

target market determination



1 July 2026

For HESTA Personal Super product

The HESTA Personal Super product provides a range of investment options. It also provides income protection, total and permanent disability, and death cover insurance options.

Trustee of Superannuation Fund	H.E.S.T. Australia Ltd
Fund name	HESTA
Trustee Australian Business Number (ABN)	66 006 818 695
Unique Superannuation Identifier (USI)	HST0100AU
Australian Financial Services Licence (AFSL)	235249

1. About this document

This target market determination (TMD) seeks to provide consumers and distributors with an understanding of the target market for whom this HESTA Personal Super product (including its key attributes) has been designed and is likely to be appropriate for, having regard to their likely objectives, financial situation, and needs.

This document is not a full summary of the product's risks and features and is not intended to provide financial advice. Consumers and distributors must refer to the Product Disclosure Statement (PDS) and any supplementary documents when deciding whether to join this product.

Product Disclosure Statement to which this TMD applies

This TMD applies to the HESTA Personal Super product referred to in the HESTA *Personal Super PDS* and the supplementary documents available at hesta.com.au/pds.

2. Important dates

Date from when this TMD is effective	1 July 2026
Date when this TMD was last reviewed	1 July 2026
Latest date when this TMD will be next reviewed	1 July 2027

3. Target market

Consumers that fall within this target market

The HESTA Personal Super product is designed for consumers who:

- are looking to save for their retirement within the superannuation system
- are at any life stage and want a product that offers a choice of investment options with different potential risks and returns, allowing a member to choose an option that is likely to suit their age, employment situation and financial situation
- may wish to access insurance cover
- are self-employed or work in their own business, or if their employer will not contribute to the HESTA Super product for them.
(Employees of an employer who will pay superannuation contributions to HESTA should join the HESTA Super product and not this product.)

There is no minimum contribution value or pre-existing superannuation balance requirement for joining the product.

The product is appropriate for members transitioning to retirement and for those who may take career breaks or on ceasing a self-employment arrangement after joining the product.

Consumers for whom this product is not appropriate

This product is not appropriate for consumers looking to invest in pension phase products that allow them to draw a regular income from their super.

This product is not appropriate for consumers wishing to access insurance cover as part of the product, and who:

- have previously claimed and received a total and permanent disability or terminal illness benefit under any insurance policy;
- have an illness or injury when cover starts that may result in a claim being declined due to the 'new events' cover restrictions;
- are age 75 and over wanting death cover;
- are age 67 and over wanting income protection cover;
- are age 70 and over wanting total and permanent disability cover;
- require total and permanent disability cover that is not combined with death cover.

Consumers working in high-risk occupations (as determined by our insurer) may be eligible for default insurance cover but will not be accepted for any additional insurance cover.

The key product attributes include:

- the ability to select from 10 investment options, allowing members to create their own portfolio to suit their specific investment needs
- the ability to increase retirement savings by making additional contributions on a before- or after-tax basis
- access to a tax-efficient way to save for retirement as before tax contributions are generally taxed at 15% when deposited into a super account
- access to apply for Default Cover when opening the account (if eligible) as well as the option to apply for insurance cover to suit personal financial situations and needs.

Objectives, financial situation, and needs

Investment options

Refer to *Investment choices* at hesta.com.au/pds for detailed information.

The following **Ready-Made options** are designed to meet the needs of consumers who want exposure to a diversified portfolio of investments across different asset classes and with different risk/return outcomes. Members can choose one or more options and can switch in and out at any time. In the table below, there are some references to 'long term', which for practical purposes means 10 years.

