

## smartMonday and Future Super Group: FAQ

smartMonday was sold by Aon to Future Super Group at the end of January this year, creating a larger, dedicated superannuation operation that continues to offer the same great range of investment, insurance and service offerings you've come to expect, with enhancements to come.

While new ownership appears to be a big change, for you it will not be. Our members remain supported by the same team, trustee and insurers, with no change to your investment options, insurance or fees. Our website and contact phone numbers all remain the same, as does your member details, including current login to the member portal.

We are optimistic about this transition, joining a progressive, dedicated superannuation fund that has firm plans for growth while smartMonday retains independence in its brand and operations.

For those of you that want further information on the transition, here we provide answers to questions that have arisen from members

### Questions

1. What does the acquisition mean for you?
2. What expertise does each fund have to offer?
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11. Will there be a change to smartMonday's trustee?
12. When will the two businesses integrate and operate as one?
13. What happens to the smartMonday brand?
14. Where should any questions be directed?

1. What does the acquisition mean for you?

Future Super's acquisition of smartMonday will create a more efficient fund leading to performance improvement and other enhancements. We will communicate these as they occur, but our expectations include:

- **Communication:** We'll enhance the ways we connect with you as smartMonday gains from Future Super's industry leadership in member satisfaction and loyalty, in part due to its strong digital marketing.
- **Investment:** Future Super focuses on ethical and sustainable investments and is a market leader in impact investing. This popular and profitable strategy will, over time, benefit smartMonday's investing as we continue to focus on performance for members
- **Service:** As a super fund in the niche end of the \$10 billion-to-\$30 billion size market we can offer a more focused level of service than competitors, by giving our partners, such as MinterEllison, a strong voice and dedicated service strategy in our operations.
- **Tailored insurance:** The ME Partner Group Life Insurance programs will continue unchanged both inside and outside of smartMonday with the existing underwriter OnePath/Zurich. Aon and smartMonday will continue to ensure all partner and spouse needs are supported, as in the past.

2. What expertise does each fund have to offer?

Each fund has different areas of expertise and focuses on different markets: together we offer a broad, unique offering to all members.

*smartMonday*

- MySuper lifecycle option, auto-adjusting based on age
- Corporate plan discounts and service
- Financial wellbeing to employees of participating employers

*Future Super*

- Direct-to-member choice options
- A strong environmental, social and governance ethos in its investing
- Superior digital user experience

**3. Will there be a reduction in fees?**

From 30 June this year we will reduce total fees for 95% of our members, meaning more of their super will remain with them to build the future they want.

We will also discontinue the portfolio rebate of 0.10% on account balances greater than \$250,000 in smartMonday PRIME. Reducing such fee variations simplifies our administrative processes and makes it easier for members to understand our fees. (This rebate will cease on 30 June.)

While some members will lose this specific rebate, most will see a reduction in the asset administration fee and investment management fees associated with their account.

From 30 June, the changes to the fees that impact ME partners and spouses are:

- reduction in asset administration fee
- freezing of member fee this financial year and next
- reduction in most investment fees

removal of portfolio rebate of 0.10% on the portion of account balances greater than \$250,000.

**4. Will anything change for ME partners and spouses?**

- While smartMonday has a new owner, there's no change to how we operate and how ME partners and spouses will utilise the fund.
- ME partners and spouses' accounts remain invested and supported by the same product, operational and service team, trustee, insurer, as well as Aon.
- The ME Super Management Committee continues to meet and monitor the progress of the ME Partner Super Plan. Kerryn Lilley remains the key contact for partners and spouses for all insurance and super-related queries.
- ME partners and spouses' end-of-financial-year contribution letters will be issued in June via Kerryn Lilley, along with reminders and BPAY details for direct contributions to be made where required. This allows time for submission of

final contributions to maximise limits and ensure any tax deductions.

- Partners and spouses will be issued their post-June 30 contribution letters through August 2022 via Kerryn Lilley. This will allow them to submit tax deduction forms through her, which she'll manage with the smartMonday team.

## THE FUNDAMENTALS



### INVESTMENTS

Market leading returns  
Global Investment experience  
Responsible Investment



### INSURANCE

Bespoke design with hybrid cover options inside and outside of super.



