



Target Market Determination

Superhero Super - Control Account

Superhero Securities Limited and its Corporate Authorised Representatives (together 'Superhero')

Revision Schedule

| Version | Date | Description | Author(s) | Approver(s) |
|---------|-----------|---------------------------------------------------------------------------|---------------------------------|-----------------------------------------|
| V 1.0 | 18/5/2021 | Initial document creation | Winston McLaren | John Winters/Diversa Trustees Limited |
| V 1.1 | 16/8/2021 | Major Updates to most sections in consultation with Diversa over 3 months | Winston McLaren / Nikki Smeaton | John Winters/Diversa Trustees Limited |
| V 1.2 | 22/9/2021 | Minor updates to Section 4 in consultation with Diversa | Winston McLaren | John Winters/Diversa Trustees Limited |
| V 1.3 | 1/10/2021 | Minor changes made to Section 4 by Superhero | Winston McLaren | John Winters & Diversa Trustees Limited |

Review Cycle: This Target Market Determination will be reviewed and updated where necessary and in accordance with the review timetable within the Superhero Compliance Document Tracker.

1. Definitions

ASX means Australian Securities Exchange.

Control refers to the Superhero Super Control account option.

Distributor(s) means a 'regulated person', as defined in s994A(1) of the Corporations Act 2001.

Employee(s) means any individual who performs work under the direction and control of Superhero, including any persons working on a contractual basis.

ETF means Exchange Traded Funds.

Excluded Occupation(s) means occupations that are deemed hazardous and so the insurer is unable to accept the risk.

Issuer(s) means a person who is subject to the TMD requirements in s994B of the Corporations Act 2001 (including sellers in a regulated sale situation), unless indicated otherwise.

TMD means Target Market Determination.

PDS means Product Disclosure Statement.

SEN means a Significant Event Notice.

Superhero Super means a sub-plan of OneSuper ABN 43 905 581 638 RSE R1001341 that is issued by Diversa Trustees Limited ABN 49 006 421 638, AFSL No 235153 RSE Licence No L0000635.

TFN means Tax File Number.

TPD means Total Permanent Disablement.

2. About this document

- 2.1. This TMD seeks to offer consumers, Distributors and Employees 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 consumers within the target market.

- 2.2. This document is not to be treated as a full summary of Superhero Super's terms and conditions and is not intended to provide financial advice. Consumers must refer to the Superhero Super PDS and any supplementary disclosure documents, which outline the relevant terms and conditions of the Superhero Super product, when making a decision about this product.

PDS to which this TMD applies

- 2.3. This TMD applies to the Superhero Super Control Account referred to in the following PDS:
- Superhero Super PDS, dated 5 October 2021, issued by Diversa Trustees Limited as the Trustee of OneSuper. The PDS can be found at www.superhero.com.au.

Date from which this TMD is effective

- 2.4. This TMD is effective from 5 October 2021.

3. Class of consumers that fall within this target market

- 3.1. The information below summarises the overall class of consumers that fall within the target market for the Superhero Super Control account option, based on the product's key attributes and the objectives, financial situation and needs that it has been designed to meet.
- 3.2. The Control account option 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 Control account is designed for individuals who:
- are aged 25-55 years;
 - may not have received personal financial advice;
 - may find the optional insurance suitable;
 - have an interest, some experience with or knowledge of investing in ASX listed securities through a digital platform;
 - are willing to pay higher administration fees than Autopilot account members in order to access a greater range of investment options, along with more comprehensive online portfolio management, reporting and administration;
 - want greater control of their superannuation investments by selecting from a range of direct listed equities including ETFs, LICs & ASX300 shares;

- prefer to engage with their superannuation investments through a digital platform, such as a mobile application.

Product description and key attributes

- 3.3. The key eligibility requirements and product attributes of the Control account are that the individual:
- is aged 25-55 years;
 - is willing to transact in their superannuation investments via a digital platform; and
 - must be willing to actively engage in their investment decisions for their account balance.

