

1. ABOUT THIS DOCUMENT

This Retirement Income Strategy (RIS) applies to the HUB24 Super Fund (Fund) ABN 60 910 190 523 AFSL 232500 issued by HTFS Nominees Pty Limited (HTFS or Trustee) ABN 78 000 880 553 RSE L0003216. It seeks to provide members and their beneficiaries with an understanding of the Trustee's strategy for assisting members to achieve their retirement income objectives.

This document is not a Product Disclosure Statement (PDS), it does not consider an individual's financial objectives, situation and needs and is not financial advice.

A consumer should refer to the relevant PDS (including any incorporated information and the Target Market Determination) when deciding if any product is suitable for them.

The Trustee will review this RIS each year and update the strategy at least every 3 years.

2. FUND OVERVIEW

The Trustee's overall objective for the Fund is to make a difference in members' lives by connecting them and their financial advisers to innovative solutions that help create better outcomes. The overall strategy for the Fund is focused on continued growth and investment in product and technology solutions that can help members better engage with and grow, as well as drawdown, on their retirement funds.

Membership into the Fund is typically only possible through an approved financial adviser and, before a member is accepted into the Fund, a declaration is made by the member confirming that they have received professional advice which includes the formulation of an investment strategy that has taken into account their personal objectives, financial situation and needs.

The Fund provides members with accumulation and retirement income solutions with access to a broad range of investment products including managed funds, Australian and international listed securities, managed portfolios (managed by professional portfolio managers), term deposits along with access to a range of externally available retirement income solutions, such as, annuity products and longevity products from market leading product providers.

For the purpose of the RIS, the Trustee has determined that members who have attained age 55 fall within the class of beneficiaries of the Fund who are either retired or are approaching retirement. The Trustee has made this determination on the basis that the average age people intend to retire is 65.5 years, whilst the average age of all retirees is 55.4 years¹.

¹Australian Bureau of Statistics (Retirement and Retirement Intentions, Australia; released 8 May 2020)

As at 31 March 2022, approximately 21% of members were aged over 65 and just over 42% fell within the class of beneficiaries of the Fund who are either retired or are approaching retirement (ie aged 55 years or more):

AGE GROUP	NUMBER OF MEMBERS	ACCOUNT BALANCES (\$M)
Under age 55	53,448	4,392
Aged 55 - 64	20,016	5,365
Over age 65	19,510	7,200
Total	92,974	16,957

3. RETIREMENT INCOME

The Trustee considers retirement income as comprising:

- a) Income received by a member from the member's superannuation assets within the Fund, whether received in the form of a pension or lump sum withdrawals; and
- b) Age Pension payments received by the member; and
- c) All other income that the member may receive in retirement including:
 - Income from other superannuation funds;
 - Non-superannuation income;
 - All other income earned by a spouse or partner.

The Trustee is responsible for the outcomes of the superannuation assets under trusteeship.

Any Age Pension entitlements and other income a member may receive in retirement are a matter for the member and their financial adviser, if applicable.

The Trustee considers the period of retirement for a member to be the period from when a member selects to invest in a retirement income product, such as an account-based pension, until death. Life expectancy for a 65 year old² is 85 for males and 87.7 for females. Hence this will typically be a period of at least 20 years.

4. RETIREMENT INCOME STRATEGY

The Fund offers a Retirement Pension product, a Transition to Retirement Pension product, access to a broad range of investment products as well as access to a range of externally available retirement income solutions from market leading product providers. The Trustee considers that these products are appropriate and, as reflected in the most recent member outcomes assessments for these products, they promote the financial interests of those members who are either retired or are approaching retirement.

The Trustee considers that members are most appropriately assisted by providing access to relevant information and to encourage them to obtain personal advice.

² Australian Bureau of Statistics (Retirement and Retirement Intentions, Australia; released 8 May 2020)

The Trustee notes that the majority of members in the Fund have a financial adviser.

The Trustee only has access to a member's age and account balance (and insurance for some members) in the Fund. The Trustee does not have details of a member's personal circumstances, other income outside of the Fund (which may include other superannuation assets) or details on income from a spouse or partner. The Trustee does not provide retirement planning advice to members. To assist members in making retirement decisions the Trustee will recommend to members that they:

- speak to their financial adviser or seek one; and
- undertake their own research to understand their options; and
- consider what retirement products are available to them.

To assist with these decisions the Trustee will provide links on the Fund's website to relevant sources of information, including (but not limited to) the Australian Government's Financial Information Service.

The Trustee is open to considering additional retirement product solutions that may be proposed by HUB24 Custodial Services Ltd ABN 94 073 633 664, AFSL 239 122 (HUB24) subject to being in the best interests of members.

The Trustee will also engage in targeted communications with those members who fall within the class of beneficiaries of the Fund who are either retired or are approaching retirement and who do not, as far as the Trustee is aware, have a financial adviser. These targeted communications will encourage and remind these members to take appropriate steps in relation to their retirement income planning which may involve referring them to seek professional financial advice or giving them access to key retirement topics and retirement income calculators.

5. STEPS TAKEN TO GATHER INFORMATION

In formulating this RIS, the Trustee has relied primarily on information it already possesses as trustee of the Fund (including information gathered for the purposes of the Member Outcomes Assessment and Target Market Determination) and on information about the industry more generally that it possesses as a result of acting as a trustee of a large number of superannuation funds.

To the extent necessary, the Trustee accessed publicly available information including information available from the Australian Bureau of Statistics.

The Trustee determined that any additional information that could be obtained from members would be irrelevant to the Trustee's strategy and that the cost of obtaining such information is inconsistent with the Fund's objective and its Target Market Determination. This is because of the Trustee's strongly held view that retirement products depend on the specific circumstances of each member that are most appropriately addressed through personal advice (which the Trustee does not provide) that enables members to choose the most appropriate retirement income.

General advice warning

This information may contain general advice, which does not take into account your individual objectives, financial situation or needs. You should assess whether the advice is appropriate for you having regard to your objectives, financial situation and needs, and consult a financial adviser before making a decision about whether to invest in any product of HUB24 Custodial Services Limited. Important information.

This flyer has been prepared by HUB24 Custodial Services Ltd ABN 94 073 633 664, AFSL 239 122 (HUB24) and is current as at 1 July 2022. It is intended to assist holders of Australian Financial Services Licences and their representatives (including authorised representatives) who are authorised to use AdviserHUB. It is not intended to contain all the information that the user may require to use AdviserHUB. This flyer must not be copied or reproduced without the prior written consent of HUB24. If you require additional assistance, please call: 1300 854 994. © HUB24