### FEEES

Discounted Corporate fee  
Platinum Rated Product

#### HOW DO THE FEES STACK UP AGAINST THE REST?

(annual fees based on \$50,000 account balance)<sup>1</sup>

MySuper average  
**\$526**

Industry average  
**\$610**

ME plan  
MySuper fee  
**\$397**

ME plan  
Choice fee<sup>2</sup>  
**\$267**

1. Additional fees may apply (e.g. Activity fees). A buy/sell spread does not apply. Indirect costs used in the calculation are estimates

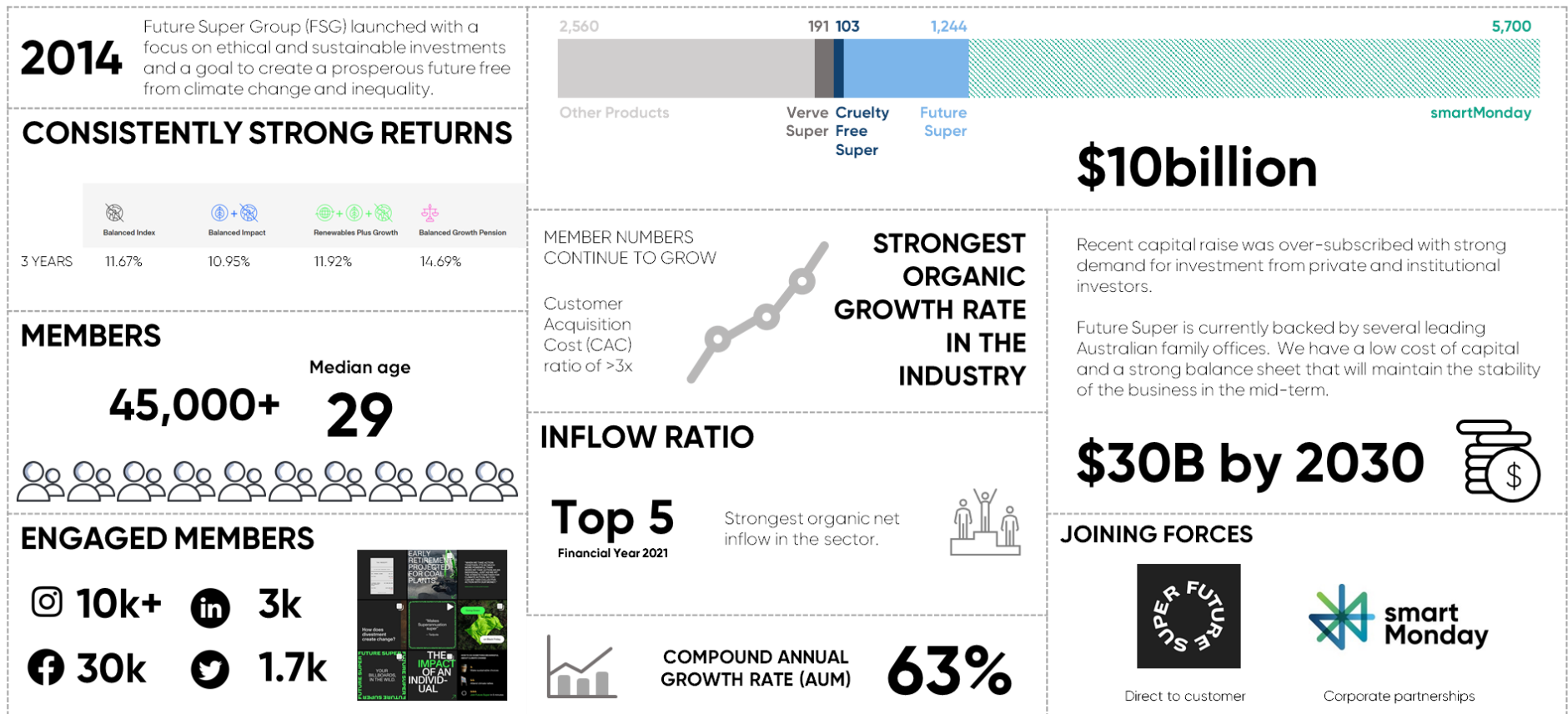
2. Differs depending on the type of investment option you choose. We have used our popular 'Choice' option, Balanced Growth - Index for this \$50,000 example.