Balanced Growth (Our default option)	<p>This option is designed for members who:</p> <ul style="list-style-type: none">• are seeking to invest in a wide range of asset classes including shares, debt and infrastructure with some property, private equity, alternatives and cash investments• are seeking over the long term, to earn an after-tax return after investment fees and indirect costs equivalent to or higher than the Consumer Price Index (CPI) + 3.5% p.a.• are comfortable with a higher exposure to growth assets compared to defensive assets• are comfortable with exposure to a medium to high-risk investment option with a probable number of negative annual returns¹ of between 3 to less than 4 over 20 years• would ideally invest in the option for a minimum investment timeframe of 5 to 7 years.
Conservative	<p>This option is designed for members who:</p> <ul style="list-style-type: none">• are seeking to invest in a wide range of asset classes with a higher allocation than Balanced Growth to debt and cash investments, with some shares, property, infrastructure, and alternatives investments• are seeking over the long term, to earn an after-tax return after investment fees and indirect costs equivalent to or higher than CPI + 1.5% p.a.• are comfortable with less exposure to growth assets and more exposure to defensive assets• are comfortable with exposure to a medium-risk investment option with a probable number of negative annual returns¹ of between 2 to less than 3 over 20 years• would ideally invest in the option for a minimum investment timeframe of 1 to 3 years.
Indexed Balanced Growth	<p>This option is designed for members who:</p> <ul style="list-style-type: none">• are seeking to invest in lower cost investment strategies that aim to closely match index returns• are seeking over the long term, to earn an after-tax return after investment fees and indirect costs equivalent to or higher than CPI + 3.0% p.a.• are comfortable with a high exposure to listed shares• are comfortable with exposure to a high-risk investment option with a probable number of negative annual returns¹ of between 4 to less than 6 over 20 years• would ideally invest in the option for a minimum investment timeframe of 5 to 7 years.
Sustainable Growth	<p>This option is designed for members who:</p> <ul style="list-style-type: none">• are seeking to avoid exposure to particular activities and tilt investment towards companies and assets whose activities are thematically aligned with one or more of the UN Sustainable Development Goals (SDGs). Learn more about these SDGs at hesta.com.au/sustainablegrowth.• are seeking to invest in shares, debt and property, with some private equity, alternatives, infrastructure and cash investments• are seeking over the long term, to earn an after-tax return after investment fees and indirect costs equivalent to or higher than CPI + 3.5% p.a.• are comfortable with a higher exposure to growth assets compared to defensive assets• are comfortable with exposure to a high-risk investment option with a probable number of negative annual returns¹ of between 4 to less than 6 over 20 years• would ideally invest in the option for a minimum investment timeframe of 5 to 7 years.
High Growth	<p>This option is designed for members who:</p> <ul style="list-style-type: none">• are seeking to invest in a wide range of primarily Australian and international shares, infrastructure, and private equity, along with some exposure to alternatives, property, debt and cash• are seeking over the long term, to earn an after-tax return after investment fees and indirect costs, equivalent to or higher than CPI + 4.0% p.a.• are comfortable with the highest exposure to growth assets across our Ready-Made Options• are comfortable with exposure to a high-risk investment option with a probable number of negative annual returns¹ of between 4 to less than 6 over 20 years• would ideally invest in the option for a minimum investment timeframe of 7 to 10 years.

¹ the Standard Risk Measure

The following **Your Choice options** are designed to meet the needs of consumers who are seeking to create a customised portfolio or would like specific exposure to a certain asset class or asset classes to suit their financial needs and objectives. These investment options have limited diversification in their allocation to asset classes and may not suit members who are looking for their super to be invested across a number of different asset classes. Members can choose one or more options and can switch in and out at any time. In the table below, there are some references to 'long term', which for practical purposes means 10 years.

<p>Cash and Term Deposits</p>	<p>This option is designed for members who:</p> <ul style="list-style-type: none"> • are seeking a specific exposure to a range of cash products including but not limited to bank deposits, bank bills, debt securities and cash-like instruments with high liquidity • are seeking over the long term, to earn an after-tax return, after investment fees and indirect costs, equivalent to or higher than the return (net of tax) of the Bloomberg AusBond Bank Bill Index • are comfortable with exposure to a very low risk investment option with a probable number of negative annual returns² of less than 0.5 over 20 years • would ideally invest in the option for a minimum investment timeframe of less than 1 year.
<p>Diversified Bonds</p>	<p>This option is designed for members who:</p> <ul style="list-style-type: none"> • are seeking a specific exposure to, Australian and international government bonds and other debt • are seeking over the long term, to earn an after-tax return, after investment fees and indirect costs, equivalent to or higher than the return (net of tax) of the combination of: <ul style="list-style-type: none"> • 50% Bloomberg AusBond Composite 0+ Year Index • 50% Bloomberg Global Aggregate ex Australia Index Hedged to \$A • are comfortable with exposure to a low to medium risk investment option with a probable number of negative annual returns² of between 1 to less than 2 over 20 years • would ideally invest in the option for a minimum investment timeframe of 1 to 3 years.
<p>Property and Infrastructure</p>	<p>This option is designed for members who:</p> <ul style="list-style-type: none"> • are seeking a specific exposure to, Australian and global property and infrastructure, along with a smaller allocation to cash • are seeking over the long term, to earn an after-tax return after investment fees and indirect costs, equivalent to or higher than CPI + 3.0% p.a. • are comfortable with exposure to a medium-to-high-risk investment option with a probable number of negative annual returns² of between 3 to less than 4 over 20 years • would ideally invest in the option for a minimum investment timeframe of 3 to 5 years.
<p>International Shares</p>	<p>This option is designed for members who:</p> <ul style="list-style-type: none"> • are seeking a specific exposure to a range of companies listed on stock exchanges around the world • are seeking over the long term, to earn an after-tax return, after investment fees and costs, equivalent to or higher than the return (net of tax) of the MSCI All Country World Ex-Australia Index (unhedged in AUD) • are comfortable with exposure to a high-risk investment, with a probable number of negative annual returns² of between 4 to less than 6 over 20 years • would ideally invest in the option for a minimum investment timeframe of 7 to 10 years.
<p>Australian Shares</p>	<p>This option is designed for members who:</p> <ul style="list-style-type: none"> • are seeking a specific exposure to a range of companies listed on the Australian stock exchange as well as a few that are not • are seeking over the long term, to earn an after-tax return, after investment fees and indirect costs, equivalent to or higher than the return (net of tax) of the S&P/ASX 300 Accumulation Index • are comfortable with exposure to a high-risk investment, with a probable number of negative annual returns² of 4 to less than 6 over 20 years • would ideally invest in the option for a minimum investment timeframe of 7 to 10 years.

