

Target Market Determination

14 December 2024

This Target Market Determination (TMD) is a publicly available document required under section 994B of the *Corporations Act 2001* (Cth). It sets out the class of consumers for whom Essential Super (the product), including its key attributes, would likely be suitable given their likely objectives, financial situation and needs. It also contains triggers to review the TMD and certain other information. It forms part of the Colonial First State design and distribution framework for the product.

This document is not a Product Disclosure Statement (PDS) and is not a summary of the product features or terms of the product. This document does not take into account any person's individual objectives, financial situation or needs. Persons interested in acquiring this product should carefully read the **PDS for Essential Super**, available at commbank.com.au/essentialsuper and consider obtaining financial advice before making a decision whether to acquire this product.

Product name

Essential Super

Product issuer

Avanteos Investments Limited (referred to as Colonial First State, we, us, and our)

Start date

14 December 2024

Product description

Essential Super is a superannuation product that offers access to the following key features:

- Default Lifestage MySuper options (for members who do not make an active investment selection)
- A limited range of investment options which cater for different investment exposures, risk appetites and investment timeframes
- Automatic Lifestage default (age based) Death and Total and Permanent Disablement (TPD) insurance cover (for members who meet age and eligibility criteria). Members may also apply to double the default level of cover (subject to the insurer's acceptance)
- The ability to apply for Tailored Death only, Death and Total and Permanent Disablement (TPD) and Salary Continuance Insurance (SCI) cover (subject to the insurer's acceptance)
- An integrated online experience with Commonwealth Bank's digital applications providing account details and updates, reporting and transactions.

Target market

Essential Super is suitable for people looking to accumulate wealth for their retirement within the superannuation system with the following objectives, financial situations, and needs:

- are at least 16 years old (the Trustee may exercise its discretion to allow a person from 14 years of age to join the fund through the Essential Super Employer arrangement), currently living in Australia, an Australian citizen, permanent resident, or a relevant visa holder
- looking to invest in a complying superannuation fund that can receive superannuation guarantee contributions, rollovers from other funds and/or make voluntary contributions
- looking to invest and grow their superannuation in a tax effective environment through investment earnings and/or contributions
- looking to invest in or be defaulted into a MySuper default investment and/or to have the ability to select from a limited number of choice investment options outlined in the Investment options section, where the member's risk, return and investment objectives align with those attributed to the investment options in the Investment options section

- may want access to Lifestage default (automatic age based) Death and TPD insurance cover through their superannuation or access to Tailored Death only, Death and TPD or SCI cover (cover is subject to insurer's acceptance) where premiums are directly deducted from their superannuation balance and meet the age and eligibility criteria. To be eligible, the member must be at least 14 and less than 65 years of age and have sufficient funds in their account
- wish to and have the ability to view and manage their superannuation account digitally.

This product is not designed for people who:

- are not saving for their retirement, or
- require a wide variety of investment options and/or looking to trade and hold direct share investments, or
- have commenced retirement and need a retirement income (that is paid periodically), or
- require insurance to cover a pre-existing illness or injury in some circumstances, as outlined in the Insurance features section of this TMD. This standard exclusion does not apply to Tailored cover.

Investment options

This product provides access to a range of investment options with different investment objectives, levels of risk, exposure to different asset classes and investment timeframes. Different investment options have different levels of potential return and volatility.

Investment option	Investment objective ¹	Description	Standard Risk Measure ²	Minimum suggested timeframe ³
Lifestage MySuper (default option - if members do not choose an investment option, they are defaulted into the cohort that matches their age)	To achieve a return of Consumer Price Index (CPI), plus a certain percentage, over a rolling period of time, depending on the Lifestage option.	With each Lifestage option, we select investments we think are appropriate for the life stage of people of a similar age and adjust them over time.	Ranges between Medium to High (5) to High (6) depending upon the Lifestage. ⁴	Ranges between 5 to 10 years depending upon the Lifestage. ⁴
Cash Deposit option	To provide positive interest income each month and very low risk by depositing funds with Commonwealth Bank of Australia.	This option is intended to be suitable for those looking to invest in the security of a cash deposit with the Commonwealth Bank of Australia.	Very low (1)	None

