

# Target Market Determination GHD Superannuation Plan

Effective date 21 December 2023 | Next scheduled review to be completed by 21 December 2024

## 1. About this Target Market Determination (TMD)

The purpose of this TMD is to set out the class of consumers for whom the GHD Superannuation Plan (this product) has been designed and is considered likely to be appropriate, having regard to the likely objectives, financial situation and needs of that class of consumers.

This TMD also summarises the key attributes of this product but does not describe all its features.

The Trustee of AustralianSuper ABN 65 714 394 898 (the 'Fund') is AustralianSuper Pty Ltd ABN 94 006 457 987.

Before making any decision to acquire this product, consumers should carefully consider the information in the Product Disclosure Statement (PDS), available at [australiansuper.com/pds](https://australiansuper.com/pds) or by calling **1300 300 273**. Consumers may also wish to consider obtaining financial advice<sup>1</sup> before joining this product.

## 2. Product description

This product is an employer sponsored accumulation product designed to manage and invest members' superannuation contributions and earnings for their retirement within the concessional-tax superannuation environment. It offers:

- a range of diversified, single sector and single security investment options to choose from with different investment objectives, levels of risk and expected returns.
- a default MySuper investment option for members who do not make an investment choice.
- access to insurance cover<sup>1</sup> that members can cancel, reduce or apply to increase or change anytime. Employer tailored basic (default) age-based Death and Total & Permanent Disablement (TPD) cover is provided to eligible members.

## 2.1 The target market for this product

A person is in the target market for this product if they are working for GHD, and they want or need:

- an accumulation account with a complying superannuation fund that can receive superannuation guarantee contributions from an employer and any voluntary super contributions.
- the ability to grow their superannuation balance over time in a tax effective environment through
- contributions and/or investment earnings to help fund their retirement, on meeting a condition of release.
- access to an investment menu that allows for different investment approaches to suit consumers based on their personal risk appetite and objectives, including:
  - a hands-off approach to investment, by investing in a PreMixed investment option.
  - a more hands-on approach to investment, by investing in one or more PreMixed and/or DIY Mix options.
  - a self-directed approach to investment, by investing in one or more PreMixed and/or DIY Mix options and/or cash, term deposits or listed securities via the Member Direct investment option.
- access to insurance cover, including:
  - employer tailored basic (default) cover, and
  - the ability to tailor insurance cover to best suit their personal and financial situation.

This product is **not** designed for people who:

- are not employees of GHD,
- are not saving for their retirement, or
- have commenced retirement and need a retirement income (that's paid periodically).



<sup>1</sup> AustralianSuper insurance is provided by TAL Life Limited (the Insurer) ABN 70 050 109 450, AFSL 237848.

## 2.2 Key product attributes

### Investments

This product gives members access to a range of investment options with different investment objectives, levels of risk and expected return.

Different investment options have different levels of potential return and volatility. Generally, investment options with higher long-term returns are accompanied by a greater potential for volatility in the short term and may be more suitable for members saving for their retirement over the medium to longer term. However, investment options with a lower allocation to growth assets may be more suitable for members approaching or in retirement, who may be seeking capital stability or access to their money in the short to medium term.

**Under this product, members can invest in one or more of the following investment options:**

#### PreMixed Options

PreMixed investment options are diversified investment options that are designed for members who want to be hands-off. These options are made up of more than one asset class and have different investment objectives, with varying levels of risk, investment timeframes and expected returns.

