needs of the class of consumers in the target market. This is based on an analysis of the key terms, features and attributes of the product and a finding that the objectives, financial situation and needs are consistent with the identified class of consumers.

3. How this product is to be distributed

Distribution channels

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

- > Directly by Vision Super via an online application form or hard-copy application through the PDS.
- > Vision financial advice.

Distribution conditions

This product should only be distributed under the following circumstances:

- > Where members are an Australian citizen, New Zealand citizen or permanent resident.
- > Where members have reached their preservation age and have permanently retired from part time or full-time work (that is, they never intend to become gainfully employed again);
- > Where members have reached the age of 60 and ceased employment (even if they have not permanently retired) or have reached the age of 65; or
- > Where members are permanently incapacitated (regardless of age).

Adequacy of distribution conditions and restrictions

The Vision Super Account Based Pension's distribution conditions and restrictions will make it likely that consumers who purchase the product are in the class of consumers for which it has been designed. This is based on an assessment of the distribution conditions and restrictions and that they are appropriate and will assist distribution in being directed towards the target market for whom the product has been designed.

4. Reviewing this target market determination

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

Initial review	Within 1 year of the effective date.
Periodic reviews	At least every 3 years from the initial review.
Review triggers or events	<p>Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but not limited to):</p> <ul style="list-style-type: none">> 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 or regulatory attention.> Significant changes in metrics, including, but not limited to, complaints, withdrawals, investment performance and product switching rates.> Indications that the distribution conditions do not make it likely that the consumers who acquire the product are in the target market.> The trustee of this product makes a determination for the purposes of s52(9) of the Superannuation Industry (Supervision) Act 1993 (Member Outcomes Assessment) that the financial interests of the members who hold this product are not being promoted.> Receipt of a Product Intervention Power order from ASIC requiring Vision Super to cease distribution of this product.> Changes to legislation have come into effect which materially impact the design and distribution of the product.

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

5. Reporting and monitoring this target market determination

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

Complaints	Distributors will report all complaints in relation to the product(s) covered by this TMD on a quarterly basis. This will include written details of the complaints and withdrawals.
Investment performance	Investment performance data in relation to the available investment options in the product(s) will be monitored on a monthly basis.
Administration fees	Administration fee data in relation to the product covered by the TMD will be monitored on a quarterly basis.
Member transactional data	Member transactional data, including investment switching, investment outflows and members exiting the product. This will be monitored on a monthly basis.
Significant dealings	Distributors will report if they become aware of a significant dealing in relation to this TMD within 10 business days.

Here to help

Telephone 1300 300 820 (8:30am to 5:00pm)

Monday – Friday (not including Victorian public holidays)

Email memberservices@visionsuper.com.au

Visit www.visionsuper.com.au

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RSE L0000239 USI 24496637884020