Investment option	Investment objective ¹	Description	Standard Risk Measure ²	Minimum suggested timeframe ³
Diversified Index option	To provide a balance of income and capital growth over the medium-to-long term. To closely track the option's composite benchmark over rolling three-year periods, before fees and taxes.	This option is intended to be suitable for those who are seeking returns from an investment spread equally between growth and defensive assets.	Medium to High (5)	At least 5 years
Balanced Index option	To provide long-term capital growth and income by investing in growth assets. To closely track the option's composite benchmark over rolling three-year periods before fees and taxes.	This option is intended to be suitable for those who are seeking returns from an investment predominantly in growth assets whilst still maintaining some exposure to defensive assets.	High (6)	At least 5 years
High Growth Index option	To provide long-term capital growth by investing primarily in growth assets. To closely track the option's composite benchmark over rolling three-year periods before fees and taxes.	This option is intended to be suitable for those who are seeking returns from an investment that has a strong focus on growth assets.	High (6)	At least 7 years
Australian Shares Index option	To closely track the S&P/ASX 300 Accumulation Index with the aim of generating returns (before tax and fees and assuming income is reinvested) comparable to the Australian share market as measured by that benchmark over rolling one-year periods.	This option is intended to be suitable for those who are seeking higher returns and have a higher tolerance for risk.	Very high (7)	At least 7 years
Global Shares Index option	To closely track the MSCI All Country World Ex-Australia Equities Index (unhedged in AUD) with the aim of generating returns (before taxes and fees and assuming income is reinvested) comparable to the world share markets as measured by that benchmark (unhedged) over rolling one-year periods.	This option is intended to be suitable for those who are seeking higher returns and have a higher tolerance for risk.	Very high (7)	At least 7 years
Global Property Securities Index option	To closely track the FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR, hedged to Australian dollars, with the aim of generating returns (before taxes and fees and assuming income is reinvested) comparable to listed global property markets as measured by that benchmark over rolling one-year periods.	This option is intended to be suitable for those who are seeking higher returns and have a higher tolerance for risk.	Very high (7)	At least 7 years

Investment option	Investment objective ¹	Description	Standard Risk Measure ²	Minimum suggested timeframe ³
Thrive+ Sustainable Growth option	To provide capital growth and income over the long term. To outperform the option's composite benchmark over rolling three-year periods before fees and taxes.	This option is intended to be suitable for those who are seeking returns with a sustainability focus. The option predominantly invests in growth assets whilst still maintaining some exposure to defensive assets.	High (6)	At least 5 years

1 Please refer to the **Essential Super PDS** and **Fees and Investments Reference Guide** for details of the investment options offered in the product.

2 The standard risk measure is a 1–7 scale based on the estimated number of negative annual returns over any 20-year period.

3 The minimum suggested timeframe is an estimate of how long it should be expected to hold capital in an investment option within this category in order to achieve its expected investment return outcome.

4 Please refer to the **Essential Super PDS** for more details.

Insurance features

Essential Super insurance cover is suitable for members who:

- are seeking to obtain basic insurance protection (Lifestage default cover) in the event of Death, terminal illness or TPD with the flexibility to apply for additional Tailored Death, TPD or SCI cover (subject to insurer's acceptance)
- meet the age limits and eligibility requirements outlined below
- understand that the Lifestage default insurance provided is basic and changes automatically as members get older
- accept that the insurance premiums will reduce their superannuation account balance
- do not require insurance to cover a pre-existing illness or injury in some circumstances, as outlined in the exclusions section below. This standard exclusion does not apply to Tailored cover.

Below is a summary of Essential Super insurance. For full insurance eligibility requirements (including age and cover amounts) and definitions, please refer to the **Essential Super PDS** and **Essential Super Insurance Reference Guide**.

