

Target Market Determination

Aware Investment Funds

Effective date 14 April 2025 | Next scheduled review to be completed by 01 October 2025

About this document

The purpose of this Target Market Determination (TMD) is to give investors, distributors and staff an understanding of the group of investors this group of products has been designed for and is likely to be appropriate for, taking into account their objectives, financial situation and needs.

This TMD is not a full summary of the terms and conditions of the Aware Investment Funds (Investment Funds). Investors should refer to the *Aware Investment Funds Product Disclosure Statement (PDS)*, available at aware.com.au/pds, and any supplementary documents, when making a decision about these products. Investors may also wish to consider obtaining financial advice before acquiring a product.

Products to which this TMD applies

This TMD applies to the managed investment schemes, each called a Fund, referred to in the **Aware Investment Funds Product Disclosure Statement (PDS)**.

Target market for the Aware Investment Funds

The Investment Funds comprise a range of separate Funds that offer a broad choice of risk-return combinations. The target market for each Investment Fund is described on page 2 of this TMD. It is important to note that the target market for each Investment Fund is different, and an investor may fall within the target market of one or more Investment Funds, but not others. The target market for each Investment Fund must be considered separately.

The Investment Funds are **not** designed for investors who are seeking:

- to profit from buying and selling Funds on short-term movements.
- to have legal ownership of the underlying investments.
- a capital guaranteed product.



Investment Fund suitability

For each fund within the Investment Funds, we assign a risk band, risk label and estimated number of negative annual returns over any 20-year period. This is known as the Standard Risk Measure (SRM) and it is based on a methodology developed by the financial services industry so that consumers can compare investment options within and across funds. It provides an indication of market volatility risk but is not a complete assessment of all forms of investment risk (for example, it does not take into account the potential size of positive and negative returns). As shown in the table below, the risk measures range from 1 (being the lowest risk) to 7 (being the highest risk). The SRM of an Investment Fund depends on the risk profile of the asset classes and investments that make up that Fund.

Standard Risk Measure

Risk band	Risk label	Estimated number of negative annual returns over any 20-year period
1	Very Low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to Medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to High	3 to less than 4
6	High	4 to less than 6
7	Very High	6 or greater

The types of investors that the different Investment Funds are intended for are broadly described below.

Likely investment objectives

To achieve one or both of the below objectives over a short, medium or long term:

- To accumulate wealth through investment growth and investment income
- To receive a source of income via distributions

Likely investment needs

- Access to capital via daily liquidity
- Flexibility to choose between a range of Funds suited to varying time horizons, expected return outcomes and levels of risk.

Investment Fund	Investment objective ¹	Investment Fund target growth/defensive allocation ²		Minimum suggested investment timeframe	Risk level (SRM) ³	Who might this Investment Fund be appropriate for?
Growth Fund	CPI + 4.00% p.a. over rolling 10-year periods before tax ⁴ and after taking into account fees and costs.	Growth assets Defensive assets	75% 25%	7 years	6 – High	Investors with a long-term investment horizon seeking strong long-term returns that are comfortable with fluctuations in the value of their investments.
Balanced Fund	CPI + 3.00% p.a. over rolling 10-year periods before tax ⁴ and after taking into account fees and costs.	Growth assets Defensive assets	59% 41%	5 years	5 – Medium to High	Investors seeking a balance between capital growth and capital stability that can tolerate some years when returns are negative.
Moderate Fund	CPI + 2.00% p.a. over rolling 10-year periods before tax ⁴ and after taking into account fees and costs.	Growth assets Defensive assets	39% 61%	4 years	4 – Medium	Investors seeking modest capital growth in the short to medium term who are less comfortable with significant fluctuations in the value of their investments.
Capital Stable Fund	CPI + 1.25% p.a. over rolling 10-year periods before tax ⁴ and after taking into account fees and costs.	Growth assets Defensive assets	25% 75%	3 years	3 – Low to Medium	Investors with a short to medium-term investment horizon seeking fairly stable returns with a low to medium risk of capital loss. However, in return for more stable returns over the short-term, investors in this Fund may be sacrificing the potential for higher long-term returns.
Australian Equities Fund	To outperform the return of the Aware Super Custom Index on MSCI Australia Shares 300 ⁵ over rolling 5-year periods, before tax ⁴ and after taking into account fees and costs.	Growth assets Defensive assets	100% 0%	10 years	7 – Very High	Investors wanting strong long-term returns who are prepared to accept full exposure to the ups and downs of investing in the share market, including periods of negative returns.
International Equities Fund	To outperform the return of the Aware Super Custom Index on MSCI All Country World Index (ACWI) ex-Australia partially hedged to Australian dollars ⁵ , over rolling 5-year periods, before tax ⁴ and after taking into account fees and costs.	Growth assets Defensive assets	100% 0%	10 years	7 – Very High	Investors wanting strong long-term returns who are prepared to accept full exposure to the ups and downs of investing in the share market and the impact of currency movements, including periods of negative returns.
Cash Fund	To meet or exceed the return of the Bloomberg Ausbond Bank Bill Index, over rolling 12-month periods, before taking into account fees, costs and tax.	Growth assets Defensive assets	0% 100%	Up to 2 years	1 – Very Low	Investors seeking a short-term investment with stable but low expected returns. Investors in this Fund should be aware that the return they receive may not keep pace with inflation. Note: The Cash Fund is not covered by the Government Guarantee (Financial Claims Scheme).