² the Standard Risk Measure

Insurance options

Refer to *Insurance options* at hesta.com.au/pds for detailed information.

The HESTA Personal Super product provides eligible members access to the following types of insurance cover, if they apply for insurance cover (or additional insurance cover) or choose to receive Default Cover when joining.

Default Cover	<p>Designed to provide a minimum amount of cover for new members in the event of the member's illness or injury and for a member's dependants in the event of death. When joining, members must choose to receive the default cover that provides eligible members with:</p> <ul style="list-style-type: none">• a monthly income benefit to help with ongoing living expenses if they were to become temporarily or permanently disabled• death cover to assist with the financial impact their death would have on their dependants. <p>This option must be chosen when members join and is not available thereafter without an application for cover.</p>
Income Protection (IP) Cover	<p>This option is designed for members who are aged between 15 and 66, who are seeking access to:</p> <ul style="list-style-type: none">• a monthly income benefit to help with their ongoing living expenses if they were to become temporarily or permanently disabled• the ability to apply to increase their IP Cover, up to a maximum monthly cover of \$25,000 (capped at 85% of pre-disability income)• the flexibility to apply to choose the age their cover stops (age 60 or age 67), the benefit payment period (up to 2 years, up to 5 years, up to age 60 or up to age 67) and the waiting period (30, 60 or 90 days). <p>Members who are eligible to receive a benefit may have the benefit reduced if they are receiving income from other sources such as benefits payable under other IP policies, workers' compensation and motor accident compensation. This is because claim payments cannot exceed 85% of pre-disability income. If a member is able to resume partial duties on a reduced income, the IP benefit payment combined with their other earnings cannot exceed 100% of pre-disability income.</p>
Death Cover	<p>This option is designed for members who are aged between 15 and 74, who are seeking access to:</p> <ul style="list-style-type: none">• a lump-sum benefit to help their dependants with ongoing expenses and one-off costs if they were to die or become terminally ill• the ability to apply to increase their Death Cover to a maximum cover of \$3 million• either unitised cover (each unit provides an amount of cover that reduces in value as they age) or fixed cover (specific dollar value of death cover that maintains the benefit amount as they age).
Total and Permanent Disablement (TPD) Cover	<p>This option is designed for members aged between 15 and 69 who hold death cover, who are seeking access to:</p> <ul style="list-style-type: none">• the ability to apply for a lump-sum benefit if they were to become totally and permanently disabled and unlikely to ever be able to return to work• the ability to apply to increase their TPD cover subject to a maximum cover of \$2 million• either unitised cover (each unit provides an amount of cover that reduces in value as they age) or fixed cover (specific dollar value of disability insurance cover that generally maintains the benefit amount as they age). Fixed TPD cover reduces between the ages of 61 and 70.

The insurance options are subject to the terms, conditions, exclusions and eligibility criteria of the insurance policies. Members working in professional and white-collar occupations can apply to pay insurance fees at a lower cost to better reflect their reduced claims risk. Some options are not designed for members who are in high-risk occupations as determined by our insurer. For more information on insurance, refer to *Insurance options*, available at hesta.com.au/pds.

