

Target Market Determination

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Phone: 1300 799 482 | Email: hello@vervesuper.com.au | Post: GPO Box 2753, Brisbane QLD 4001 | Join online at www.vervesuper.com.au

Verve Super is issued by Equity Trustees Superannuation Limited (ABN 50 055 641 757, RSE Licence L0001458, AFSL 229757) of Level 1, 575 Bourke Street, Melbourne VIC 3000 ("the Trustee"), as trustee of the Future Super Fund (ABN 45 960 194 277; RSE Registration R1072914) ("the Fund"). Verve Super is a division of the Fund. The Fund is administered by Apex Superannuation (Australia) Pty Ltd (ABN 28 081 966 243, AFSL 238507). Insurance cover is provided to eligible members by AIA Australia Limited (ABN 79 004 837 861; AFSL 230043). The Promoter and Investment Manager for the Fund is Future Super Investment Services Pty Ltd (ABN 55 621 040 702, AFS Representative No. 001271441). Future Super Investment Services is a Corporate Authorised Representative of Future Promoter Holdings Pty Ltd (ABN 90 167 800 580, AFSL 482684). The Founder of Verve Super is Verve Superannuation Pty Ltd (ABN 65 628 675 169; AFS Representative No. 001268903), which is a Corporate Authorised Representative of True Oak Investments Ltd (ABN 81 002 558 956; AFSL 238184).

About this document

This Target Market Determination (TMD) seeks to provide consumers, distributors and staff with an overview of the class of consumers for whom Verve Super has been designed, having regard to the likely objectives, financial situation and needs of its target market. It also sets out the triggers for reviewing the target market and certain other information.

This document is not a Product Disclosure Statement (PDS), is not to be treated as a full summary of Verve Super's terms and conditions, does not take into account any person's individual financial objectives, situation or needs, and is not intended to provide financial advice.

Consumers must refer to the Product Disclosure Statement (PDS) and supplementary documents available at www.vervesuper.com.au when making a decision about this product.

Product Disclosure Statement to which this Target Market Determination applies

This TMD applies to Verve Super as referred to in the following documents:

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

Class of consumers that fall within the target market

Verve Super is designed for consumers who:

- Are women+ and allies supportive of Verve Super's mission, between the ages of 15–65;
- Are seeking to invest and grow their retirement savings through a superannuation product with a strategy to invest ethically in companies and assets that have a positive impact for women, the broader community and the environment; and
- Do not require access to personal financial advice through their superannuation product.

Verve Super also caters for consumers who may wish to access the following features through their superannuation product:

- Life insurance cover, including Death Only cover, Death & TPD cover, and Income Protection cover; and
- Non-binding and Non-Lapsing Binding death benefit nominations.

Excluded class of consumers

Verve Super is not designed for consumers who:

- Are receiving this PDS (including electronically) outside of Australia;
- Are looking for a Self-Managed Superannuation Fund (SMSF), self-directed investment options, or single sector investment options;
- Are seeking investments that have not been ethically screened;
- Are seeking a short-term investment option;
- Are seeking a defensive or high growth investment option;
- Are looking for a default investment option and/or default life insurance cover;
- Are seeking personal or tailored superannuation or life insurance advice;
- Require insurance coverage for hazardous or high-risk occupations that are excluded under the insurance policy (refer to the Insurance Guide linked above for further information); or
- Are at, or close to, retirement age of 65 and are seeking a pension product.

Product description and key attributes

Verve Super is an ethically invested, community-minded superannuation product created and designed by the Founder to support women+ and allies supportive of Verve Super's mission, to build their retirement savings.

The Founder's vision to create and feel part of a supportive community committed to building adequate retirement savings, while investing for a more equitable and sustainable future.

The key product attributes of Verve Super are:

- A single investment strategy, with an investment return objective of CPI + 2.50% p.a. over rolling ten-year periods (after investment fees and taxes), a recommended minimum investment timeframe of 4–6 years, and a Standard Risk Measure (SRM) of 6 / High, which means 4 to less than 6 estimated negative annual returns over any 20-year period.
- An ethical investment strategy that applies negative and positive screens in order to meet the product's Environmental, Social and (corporate) Governance (ESG) criteria.
- Option for members to apply for a refund of the dollar-based administration fee if 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. (*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.)