Feature	Cover details
Death cover	If a member dies or is diagnosed with a terminal illness while covered, a lump sum benefit may be paid.
Total and Permanent Disablement (TPD) cover	If a member becomes totally and permanently disabled while covered and can no longer work, TPD cover may provide a lump sum payment.
Salary Continuance Insurance (SCI) cover	If a member is off work for an extended period (longer than the waiting period that applies) due to a total or partial disablement from an illness or injury, a regular monthly benefit may be paid to the member.
Categories of cover available	<p>There are two categories of cover available in Essential Super:</p> <ul style="list-style-type: none"> • Lifestage default cover • Tailored cover <p>Lifestage default cover</p> <p>When a member becomes eligible for cover, they are automatically provided with Lifestage death and TPD cover at the default cover level.</p> <p>The amount of default cover a member receives depends on their age next birthday when cover starts and changes automatically as they move to each new age next birthday with cover ceasing at the end of the month after a member reaches age 70.</p>

Feature	Cover details
	<p>Eligible members can apply for, change, or cancel their cover anytime. Member's can also halve or double the Lifestage default cover amount. For increases in cover, members will need to be under the age of 65 and satisfy health and lifestyle questions.</p> <p>Tailored cover</p> <p>A member can apply for Tailored death only, death and TPD and SCI cover (subject to the insurer's acceptance). If approved by the insurer, the amount of cover will be fixed and is in addition to any Lifestage default cover held.</p> <p>Members need to meet the age limits and eligibility requirement to apply for Tailored cover.</p>
Eligibility criteria for Lifestage cover	<p>If the member or member's employer sets up an Essential Super account, the member must:</p> <ul style="list-style-type: none"> • be at least 14 and less than age 65 • have money in their Essential Super account. <p>Lifestage default cover for eligible members will only automatically start if a member is aged 25 or older and their account balance has reached \$6,000 (however, an eligible member can elect to get cover before this time).</p> <p>The member may not be eligible for automatic Lifestage default cover if we set up the member's account as a result of splitting another member's account in accordance with a Family Law Arrangement or a Contributions Split.</p>
Eligibility criteria for Tailored cover	<p>To be eligible for Tailored death cover a member must:</p> <ul style="list-style-type: none"> • be at least 14 and less than age 65 • have money in their Essential Super account. <p>To be eligible to apply for Tailored TPD cover a member must:</p> <ul style="list-style-type: none"> • be at least 14 and less than age 65 • either be employed on a permanent basis (or on a fixed term contract no less than 12 months) for at least 15 hours per week or engaged in full-time domestic duties or child rearing • have money in their Essential Super account. <p>To be eligible to apply for Tailored SCI cover a member must:</p> <ul style="list-style-type: none"> • be at least 14 and less than age 60 • be employed on a permanent basis (or on a fixed term contract no less than 12 months) or in self-employment (and must not be a casual employee) for at least 15 hours per week • be an Australian citizen or permanent resident within the meaning of the <i>Migration Act 1958</i> (Cth) and • have money in their Essential Super account. <p>To read about what permanent basis and self-employment means, please refer to the definitions section of the Essential Super Insurance Reference Guide. Eligible members can apply for, change, or cancel their cover anytime. For increases in insurance cover, members may need to satisfy health questions and other requirements.</p>
Exclusions for Lifestage and Tailored Death only and Death and Total & Permanent Disablement (TPD) cover	<p>Insurance cover offered in Essential Super is subject to certain exclusions which may limit a member's ability to claim in line with the policy terms and conditions.</p> <p>Lifestage cover has a limited cover exclusion which means:</p> <p>In the first two years of Lifestage cover, a member will only have limited cover. This means you will not be covered for an illness or injury that:</p> <ul style="list-style-type: none"> • you first became aware of (or a reasonable person in your circumstances would have first become aware of) before your cover commenced, or most recently commenced, or • is related to an illness or injury that occurred before your cover commenced or most recently commenced. <p>This exclusion will no longer apply if you're capable of working for 30 consecutive days:</p> <ul style="list-style-type: none"> • immediately before the two-year period ends; or • at any time after the two-year period ends. <p>Other general exclusions that apply to both Lifestage cover and Tailored cover are:</p> <p>Suicide and self-inflicted injury: The insurer will not pay a death benefit if death is due to</p>