**5. Will smartMonday focus more on ethical investments?**

- The smartMonday investment team joined Future Super Group but retained its existing investment strategies, including for our popular MySuper default option through smartMonday PRIME.
- smartMonday continues to access the Aon global investment services and will use the combined intelligence of each group to make tactical investment decisions. This approach has not changed since smartMonday transferred to Future Super and the trustee will continue to monitor the performance and conduct of the smartMonday investment team as it seeks member-best outcomes.
- smartMonday is committed to responsible investing. At present 25 per cent of our MySuper investments are screened for environmental, social and governance issues. We will only expand this investment approach if it satisfies member best-outcome requirements, meets their retirement outcome needs, and passes the same stringent performance tests the smartMonday investment team use to choose investment managers and options.

## 6. Who is Future Super?

Future Super focuses on ethical and sustainable investments and is a market leader in impact investing with a rapidly growing member base. It has 50,000-plus members and its super product has grown at a compound annual rate of 63 per cent over the past six years. It maintains an industry-leading customer-service rating and continually invests in digital marketing activities to drive growth



smartMonday is a registered trading name of smartMonday Solutions Limited ABN 48 002 288 646 AFSL 236667, the sponsor of the Smart Future Trust ABN 68 964 712 340 (the fund). The trustee of the fund is Equity Trustees Superannuation Limited ABN 50 055 641 757 AFSL 229757 RSE Licence L0001458. This document has been prepared by smartMonday on behalf of the trustee. smartMonday products are part of the fund. The Target Market Determinations for smartMonday products are available at [smartmonday.com.au/governance](http://smartmonday.com.au/governance). © 2022 smartMonday Solutions Limited

**7. How big is Future Super Group? How will it support its growth plans?**

- Future Super Group has the strongest organic growth rate in the industry. Over the past seven years it has grown to manage \$1.4 billion in funds; and \$4.3 billion in funds under management, advice, and administration.
- Future Super Group has delivered consistent returns to members and several fee reductions in this time, passing on savings to members.
- Its acquisition of smartMonday will lift its funds under management, advice and administration from \$4.3 billion to more than \$10 billion.
- As part of its acquisition of smartMonday, Future Super Group raised capital, with its funding round oversubscribed due to strong demand from private and institutional investors. Future Super Group is currently backed by several leading Australian family offices. It has low cost of capital and a strong balance sheet that will maintain the stability of the business in the mid-term.
- Long term, Future Super Group is well positioned to capitalise on the market shift to sustainable investment through its proposition, unique capabilities and relationships.
- smartMonday has for some time had an external trustee and an external custodian. While Aon was the owner of the fund, Aon did not provide any guaranteed security for the super investments. Ultimately, the underlying financial security and governance of the fund remain the responsibility of Equity Trustees. ME partners and spouses can be assured the trustee has not enacted any changes to its governance model because of the acquisition by Future Super. Nor has the financial viability of the fund been reduced in any way due to the transaction.

**8. Why is smartMonday entering into this agreement?**

- The regulator has been encouraging smaller super funds, particularly those managing less than \$10 billion, such as smartMonday, to merge.
- The reasons for the sale are based on the need for smartMonday to scale for growth; increase operational

efficiency; and better deliver on financial wellbeing, impact investing and member digital experience.

- The smartMonday business has been successful for some time, earning accolades over the years. While Aon, a global financial risk-mitigation company, was an excellent owner and supporter of this business, it was decided smartMonday needed a superannuation-focused owner to fully pursue long-term sustainable growth plans.
  - Future Super was best aligned to smartMonday's growth, financial wellbeing and member-experience goals. With Future Super we can achieve scale at a much faster pace than would be possible at Aon, as well as providing a great home for our colleagues.
  - smartMonday members will benefit from Future Super's expertise in user experience, digital capability and responsible investing.
9. **When was the transaction completed?**
- The transaction was completed on 31 January 2022.
10. **What happened to smartMonday employees?**
- All smartMonday employees transferred to Future Super Group.
11. **Will there be a change to smartMonday's trustee?**
- Equity Trustees Superannuation Limited remains the trustee for smartMonday and will continue to be responsible for the overall governance of the fund.
12. **When will the two businesses integrate and operate as one?**
- The smartMonday business will integrate into a combined business with Future Super over time.
13. **What happens to the smartMonday brand?**
- The smartMonday brand will remain, as the business will continue to operate as its own dedicated super fund.
14. **Where should any questions be directed?**
- All questions can be relayed to Kerry Lilley, who will place you in touch with the relevant party at Aon or smartMonday as needed.