- Opt-in Death Only or Death & TPD insurance cover without underwriting if an eligible member applies for insurance cover within 60 days of first joining Verve Super. Underwritten Death Only, Death & TPD, and Income Protection cover available to eligible members on an opt-in basis.
- The ability to accept retirement savings transferred from New Zealanders moving permanently or indefinitely to Australia, and the ability to transfer super accounts to New Zealand for Australians moving there permanently.
- A member portal allows which members to monitor their super balance and transaction history and make changes to their account details.
- Access to support services and events focused on building financial skills and confidence.

Objectives, financial situation, and needs – investment

Verve Super's Balanced investment option may be suitable for consumers who are comfortable with accepting short term market/performance volatility in order to achieve competitive long-term returns. Recommended minimum investment timeframe is 4-6 years.

The strategy is to invest in a diverse mix of assets, with a bias towards Australian assets. Specific allocation may vary, but the strategy is to retain a broad 67.5/32.5 split between growth assets such as shares, and defensive assets such as cash and fixed interest.

By applying an ethical investment strategy to the selection, retention and realisation of investments, Verve Super seeks to direct retirement savings away from companies and activities which are assessed as harmful to the environment and society, and allocate retirement savings to companies and activities which strive for a fairer, more equitable society.

Verve Super's investment strategy and associated screening processes are developed and implemented by the Investment Manager and can be summarised as follows.

Positive screens– The positive screening process is used to increase investment exposure to particular attributes.

The Investment Manager seeks exposure to*:

- gender equity leaders – companies identified as drivers of gender equity
- carbon leaders – industry leaders in carbon efficiency or companies engaged in activities that actively minimise carbon emissions.
- sustainability leaders – companies involved in activities that align with the achievement of the United Nations Sustainability Goals.
- green bonds – bonds issued to fund projects that have positive environmental benefits and are verified as meeting the standards set by the Climate Bonds Initiative.

** The application of these screens varies depending on the asset class and the type of positive screened activity. Screens may not be applied across all asset classes or asset types. For more information about how and when these screens are applied, please contact hello@vervesuper.com.au.*

Negative screens – The negative screening process seeks to avoid investment in companies or assets with a material involvement in the following activities*:

- listed companies with no women on boards
- labour rights violations in the supply chain
- human rights violations
- fossil fuels
- gambling
- tobacco
- pornography
- weapons and armaments
- nuclear energy

- animal cruelty (live animal export, factory farming, cosmetic testing on animals)
- environmental destruction
- detention centres
- predatory lending

The Investment Manager also seeks to minimise investment in companies involved in the production, sale and distribution of alcohol and junk food.

**The application of these screens varies depending on the asset class and the type of negatively screened activity. Revenue thresholds may apply. For more information about how and when these screens are applied, please contact hello@vervesuper.com.au.*

Objectives, financial situation, and needs – insurance

The information below sets out the class of consumers that each insurance option within Verve Super has been designed for.

Standard Death Only cover

A lump sum benefit is payable in the event of a member's death or terminal illness diagnosis.

Standard Death Only cover is offered to members on an opt-in basis within 60 days of first joining Verve Super.

The target market for Standard Death Only cover is members between the ages of 15 to 64 (inclusive) who are Australian citizens or Australian permanent residents seeking insurance cover through their superannuation fund and who may not hold life insurance cover outside of superannuation.

Members aged 65 and over are unable to hold insurance cover through Verve Super.

Opt-in cover provides members with a set amount of cover based on their age next birthday, sex at birth, and occupation, and is obtainable through a limited set of underwriting questions which can be answered through the online member portal.

To be eligible for Death Only cover, a member can be:

- A Permanent employee, or
- A contractor, or
- A casual employee, or
- Not gainfully employed.

Standard Death Only cover is subject to New Events cover for the first two years.

Premiums are based on a member's age next birthday, sex at birth and occupation.

Standard Death and Total & Permanent Disablement (TPD) cover

A lump sum benefit is payable in the event of a member's death or terminal illness diagnosis, or in the event a member becomes totally and permanently disabled.

Standard Death & TPD cover is offered to members on an opt-in basis within 60 days of first joining Verve Super.