Objectives, financial situation and needs

- 3.4. The table below sets out the class of customers that each investment option within the Control account has been designed for.

| Investment option | Class of customers |
|-----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Diversified Global Index Option</p> | <p>The Diversified Global Index Option is a low-cost investment that is suitable for individuals with a medium term investment timeframe (5-7 years), seeking a balance between income and capital growth potential, that are willing to accept 3-4 negative annual returns over any 20-year period.</p> |
| <p>ETFs/LICs</p> | <p>ETFs are for individuals who require diversified investments inside their superfund that decrease volatility whilst gaining exposure to Australian equities. The Control account provides access to a wide range of ASX listed ETFs.</p> <p>A Listed Investment Company (LIC) is an investment listed on a stock exchange that is incorporated as a company. LICs operate similarly to a managed fund as they have a manager who operates its investments. As a LIC is a company, investors in the LIC receive dividends.</p> <p>The general objective of ETFs and LICs is to provide investors with income and growth in the value of their investment over rolling five year periods through exposure to investment trusts and funds listed on the ASX. Investments in this strategy will suit investors seeking to invest in investment trusts and funds and who accept a moderate to very high</p> |

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|-----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>level of risk associated with this type of investment and the possibility of negative returns in any year.</p> <p>The percentage limit in a single security limit for any ETF or LIC is as follows:</p> <ul style="list-style-type: none"> ● Australian Listed ETF/LIC - Tier 1 - 50% ● Australian Listed ETF/LIC - Tier 2 - 25% ● Australian Listed ETF/LIC - Tier 3 - 10% |
| <p>Direct Equities</p> | <p>Direct Equities are for individuals who would like to acquire investments in specific sectors and/or companies within their superfund, depending on what sectors and/or companies are important to them. They may provide greater or lesser returns than more diversified investment options, such as ETFs or Index Options.</p> <p>The general objective of Direct Equities is to provide investors with income and growth in the value of their investment over rolling five year periods through exposure to securities listed within the S&P/ASX300 Accumulation Index. Investments in this strategy will suit investors who want to manage their own portfolio of listed Australian securities and accept a high level of risk associated with this type of investment and the possibility of negative returns in any year.</p> <p>The Control account allows the individual to invest up to 75% of their superannuation into different companies within the ASX 300 index to reduce the volatility involved in investing in companies with smaller market capitalisations. The percentage limit in a single security limit for any ASX 300 direct equity is 20%.</p> |
| <p>Cash Account (Superhero Wallet)</p> | <p>The Superhero Wallet is the transactional cash account used to purchase and dispose of investments. A minimum cash holding of 2% of the total value of the member account balance, or \$500, whichever is the greater must be held. This minimum cash holding is maintained to pay fees and other costs associated with the member account.</p> <p>The Superhero Wallet is suitable for investors who prefer low risk and a high level of security on their account balance.</p> |

3.5. The table below sets out the class of customers that each insurance option within the Control account has been designed for.

| Investment option | Class of customers |
|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Death Insurance (also referred to as Life Insurance) | Superhero Super Control Death Insurance is suitable for individuals who want to be provided with a lump sum benefit if they die or are diagnosed with a terminal illness. |
| Death and TPD Insurance | Superhero Super Control Death and TPD Insurance is suitable for individuals who want to be provided with a lump sum benefit if they die, suffer a Total and Permanent Disablement or are diagnosed with a terminal illness. |

Excluded class of customers

3.6. This product has **not** been designed for individuals who:

- are over the age of 55;
- are under the age of 25;
- are seeking a retirement or transition to retirement income stream product;
- do not want to engage with their super on a digital platform;
- do not wish to accumulate wealth for retirement; or
- do not wish to actively choose direct listed equity investments in their superannuation.

3.6.1. Insurance

The default (opt-out) insurance has **not** been designed for individuals who may work in one of the following occupations, as these are Excluded Occupations:

- Aviation worker such as a pilot, air traffic controller or aerial photographer;
- Courier – motorcycle or bicycle;
- Entertainer working professionally such as an actor, dancer, musician or performer;
- Forestry worker such as a tree feller;
- Horse racing industry worker such as a jockey or strapper;

- Mining worker such as an explosives handler (surface or underground);
- Offshore worker such as a fisherman or diver;
- Seasonal worker;
- Sex worker; or
- Sports person working professionally or semi-professionally.