¹ The investment objectives do not constitute a forecast or guarantee of future performance or the future rates of return of the Fund.

² Growth assets include Australian and international shares. Defensive assets include cash, fixed income and credit income investments. The infrastructure and property asset classes can include both growth and defensive assets. For more information please refer to the *Aware Investment Funds Product Disclosure Statement (PDS)*, available at aware.com.au/pds.

³ For more information on the Standard Risk Measure, refer to the 'Standard Risk Measure' section on page 1.

⁴ Ignoring the value of franking credits.

⁵ A custom index calculated by MSCI based on the Responsible Ownership criteria provided by Aware Super. Refer to the 'Custom benchmarks' section in the Investment Funds PDS for more information.

The eligibility criteria for the Investment Funds include that investors must:

- Be an individual, joint investor, an incorporated association, company, a trustee of a trust or SMSF; and
- Be in Australia at the time of application and be an Australian citizen or permanent resident; and
- Make a minimum initial investment in the Investment Funds of \$1,000.

Consistency with objectives, financial situation and needs

The Investment Funds are consistent with the objectives, financial situation and needs of the target market based on our understanding of the target market and analysis of each product's key features and attributes.

How each product is to be distributed

Distribution channels

A consumer may become an investor in an Investment Fund by applying via one of the following means:

- Directly via a paper application form
- Through a financial adviser
- Through a research house.

Distribution conditions

The Investment Funds must only be distributed through the above distribution channels. Further, distributors should:

- not distribute the product to any person who is within the description of the persons that the product is not designed for in the TMD, except through personal advice
- require investors to receive, read and understand the PDS.

Investors seeking to invest directly in an Investment Fund must fill out the application form, confirm their review of the PDS and answer a series of questions regarding their volatility tolerance and time frames in connection with their potential investment in their selected Funds. For direct investors who have not received personal financial advice prior to applying, the completed Application Form and their responses to the questions will be assessed by the issuer. The issuer reserves the right to decline an application based on an investor's responses to those questions.

There are no other restrictions on the distribution of the product.

If it is determined that significant distribution has occurred outside the target market, Aware Financial Services Australia Limited will:

- Review this TMD and amend as necessary, and
- Consider if distribution of the Investment Funds should cease or be changed.

Adequacy of distribution conditions and restrictions

The above distribution conditions are adequate as they will limit the distribution of the products to channels known to us in our capacity as issuer. Additional distribution conditions and restrictions are not required given the breadth of the target market and the fact that the Investment Funds are governed by eligibility and/or regulatory restrictions.

Reviewing this Target Market Determination

We will review this Target Market Determination in accordance with the below:

Periodic reviews	Review frequency: Annually Next review: 01 October 2025
Review triggers or events	<p>There are several events/circumstances that could arise and would suggest that the TMD is no longer appropriate. This may include:</p> <ul style="list-style-type: none">• Material changes to an Investment Fund's design, features, or fees.• The occurrence of a significant dealing in an Investment Fund outside its target market.• A significant number of complaints regarding the design, features, fees, or investment performance of an Investment Fund.• A material change to product usage having regard to the percentage of full withdrawals from the Investment Funds.• A change to regulations or interpretation of regulations which has a material impact on an Investment Fund's design, features, or fees.

Significant dealings in the products

A significant dealing outside the target market for an Investment Fund would be considered based on:

- A significant proportion of consumers who have acquired the product that are not in the target market, including consumers who have been specifically excluded from the target market.
- The actual or potential harm and financial loss to consumers that have acquired the product but are not in the target market.
- The nature and extent of any inconsistency of the product distribution with this TMD.

Reporting and monitoring this Target Market Determination

Our distributors must provide, and we will collect, the following information in relation to this TMD.

Complaints	Distributors must report the number of complaints in relation to the Investment Funds at least quarterly, within 10 business days after the end of each calendar quarter. Complaints information must include the nature of complaints and general feedback from investors relating to the products and their performance.
Significant dealings	Distributors must report if they become aware of a significant dealing in relation to a product covered by this TMD within 10 business days of becoming aware.

Important dates



Date from which this Target Market Determination is effective	14 April 2025
Date when this Target Market Determination was last reviewed	14 April 2025
Date when this Target Market Determination will be next reviewed	01 October 2025

We're here to help



Phone 1300 650 873

Online aware.com.au/contact

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Important information

General advice only. Consider if this is right for you having regard to your objectives, financial situation, or needs, which have not been accounted for in this information and read the Aware Investment Funds Product Disclosure Statement and this document, Aware Super – Target Market Determination Aware Investment Funds at aware.com.au/pds, before deciding to acquire, or continue to hold, any financial product. You should read the Financial Services Guide, before deciding about our financial planning services. Call us or visit our website for a copy. Aware Financial Services Australia Limited is wholly owned by Aware Super (ABN 53 226 460 365). Issued by Aware Financial Services Australia Limited (ABN 86 003 742 756, AFSL 238430).