Investment option	Investment option details
High Growth	<ul style="list-style-type: none"><li>• Invests in a wide range of assets with a focus on Australian and international shares.</li><li>• Designed to have strong long-term growth with possible fluctuations in the short term.</li><li>• Has a minimum investment time frame of at least 12 years.</li><li>• Investment objectives:<ul style="list-style-type: none"><li>– To beat CPI by more than 4.5% pa over the medium to longer term.</li><li>– To beat the median growth fund over the medium to longer term.</li></ul></li></ul>
Balanced (default option)	<ul style="list-style-type: none"><li>• Invests in a wide range of assets such as shares, private equity, infrastructure, property, fixed interest, credit and cash.</li><li>• Designed to have medium to long-term growth with possible short-term fluctuations.</li><li>• Has a minimum investment time frame of at least 10 years.</li><li>• Investment objectives:<ul style="list-style-type: none"><li>– To beat CPI by more than 4% pa over the medium to longer term.</li><li>– To beat the median balanced fund over the medium to longer term.</li></ul></li></ul>
Socially Aware	<ul style="list-style-type: none"><li>• Exclusions are applied to the Australian shares and international shares asset classes and the corporate securities component of the fixed interest asset class based on environmental, social and governance screens. The option also invests in a range of other asset classes that are not screened<sup>2</sup>.</li><li>• Designed to have medium to long-term investment growth with possible short-term fluctuations.</li><li>• Has a minimum investment time frame of at least 10 years.</li><li>• Investment objectives:<ul style="list-style-type: none"><li>– To beat CPI by more than 4% pa over the medium to longer term.</li><li>– To beat the median balanced fund over the medium to longer term.</li></ul></li></ul>
Indexed Diversified	<ul style="list-style-type: none"><li>• Invests in a range of assets using indexing strategies.</li><li>• Designed to have medium to long-term growth with possible short-term fluctuations.</li><li>• Has a minimum investment timeframe of at least 10 years.</li><li>• Investment objective:<ul style="list-style-type: none"><li>– To achieve a return of CPI + 3% pa over the medium to longer term.</li></ul></li></ul>
Conservative Balanced	<ul style="list-style-type: none"><li>• Includes a higher allocation to fixed interest and cash than the Balanced option.</li><li>• Designed to have medium-term growth with a balance between capital stability and capital growth. May also have some short-term fluctuations.</li><li>• Has a minimum investment time frame of at least 7 years.</li><li>• Investment objectives:<ul style="list-style-type: none"><li>– To beat CPI by more than 2.5% pa over the medium term.</li><li>– To beat the median conservative balanced fund over the medium term.</li></ul></li></ul>
Stable	<ul style="list-style-type: none"><li>• Has an emphasis on fixed interest and cash.</li><li>• Has a higher focus on stability rather than growth.</li><li>• Has a minimum investment time frame of at least 5 years.</li><li>• Investment objectives:<ul style="list-style-type: none"><li>– To beat CPI by more than 1.5% pa over the medium term.</li><li>– To beat the median capital stable fund over the medium term.</li></ul></li></ul>

<sup>2</sup> Refer to the *Investment Guide* at [australiansuper.com/InvestmentGuide](https://australiansuper.com/InvestmentGuide) for additional information on the screens applied to the Socially Aware option.

## DIY Mix Options

DIY Mix investment options are designed for members who want to be more hands-on in constructing their own investment portfolio to match their personal risk appetite and objectives by combining with other investment options. They provide investment exposure to specific asset classes (plus a small proportion of cash) and have different investment objectives, with varying levels of risk, investment timeframes and expected returns.

Investment option	Investment option details
Australian Shares	<ul style="list-style-type: none"><li>• Invests in a wide range of shares in both listed and unlisted companies in Australia with a small allocation to companies in New Zealand.</li><li>• Designed to have strong long-term capital growth with possible short-term fluctuations.</li><li>• Has a minimum investment time frame of at least 12 years.</li><li>• Investment objective:<ul style="list-style-type: none"><li>– To beat the S&amp;P/ASX 200 Accumulation Index (adjusted for franking credits) over the medium to long term<sup>3</sup>.</li></ul></li></ul>
International Shares	<ul style="list-style-type: none"><li>• Invests in a wide range of companies listed on securities exchanges around the world.</li><li>• Designed to have strong long-term capital growth with possible short-term fluctuations in returns.</li><li>• Has a minimum investment time frame of at least 12 years.</li><li>• Investment objective:<ul style="list-style-type: none"><li>– To beat the MSCI All Country World ex Australia Index (unhedged) over the medium to long term<sup>3</sup>.</li></ul></li></ul>
Diversified Fixed Interest	<ul style="list-style-type: none"><li>• Invests in a wide range of Australian and international bonds and loans. This is done through actively investing in the fixed interest and credit asset class sectors.</li><li>• Aims for capital stability and higher returns than cash over the short to medium term.</li><li>• Has a minimum investment time frame of at least 3 years.</li><li>• Investment objective:<ul style="list-style-type: none"><li>– To beat a composite of Australian and International Fixed Interest Indices over the short to medium term<sup>3,4</sup>.</li></ul></li></ul>
Cash	<ul style="list-style-type: none"><li>• Invests in short-term money market securities and some short-term bonds.</li><li>• Designed to have stable returns. The Cash option can have zero or negative returns after fees, costs and taxes, depending on the level of market interest rates.</li><li>• Has a minimum investment time frame of at least 1 year.</li><li>• Investment objective:<ul style="list-style-type: none"><li>– To beat the return of the Bloomberg AusBond Bank Bill Index over one year<sup>3</sup>.</li></ul></li></ul>

<sup>3</sup> Index level returns, adjusted for implied superannuation tax (where applicable).

<sup>4</sup> From 1 October 2021, the composite consists of 50% Bloomberg Global Aggregate 1-5 Year Total Return Index hedged to AUD and 50% Bloomberg AusBond Composite 0-5 Year Index. Prior to 1 October 2021 CPI + 0.5% pa, prior to 1 July 2015 CPI + 1% pa, prior to 1 July 2013 CPI + 1-2% pa.