Consistency between target market and the product

HESTA believes that the HESTA Personal Super product is likely to be consistent with the likely objectives, financial situation and needs of the members in the target market. The key terms and attributes of the product have been critically assessed and found to be consistent with the identified target market. This assessment included consideration of the varying levels of choice that members have in the product particularly with the investment and insurance features to cater to their personal situation and life stage.

HESTA regularly reviews:

- our investment options to provide members with the opportunity for competitive, risk-adjusted net long-term returns (returns after fees and costs)
- member engagement across the suite of investment options offered to ensure the appropriateness and need for a broad range of investment options appropriate for differing levels of risk tolerance and investment horizons of members
- administration fees and costs, including benchmarking against similar super funds
- insurance fees and features, to minimise the account erosion of our members, while providing appropriate insurance options for members
- the design of this product to ensure it is not complex and allows for a high degree of self-servicing.

4. How this product is distributed

Distribution channels

The HESTA Personal Super product has been designed to be distributed directly to members and also on an advised basis through the following means:

- through representatives of the Trustee
- by an online or physical application form
- by third-party financial advisers and other regulated persons (holding an AFSL) who engage in retail product distribution.

Distribution conditions

The HESTA Personal Super product is distributed under the following circumstances where:

- the member is self-employed or not currently working in employment arrangements where legislated minimum employer contributions are required to be paid on their behalf; and
- the individual member meets the relevant insurance eligibility criteria outlined in the PDS (if applying for insurance cover); and
- through the join process the applicant has answered the required questions relating to employment status and insurance eligibility.

The HESTA Personal Super product is not for distribution in jurisdictions outside of Australia.

Adequacy of distribution conditions

HESTA believes that the HESTA Personal Super product distribution conditions ensure that only members who meet eligibility conditions enter this product because:

- the join process requires individuals to answer questions relating to employment status and insurance eligibility directing them to the correct product based on their response
- upon making an investment selection or switch, questions are presented to members to increase the likelihood of distribution being consistent with the potential risks and returns associated with each investment option
- contact centre and member facing employees are trained on the key terms and attributes of the product, including the product eligibility.

The Trustee has determined that the distribution conditions make it likely that members who join the product are in the target market for which it has been designed.

5. Reviewing this TMD

The Trustee will review this TMD in accordance with the below:

Annual review	1 July 2027
Periodic reviews	Annually, generally before each 30 September
Review events	<p>An event or circumstances arising that would suggest the TMD is no longer appropriate. This includes:</p> <ul style="list-style-type: none">• significant changes in member engagement that suggest the target market is no longer appropriate• material change to the design or distribution of the product, including related documentation• occurrence of any significant dealings having considered reportable incidents defined below as notified by product distributors• an unexpectedly high level of complaints or adverse feedback from members about investment options, insurance options, fees and costs or the product in general that would suggest that the product is no longer appropriate• notification by the regulator of serious concerns about the distribution and design of the product• indications that the distribution conditions do not make it likely that the members who acquire the product are in the target market• outcomes from Member Outcomes Assessments and Business Performance Reviews, which indicate the product is not meeting stated member outcomes.

Where a review event has occurred, this TMD will be reviewed within 10 business days.

6. Reporting and monitoring this TMD

It is an obligation for a distributor of this product to provide the following information in relation to this TMD.

This information must be sent to HESTA via email at product@hesta.com.au.

Complaints	<p>Distributors must report quarterly (within 10 business days following the end of the quarter) the number and details of complaints received in relation to the product covered by this TMD.</p> <p>This will include the substance of complaints and general feedback relating to the product and its performance. Learn more about HESTA's Complaints Policy at hesta.com.au/complaints.</p>
Reportable Incidents	<p>Distributors are required to report a significant dealing (incident) in the product that is not consistent with this TMD within 10 business days of becoming aware of them to help the Trustee to make timely and appropriate decisions.</p> <p>What is a significant dealing?</p> <p>A significant dealing is a dealing or pattern of dealings of this product that's inconsistent with this TMD. In assessing 'significance', consider the number or proportion of affected members, the actual or potential harm or financial loss to those members, the degree of inconsistency with the target market, and the period over which inconsistent distribution has occurred. A single dealing may be significant where potential member harm is substantial. If you are uncertain, report it to us.</p> <p>Information that distributors must report within 10 business days of becoming aware of an incident:</p> <ul style="list-style-type: none">• the number of members who have acquired the product that are not in the target market or have characteristics that are specifically excluded from the target market• actual or potential harm to members who have acquired the product• relevant dates• circumstances where distribution conditions have regularly not been met, and• details of any consistent feature identifying when or how members outside the target market have acquired the product (e.g. at a particular time period; consistently from a particular adviser).

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