The target market for Standard Death & TPD cover is members between the ages of 15 to 54 (inclusive) who are Australian citizens or Australian permanent residents seeking insurance cover through their superannuation fund and who may not hold life insurance cover outside of superannuation.

Once an insured member reaches age 55, cover reverts to Death Only 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, sex at birth and occupation, and is obtainable through a limited set of underwriting questions which can be answered through the online member portal.

(Cont.) Standard

Death and Total & Permanent Disablement (TPD) cover

A lump sum benefit is payable in the event of a member's death or terminal illness diagnosis, or in the event a member becomes totally and permanently disabled.

To be eligible for Standard Death & TPD cover, a member can be:

- A permanent employee, or
- A contractor, working at least 20 hours per week.

Standard Death & TPD cover is subject to New Events cover for the first two years.

Premiums are based on a member's age next birthday, sex at birth and occupation.

Voluntary Death Only cover or Death & TPD cover

Voluntary Death Only cover or Death & TPD cover is offered to members on an opt-in basis at any stage of being a member of Verve Super (subject to eligibility requirements).

The target market for Voluntary Death Only cover or Death & TPD cover is members who:

- Wish to increase their Standard opt-in cover amount, or
- Are not eligible for Standard opt-in cover and wish to be underwritten for voluntary cover.

The same age and employment eligibility requirements that apply to Standard Death Only and Death & TPD cover also apply to Voluntary Death Only and Death & TPD cover. Members must also be an Australian citizen or permanent resident to be eligible to apply.

Voluntary cover provides members with a fixed amount of cover that does not change with age and is obtainable by completing an application form and providing the insurer with evidence of health and insurability (i.e., full underwriting).

There is no maximum cover amount for Death cover. TPD cover has a maximum of \$3,000,000 cover.

Voluntary cover allows acceptance at non-standard terms by the insurer.

Voluntary cover is customisable by the member to suit their personal needs.

No New Events cover restrictions apply to Voluntary cover.

Premiums are based on a member's age next birthday, sex at birth and occupation.

Income Protection cover

A monthly benefit is payable in the event a member is unable to work due to illness or injury.

Income Protection cover is offered to members on an opt-in basis at any stage of being a member of Verve Super (subject to eligibility requirements).

The target market for Income Protection cover is members aged 15 to 64 (inclusive) wanting to protect their income through superannuation and who may not hold life insurance cover outside of superannuation.

To be eligible for Income Protection cover, a member must be:

- Under 65 years of age,
- Permanently employed for at least 15 hours per week, and
- An Australian citizen or Australian permanent resident.

(Cont.) Income Protection cover

A monthly benefit is payable in the event a member is unable to work due to illness or injury.

Members can apply for an Amount Insured of up to 75% of their Pre-Disability Income, capped at a maximum Monthly Benefit of \$20,000, by completing an application form and providing the insurer with evidence of health and insurability (i.e., full underwriting).

Income Protection cover is offered with 30, 60 or 90 day waiting periods and a benefit period of up to two years (or to age 65 if earlier). Members wanting a longer benefit period are not in the target market.

Income Protection cover allows acceptance at non-standard terms by the insurer.

Premiums are based on a member's age, sex at birth, waiting period option, resident State and occupation.

Transferred Cover Death Only cover Death and Total & Permanent Disablement (TPD)

A member may be eligible to transfer the Death Only or Death & TPD insurance cover they hold through another superannuation fund or another insurance policy, to Verve Super.

For cover to be accepted by the Insurer under individual transfer terms, the member must complete the transfer application form to the insurer's satisfaction and provide proof of previous cover.

The maximum amount of Death Only or Death and TPD cover that can be transferred to the member's account with Verve Super is \$1,000,000.

Stand-alone TPD cover

Stand-alone TPD cover is not offered to members under the policy.

Individuals working in a hazardous or special risk or uninsurable occupation, or individuals that engage in hazardous pursuits, may not be eligible to obtain insurance cover through Verve Super. The Insurer's List of Occupations, which provides information about the occupation category which applies to specific occupations, is available at www.vervesuper.com.au/insurance. You may be able to use this List to determine your Occupational Category and therefore how much insurance cover may cost (premiums). Information about what may constitute a hazardous pursuit can be obtained by reading the Insurance Guide available at www.vervesuper.com.au.

