

## FUTURE SUPER: IMPACT OF ITS 2021 FEE REDUCTION

This analysis shows the dollar savings to Future Super’s fund members due the fee reduction announced by the fund on 1st January 2021.

- On 1st January 2021, Future Super (FS) reduced its fees. The reductions lowered total costs to members by 9-13% depending on the investment option.
- Administration fees reduced 15%, investment fees fell 7% per option.
- FS’s Balanced Indexed and Pension Balanced Options now charge total fees lower than the MySuper and pension fee benchmark medians. See **Figure 1**.
- These fee reductions represent savings of up to \$131 pa for accumulation members or \$215 for pension members. See **Figure 2**.

Fig 1: Future Super fee's - 2020 vs 2021

Analysis by Rainmaker

*Future Super’s  
Balanced Indexed  
option’s fees now  
rank in the lowest  
one-third for  
superannuation  
products.*

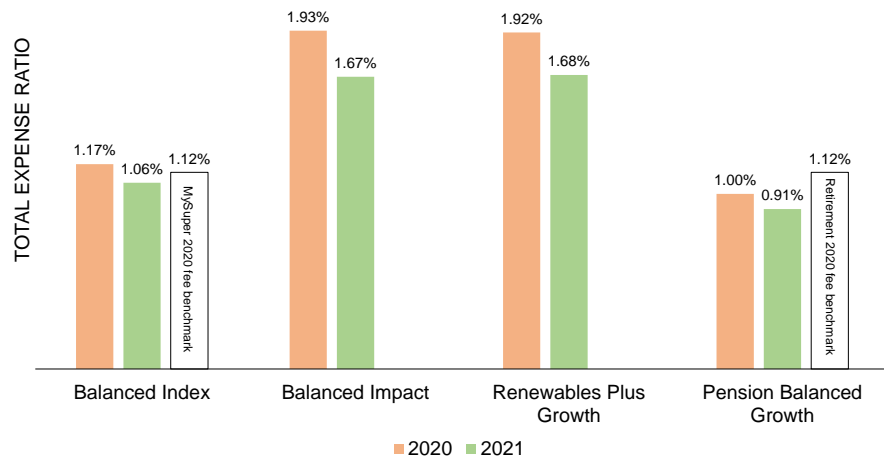


Fig 2: Savings per member in 2021 due the fee reductions

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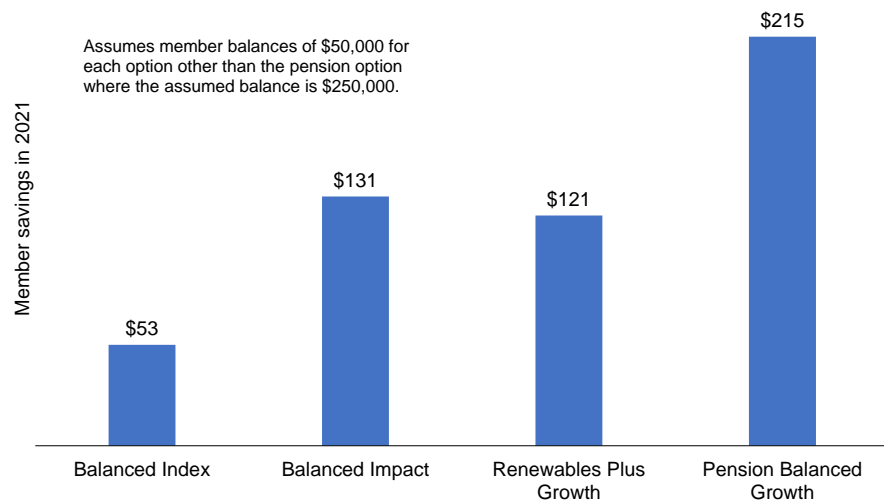


Table 1: Future Super's fee, 2020 vs 2021

		Fees before vs now		Fee drop		
		2020	2021	Change	PCT fall	
<b>FEES</b>	Administration fee pa	0.650%	0.554%	-0.10%	-14.8%	
	Member fee pa	\$93.60	\$93.60			
	Investment options					
	Option name: <b>Balanced Index (accum phase)</b>					
	Investment fee pa	0.200%	0.200%	0.00%	0.0%	
	Indirect Cost Ratio pa	0.130%	0.120%	-0.01%	-7.7%	
	<b>Subtotal investment cost</b>	<b>0.330%</b>	<b>0.320%</b>	<b>-0.01%</b>	<b>-3.0%</b>	
	Option name: <b>Balanced Impact (accum phase)</b>					
	Investment fee pa	0.970%	0.804%	-0.17%	-17.1%	
	Indirect Cost Ratio pa	0.120%	0.120%	0.00%	0.0%	
	<b>Subtotal investment cost</b>	<b>1.090%</b>	<b>0.924%</b>	<b>-0.17%</b>	<b>-15.2%</b>	
	Option name: <b>Renewables Plus Growth (accum phase)</b>					
	Investment fee pa	0.970%	0.804%	-0.17%	-17.1%	
	Indirect Cost Ratio pa	0.110%	0.130%	0.02%	18.2%	
	<b>Subtotal investment cost</b>	<b>1.080%</b>	<b>0.934%</b>	<b>-0.15%</b>	<b>-13.5%</b>	
Option name: <b>Pension Balanced Growth (pension)</b>						
Investment fee pa	0.200%	0.200%	0.00%	0.0%		
Indirect Cost Ratio pa	0.110%	0.120%	0.01%	9.1%		
<b>Subtotal investment cost</b>	<b>0.310%</b>	<b>0.320%</b>	<b>0.01%</b>	<b>3.2%</b>		
<b>TOTAL EXPENSE RATIO for each investment option [A]</b>						
Accum	Balanced Index	1.167%	1.061%	-0.11%	-9.1%	
Accum	Balanced Impact	1.927%	1.665%	-0.26%	-13.6%	
Accum	Renewables Plus Growth	1.917%	1.675%	-0.24%	-12.6%	
Pension	Pension Balanced Growth	0.997%	0.911%	-0.09%	-8.6%	
<b>Fees market rank for each investment option</b>						
Accum	Balanced Index	n=163 [B]	66	46		
Accum	Balanced Impact	n=163 [B]	126	109		
Accum	Renewables Plus Growth	n=163 [B]	126	111		
Pension	Pension Balanced Growth	n=159 [C]	88	76		
<b>Percentile rank for each investment option's total fees [D]</b>						
Accum	Balanced Index		40%	28%		
Accum	Balanced Impact		77%	67%		
Accum	Renewables Plus Growth		77%	68%		
Pension	Pension Balanced Growth		55%	48%		
<b>Impact the fee change on member account balances</b>						
	Balance	Investment option			Savings	
	\$50,000	Balanced Index	\$584	\$531	\$53	
	\$50,000	Balanced Impact	\$964	\$833	\$131	
	\$50,000	Renewables Plus Growth	\$959	\$838	\$121	
	\$250,000	Pension Balanced Growth	\$2,494	\$2,279	\$215	

**NOTES**

- A. Assumes a \$50,000 account balance for the accumulation phase options and a \$250,000 account balance for the pension option.  
 B. Based on comparison of 163 personal balanced superannuation products, Rainmaker Superannuation Benchmarking Report 2020.  
 C. Based on comparison of 159 retirement balanced superannuation products, Rainmaker Superannuation Benchmarking Report 2020.  
 D. Percentile rank of 1% means the product ranks in the best 1%. A percentile rank of 100% means the product is the worst ranked product. A percentile rank of 50% means the product ranks in the middle, ie, it is median.

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**For more  
information, please  
contact Rainmaker**