## Member Direct Option

Member Direct is our most hands-on option. It is designed for members who:

- are seeking greater control, flexibility and active involvement in managing their investments,
- want access to a range of specific investments including Shares, Exchange Traded Funds (ETFs), Listed Investment Companies (LICs), Term Deposits and Cash,
- have a minimum ongoing account balance of \$10,000, and
- keep a minimum of \$5,000 invested in one or more PreMixed or DIY Mix options.

The investments available in Member Direct have different risk profiles, and members need to be aware of the risks involved, such as:

- short-term price volatility,
- the consequences of trading too often,
- too little diversification, and
- investing in response to emotions.

For further information, see the *Member Direct investment option guide* at [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect)

## All Options

Investment returns aren't guaranteed. Past performance isn't a reliable indicator of future returns. For more information on Investments, download the *Investment Guide*, available at [australiansuper.com/InvestmentGuide](https://australiansuper.com/InvestmentGuide)



## Insurance

This product provides members access to the following types of insurance cover (which can be changed or cancelled anytime). Eligibility to claim for insurance benefits will be determined in line with the policy terms and conditions.

Members can apply to change their insurance work rating. A work rating classifies the usual activities of a member's job into one of three ratings: Blue Collar, White Collar or Professional. If an application to change from the default White Collar work rating (to Professional) is accepted, members can pay less for their insurance.

Cover type	Cover details
Basic (default) cover	<ul style="list-style-type: none"><li>Designed to provide cover for members and their beneficiaries in the event of the member's illness, injury or death.</li><li>Provides age-based Death and TPD cover arranged by and tailored to GHD. The default work rating is White Collar.</li></ul> <p>Eligibility criteria for members to access automatic basic cover:</p> <ul style="list-style-type: none"><li>aged 25 or older,</li><li>super balance has reached \$6,000, and</li><li>has received an employer super contribution after their super balance first reaches \$6,000.</li></ul>
Death (default and/or applied for) cover	<ul style="list-style-type: none"><li>Death cover is available from age 15 up to age 70.</li><li>Death cover can help to ease some of the financial stress by paying a lump sum to a member's beneficiaries.</li><li>Death cover also covers terminal illness, which can help ease some of the financial stress for members suffering from a terminal medical condition.</li><li>There's no limit to the amount of Death cover members can apply for.</li></ul>
TPD (default and/or applied for) cover	<ul style="list-style-type: none"><li>TPD cover is available from age 15 up to age 65.</li><li>TPD cover can provide a lump sum payment to help cover rehabilitation costs, debt repayments and the future cost of living, if a member becomes totally and permanently disabled and can no longer work.</li><li>TPD cover also covers terminal illness, which can help ease some of the financial stress for members suffering from a terminal medical condition.</li><li>The maximum TPD cover amount members can apply for is \$3 million.</li></ul>
Income Protection (applied for only) cover	<ul style="list-style-type: none"><li>Income Protection cover with a benefit payment period up to two years is available from age 15 up to age 70 and with a benefit payment period up to five years or to age 65 is available from age 15 up to age 65. Members have access to a 60 or 30-day waiting period.</li><li>Income Protection cover can provide monthly payments to help members get by if they are ill or injured (at work or outside of work) and can't work.</li><li>The maximum Income Protection cover amount members can apply for is the lower of \$30,000 a month, or an amount equal to 85% of the member's monthly (before-tax) salary, excluding employer super contributions.</li><li>Income Protection benefit payments may be reduced if members are receiving income from other sources such as benefits payable under other Income Protection policies, workers' compensation and motor accident compensation.</li></ul>

For more information on Insurance, download the *Insurance in your super* guide, available at [australiansuper.com/InsuranceGuide](https://australiansuper.com/InsuranceGuide)



## 2.3 Consistency between the target market and this product

This product's key terms, features and attributes have been critically assessed and found to be consistent with the likely objectives, financial situation and needs of the class of consumer identified in the target market, for the following main reasons:

- members have access to a range of PreMixed, DIY Mix and Member Direct investment options with varying investment objectives, risk levels and investment timeframes and which cater to a wide range of expected consumer risk appetites and objectives and may be selected in any combination.
- the insurance cover offering provides an automatic basic (default) age-based level of cover to enable consumers in the target market (who meet the eligibility criteria) to alleviate financial burden in the event of illness or injury causing a cessation of work, or death, while also allowing them to apply to tailor their cover to suit their personal and financial situation.

## 3. Distribution

### 3.1 Means of distribution

A consumer may become a member who holds this product by one of the following means:

- via their employer, where their employer is a GHD group company,
- by applying directly, where their employer is a GHD group company,
- with the assistance of a financial adviser where their employer is a GHD group company,
- having their benefit transferred into this product (for example, from another part of the Fund, from another superannuation fund or from the ATO).