Consistency between target market and the product

The Trustee considers that Verve Super is likely to be consistent with the target market because:

- The investment option is consistent with the target market of consumers who want their superannuation invested in an investment portfolio that invests in ethically screened investments.
- There is a range of insurance options to cater for a broad range of insurance needs (including type and level of cover).
- The option for members to apply for a rebate of the dollar-based administration fee if 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, is consistent with the target market of women, who are more likely to take leave due to starting a family.

How this product is to be distributed

Distribution channels and conditions

Verve Super is designed to be distributed direct to consumers through the following means:

- The Verve Super website
- The Verve Super contact centre
- An authorised partnership

Verve Super should only be distributed in the following circumstances:

- The consumer meets the eligibility requirements; and
- The consumer has created an account in their own name.

Marketing channels

Verve Super is designed to be marketed direct to consumers through the following means:

- The Verve Super website
- Verve's social media channels
- Events hosted by Verve
- The social media channels of authorised partners
- Attendance at events
- Authorised sponsorships.

Adequacy of distribution conditions and restrictions

Verve Super is marketed to consumers who are purpose aligned. Verve Super is transparent in its marketing of the purpose of the product, targeted consumers and how consumers' superannuation is invested.

Verve Super has a distinct investment offering and fully discloses its investment holdings at www.vervesuper.com.au. As a choice product, consumers are required to actively select the Balanced investment option as part of joining Verve Super.

Given the distinctiveness of Verve Super's branding, website content, and marketing content, it is unlikely that consumers would not be aware of Verve Super's purpose, target market, and/or ethical investment strategy when acquiring the product.

The distribution conditions and restrictions make it likely that consumers who purchase the product are in the class of consumers (target market) for whom it has been designed.

Reviewing the target market determination

This target market determination will be reviewed as follows:

Periodic reviews	<p>At least every year after the initial review.</p> <p>The review will cover:</p> <ul style="list-style-type: none"> • Whether the product reached the consumers in its target market or was sold to consumers outside the target market; • How the product performed in the hands of the consumers in the target market; • Whether the product delivered what was promised; and • Whether the product resulted in poor outcomes for consumers in the target market.
Review triggers or events	<p>Any event or circumstances arise that would suggest that this TMD is no longer appropriate will trigger an ad hoc review.</p> <p>This may include (but is not limited to):</p> <ul style="list-style-type: none"> • A material change to the design or distribution of the product, including where a Significant Event Notice is issued and or on the reissuing of the PDS; • An external event, such as adverse media coverage or regulatory attention; • A significant change in complaint trends, such as persistent complaints about the product or its investment performance;

(cont.) Review triggers or events	<ul style="list-style-type: none"> • A significant increase in members exiting the product; • A significant proportion of insurance cancellation rates; • A significant proportion of insurance claims being denied or withdrawn; • A suspicious adverse result from the market or different returns from those expected from the market; • A significant change in exposure in products, such as developments in international markets where the product may be overweight;
Review triggers or events	<ul style="list-style-type: none"> • Acquisition of an asset that does not meet the ESG requirements of the Fund and is not disposed of within the required timeframes; • A change has occurred that affects the objectives of the target market; • Regulatory change that impacts part or all of the TMD; • Significant dealings outside of the target market; • Launch of a new product feature that only applies to a specific group of members; • A failure to achieve Member Outcomes. <p>Where a review trigger has occurred, the review will occur within 10 business days.</p>

Reporting and monitoring this target market determination

Distributors are under an obligation to report the following information to the Trustee in relation to this TMD:

Complaints	<p>Distributors must record and report all complaints that relate to the product or its distribution.</p> <p>The record must include the substance of complaints in relation to the product covered by this TMD.</p> <p>Where a complaint relating to the product and/or its distribution is received, the distributor must report this complaint information to the Trustee at six monthly intervals (end of March and September). This will include written details of the complaints.</p>
Significant dealings	<p>Distributors are required to notify the Trustee if they become aware of a significant dealing in relation to this TMD within 10 business days.</p> <p>A significant dealing includes:</p> <ul style="list-style-type: none"> • 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; • Potential/actual harm to consumers if consumers outside the target market acquire the product; • Inconsistency of distribution conditions with the TMD; • Proportion of superannuation contributions from the product from consumers outside the target market; and • Time period when consumers outside the target market acquired the product.