Feature	Cover details
	<p>suicide or intentional self-inflicted injury and death occurs within 12 months of cover commencing, recommencing or increasing. The insurer will not pay a benefit for terminal illness or TPD if illness or injury is a direct or indirect result of intentional self-inflicted injury or attempted suicide and terminal illness or TPD occurs within 12 months of cover commencing, recommencing, or increasing.</p> <p>Active Service, Fighting Force and Terrorism: The insurer will not pay a death, terminal illness or TPD benefit if the claim is directly or indirectly caused by active service in the armed forces or peacekeeping forces (whether armed or unarmed) of any country or territory or foreign or international organisation – this exclusion will not apply to death while on war service for Australia.</p>
<p>Exclusions for Tailored Salary Continuance Insurance (SCI) cover</p>	<p>Tailored SCI cover offered in Essential Super is subject to certain exclusions which may limit a member's ability to claim in line with the insurance policy terms and conditions.</p> <p>A salary continuance insurance benefit will not be paid where the member's illness or injury is directly or indirectly caused by:</p> <ul style="list-style-type: none"> any intentional self-inflicted injury or attempted suicide within 12 months of cover commencing or recommencing, or active service in the armed forces or peacekeeping forces (whether armed or unarmed) of any country or territory or foreign or international organisation, or engagement in (including planning or preparing for) any terrorism act in Australia or any foreign country, or participating in a combat or fighting force of any country or territory or foreign or international organisation, or uncomplicated pregnancy or childbirth unless the member is totally disabled continuously for 90 days after the end of the pregnancy (the 90 days start on the later of the date the pregnancy ends and the date the member becomes totally disabled), or any other specific exclusions or restrictions applied by the insurer and advised to the member. <p>A benefit is also only payable for one illness or injury at a time and a benefit will not be paid for a person for the same period where a benefit is payable to them under FirstChoice Employer Super and FirstChoice Wholesale Personal Super.</p>

Appropriateness of the target market

This product is likely to be consistent with the likely objectives, financial situation and needs of the class of customers in the target market as described above. This is based on an analysis of the key terms, features, and attributes of the product and a finding that these are consistent with the identified class of customers.

Distribution conditions and restrictions

Distribution conditions

This product can only be offered and/or issued in accordance with the relevant product terms and conditions outlined in the PDS (as amended from time to time).

This product is distributed:

Directly – A customer may become a member of this product via an online request on the Commonwealth Bank of Australia's (ABN 48 123 123 124, AFSL 234945) Netbank or CommBank app.

Via their employer – A member account may also be requested for a customer by their

employer-sponsor where Essential Super is their employer's default fund.

Even though all members are automatically defaulted into the MySuper option (which is not covered by the design and distribution obligation regime), the distributor will take reasonable steps to distribute to the target market, given the ability for members to make investment choice and to obtain insurance. Access to the 'choice' investment options is available after a member has been defaulted in the MySuper option.

Appropriateness of distribution conditions and restrictions

It has been determined that the distribution conditions and restrictions will make it likely that customers who purchase the product are in the class of customers for which it has been designed. We consider that the distribution conditions are appropriate and will assist with distribution being directed towards the target market for whom the product has been designed.