Consistency between target market and the product

- 3.7. The Superhero Super Control product is suitable for its target market of individuals aged 25 to 55 years of age who want to be able to accumulate wealth for their retirement. It provides these individuals with access to a platform where it is easy to choose how their superannuation is invested, depending on what is important to them. Individuals can choose from a variety of direct listed equities including ETFs, LICs and individual ASX300 stocks that are appropriate for long-term wealth accumulation.

4. How this product is to be distributed

Distribution channels

- 4.1. This product is designed to be distributed through the following means:
- Directly to members via online channels - www.superhero.com.au,
<https://onesuper.com/funds/superhero-super/>

Distribution conditions

- 4.2. The Superhero Super Control product should only be distributed in the following circumstances:
- customer is aged 18-65 years; and
 - customer has created an online account with Superhero Super.

Adequacy of distribution conditions and restrictions

- 4.3. A number of data points are collected on individuals at the onboarding stage of sign up to the Superhero Super Control account. Data-driven determinations made by Superhero, seek to ensure that the distribution conditions are met, therefore making it likely that consumers who take up the product are in the class of consumers for which it has been designed.

- 4.4. If an individual is determined to be outside the Target Market for the product, a warning shall be provided that this product may not be suitable for them and that the individual needs to reconsider their choice prior to proceeding with the product.
- 4.5. If an individual during the onboarding phase enters their age as less than 25 or greater than 55, the individual will be provided with the warning in section 4.4 automatically by the Superhero Platform.
- 4.6. If an individual during the onboarding phase enters in an Occupation that is an 'Excluded Occupation' (only applies for members requesting insurance) the individual will be provided with a message stipulating that the insurance product is not suitable for them.
- 4.7. Some determinations of the consumer's fitness for the product having regard to the Target Market in Section 3.2 are derived from the customer onboarding process, specifically:
- Have an interest, some experience with or knowledge of investing in ASX listed securities through a digital platform;
 - want greater control of their superannuation investments by selecting from a range of direct listed equities including ETFs, LICs & ASX300 shares;
 - Are willing to pay higher administration fees than Autopilot account members in order to access a greater range of investment options, along with more comprehensive online portfolio management, reporting and administration;
 - Determination of target market fit for this point is made by Superhero when the individual selects the Control Account option. The screen that displays when selecting Control or Autopilot shows the fees and costs associated with both products and thus the individual opting for greater control of their superannuation investments at a higher cost is determined; and
 - Prefer to engage with their superannuation investments through a digital platform, such as a mobile application.
- 4.8. Superhero takes the customer's progression through the onboarding process before sign-up as evidence to suggest that the determinations in Section 4.7 are accurate based on whether the customer continues to attempt to sign-up for the product, after all necessary Target Market warnings and other disclosures are administered.

5. Reviewing this TMD

5.1. We will review this TMD in accordance with the below table:

| TMD Reviews | | |
|----------------|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Initial Review | Periodic Reviews | Review Triggers or Events |
| 1 July 2022 | At least annually after the initial review | <ul style="list-style-type: none"> • A material change to the PDS; • Where a SEN is required; • Occurrence of a significant dealing (more than 35%+ of newly onboarded customers are outside the TMD in any month); • The introduction of a new product feature; • Superhero is directed by a regulatory body to cease distribution of the product; • Superhero becomes aware of a situation which will prevent us achieving adequate member outcomes for the fund; or • Material changes in metrics, including, but not limited to, complaints. |

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

6. Reporting and monitoring this TMD

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

| TMD Reviews | |
|-------------|----------------------|
| Complaints | Significant dealings |
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| <ul style="list-style-type: none">• 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 that their products are meeting the needs of consumers. Distributors must ensure that this information is reported within 24 hours or as soon as practicable.• Reporting will include the substance of complaints and general feedback relating to the product and its performance. | <ul style="list-style-type: none">• The Distributor will report if they become aware of a significant dealing in relation to this TMD as soon as is reasonably possible, and no later than within 10 business days.• The Distributor will report the number of customers outside the TMD on a monthly basis. |
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--- End of Target Market Determination ---