### 3.2 Distribution conditions and restrictions

The following distribution conditions and restrictions apply:

- where this product is distributed by a financial adviser, the adviser must be acting in reliance on an appropriate authorisation under an Australian financial services licence and they must limit their regulated conduct to:
  - giving personal advice and arranging for the acquisition of this product to implement that advice, or
  - satisfying themselves that this product is likely to be suitable for the consumer and arranging for the acquisition of the product,and, in either case, giving a PDS for this product to the consumer.
- no third-party distributor may produce advertising, promotional or other material in relation to this product without the Trustee's written consent.

We consider the means of distribution identified for this product to be appropriate. Further, the distribution conditions and restrictions identified for this product are aimed at ensuring that consumers who acquire the product are likely to be in the target market for this product.

## 4. Review triggers

A review of this TMD will be triggered if the Fund:

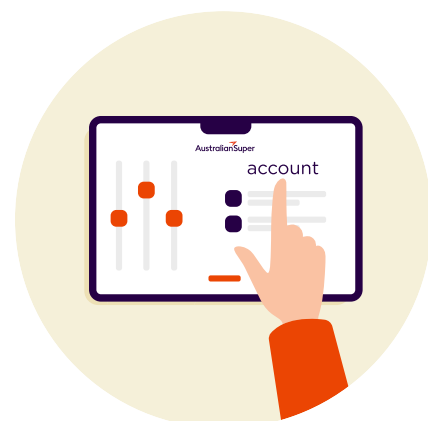
- makes a material change to the key attributes of this product which affects the members targeted by this product,
- receives, in respect of a calendar quarter, a significant or unexpectedly high number of complaints or adverse feedback in relation to the product's design, attributes, fees or investment performance,
- identifies a significant dealing in this product that is inconsistent with this TMD, having regard to circumstances such as the proportion of consumers, the actual or potential harm and financial loss to consumers, and/or the time period over which consumers have acquired the product when not in the target market,
- is notified by the Australian Securities and Investments Commission (ASIC) of serious concerns about the design or distribution of this product,
- commits a significant breach relating to the design or distribution of this product, which has a material financial impact on consumers,
- identifies significant changes in material member-centric activities such as investment switching or a significant reduction in the value of insurance provided to members (percentage of premiums returned to members via claims), in respect of a calendar quarter that would reasonably suggest the existence of a potential problem with this product,
- makes an adverse determination in relation to this product under the annual outcomes assessment required by the Superannuation Industry (Supervision) Act 1993.

A review of this TMD will also be triggered if the Australian Prudential Regulation Authority (APRA) determines that this product, or any part of it, has failed the annual performance assessment under Part 6A of the Superannuation Industry (Supervision) Act 1993.

## 5. Review periods

This TMD will be reviewed by 21 December 2024. Thereafter, it will be reviewed:

- at least every 12 months.
- as required, where a review trigger (see section 4) occurs, or where some other event or circumstance occurs that reasonably suggests to the Trustee that this TMD is no longer appropriate.
- when the Trustee otherwise decides to undertake a review.



## 6. Reporting

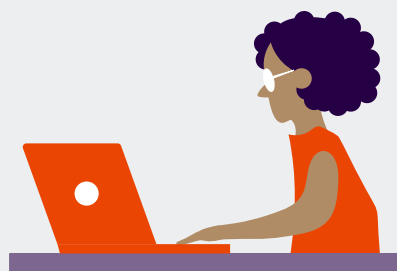
Distributors must report to the Fund on the following basis:

Information about this product to be reported	Frequency
<ul style="list-style-type: none"><li>• The number of member complaints received about this product.</li><li>• Reasonable details of each complaint including the resolution.</li></ul>	Quarterly, within 10 business days after the end of the calendar quarter.
<ul style="list-style-type: none"><li>• Reasonable details of each significant inconsistent dealing, including information of the kind ASIC expects to receive from a product issuer in relation to a significant inconsistent dealing.</li></ul>	As soon as practicable, but no later than 10 business days, after the distributor becomes aware of a significant inconsistent dealing.

### Where to send reports

Send reports to **[ddo@australiansuper.com](mailto:ddo@australiansuper.com)**

For more information on reporting, visit **[australiansuper.com/tmd](https://australiansuper.com/tmd)**



### Contact us

Call **1300 300 273**

(8am to 8pm AEST/AEDT weekdays)

Web **[australiansuper.com](https://australiansuper.com)**

Mail GPO Box 1901, MELBOURNE VIC 3001

Email or message us For details on how to message or email us, visit **[australiansuper.com/contact-us](https://australiansuper.com/contact-us)**



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