Review triggers

Where we determine that one of the below review triggers has occurred, we must undertake a review of this TMD:

- Receipt of a product intervention order from ASIC requiring us to cease retail distribution of this product or the issue of orders or directions by ASIC in relation to the distribution of this product
- Receipt of a significant or an unexpectedly high number of complaints from customers who have acquired this product, regarding the product design, features, availability and any distribution condition that would reasonably suggest that this TMD is no longer appropriate
- Occurrence of a significant dealing(s) outside of the TMD that would reasonably suggest that this TMD is no longer appropriate
- Material change to key product features, investment objectives or terms and conditions that would reasonably suggest that this TMD is no longer appropriate
- The target market and product attributes described in this TMD are found to include materially incorrect or misleading information that reasonably suggests that this TMD is no longer appropriate
- A significant number of investment options (excluding fixed term investments) have become illiquid and are no longer able to offer withdrawals (including investment switching), which reasonably suggests that this TMD is no longer appropriate
- An unexpected change in the rate of insurance claims being declined or withdrawn, which reasonably suggests that this TMD is no longer appropriate
- The trustee of this product makes a determination for purposes of s52(9) of the *Superannuation Industry (Supervision) Act 1993* (Member Outcomes Assessment - which includes, but is not limited to, the assessment of product performance against APRA Heatmap, investment risk, insurance fees and sustainability) that the financial interests of the customers who hold this product are not being promoted
- Changes to legislation have come into effect which materially impact upon the design or distribution of the product and reasonably suggests that this TMD is no longer appropriate.

Initial review date

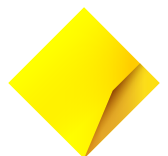
N/A - initial review has already occurred

Subsequent review date

14 December 2025

Review trigger information requirements

Information	Provider	Reporting frequency	Method
Complaints The number, nature and outcomes of complaints received in relation to this product's design, features, availability and distribution. The distributor should provide all the content of the complaint, having regard to privacy.	Distributor	Quarterly (within 10 business days following the end of the calendar quarter).	by emailing to membercare@cfs.com.au
Significant dealing outside the target market The nature and circumstances of the significant dealing (including why the dealings occurred outside the target market), the date range of when the significant dealing occurred, the number of consumers to whom the report relates, whether personal financial advice was provided (in writing) and whether consumer harm or detriment has or has likely occurred as a result of the significant dealing.	Distributor	As soon as practicable, but no later than 10 business days after the distributor becomes aware of the significant dealing.	Using FSC data standards (where possible) and submitting to cfspddo@cfs.com.au



Important information: Avanteos Investments Limited ABN 20 096 259 979, AFSL 245531 (referred to as Colonial First State, CFS, 'we', 'us' or 'our') is the Trustee of Essential Super ABN 56 601 925 435 and the issuer of interests in Essential Super. Essential Super is distributed by the Commonwealth Bank of Australia ABN 48 123 123 124, AFSL 234945 (the Bank). The CFS Group consists of Superannuation and Investments HoldCo Pty Limited ABN 64 644 660 882 (HoldCo) and its subsidiaries, which includes CFS. The Bank holds an interest in the CFS Group through its significant minority interest in HoldCo. This information is issued by CFS and may include general financial product advice but does not consider your individual objectives, financial situation, needs or tax circumstances, and so you should consider the appropriateness of the advice having regard to your circumstances before acting on it. The Target Market Determination (TMD) for Essential Super can be found at cfs.com.au/tmd and includes a description of who the financial product is appropriate for and any conditions on how the product can be distributed to customers. You should read the Product Disclosure Statement (PDS) and the Reference Guides for Essential Super carefully and consider whether the information is appropriate for you before making any decision regarding this product. Download the PDS and Reference Guides at commbank.com.au/essentialsuper-documents or call us on 13 4074 for a copy. None of the Bank, HoldCo, CFS, nor any of their respective subsidiaries guarantee the performance of Essential Super or the repayment of capital by Essential Super. An investment in this product is subject to risk, loss of income and capital invested. An investment in Essential Super is via a superannuation trust and is therefore not an investment in, deposit with or other liability of the Bank or its subsidiaries. The insurance provider is AIA Australia Limited ABN 79 004 837 861, AFSL 230043 (AIA Australia). AIA Australia is not part of the Commonwealth Bank Group or CFS. Insurance cover is provided to eligible members of Essential Super under policies issued to CFS.