

# Target Market Determination – Strategic Global Fund

## Legal disclaimer

This Target Market Determination (**TMD**) is required under section 994B of the *Corporations Act 2001* (Cth) (**the Act**). It sets out the class of consumers for whom the product, including its key attributes, would likely be consistent with their likely objectives, financial situation and needs. In addition, the TMD outlines the triggers to review the target market and certain other information. It forms part of One Managed Investment Funds Limited's design and distribution arrangements for the product.

This document is **not** a product disclosure statement 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 Product Disclosure Statement (**PDS**) for Strategic Global Fund before making a decision whether to buy this product.

## Target Market Summary

This product is likely to be appropriate for a consumer seeking capital growth with some income, and to be used as a core or satellite allocation within a portfolio where the consumer has a medium-long investment timeframe, high-very high risk/return profile and needs monthly access to capital.

## Fund and Issuer identifiers

<b>Issuer</b>	One Managed Investment Funds Limited	<b>Fund</b>	<b>Strategic Global Fund</b>
<b>Issuer ABN</b>	47 117 400 987	<b>ARSN</b>	613 886 392
<b>Issuer AFSL</b>	297042	<b>APIR Code</b>	OMF0027AU
<b>Date TMD approved</b>	1 October 2021 <del>superceded 30.09.2022</del>	<b>Product Exchange code (mFund)</b>	STR01
<b>TMD version</b>	1	<b>TMD status</b>	Non Current

## Description of Target Market

### TMD indicator key

The Consumer Attributes for which the product is likely to be appropriate have been assessed using a red/amber/green rating methodology with appropriate colour coding:

In target market Potentially in target market Not considered in target market

### Instructions

In the tables below, Column 1, Consumer Attributes, indicates a description of the likely objectives, financial situation and needs of the class of consumers that are considering this product. Column 2, TMD indicator, indicates whether a consumer meeting the attribute in column 1 is likely to be in the target market for this product.

Generally, a consumer is unlikely to be in the target market for the product if:

- **one or more** of their Consumer Attributes correspond to a **red** rating, or
- **three or more** of their Consumer Attributes correspond to an **amber** rating.

Definitions of terms are in the attachment or otherwise in the PDS.

Consumer Attributes	TMD Indicator	Product description including key attributes
<b>Consumer's investment objective</b>		
Capital Growth	Green	The Scheme aims to achieve positive risk-adjusted returns over the medium to long-term, while reducing the risk of permanent capital loss.
Capital Preservation	Amber	
Capital Guaranteed	Red	The Scheme invests in a quality portfolio of global equities which are diversified by industry and geography.
Income Distribution	Red	

Consumer's intended product use (% of Investable Assets)		
Solution/Standalone (75-100%)	Red	The Fund primarily invests in the securities of companies listed on various stock exchanges around the world but will also have some exposure to cash. The Fund has <i>Medium</i> portfolio diversification. Investors should use the Fund as a Satellite / smaller allocation. *Investors may also use the Fund as a Core Component where the investment generally does not exceed 50% of the investor's Investable Assets.
Core Component (25-75%)	Amber	
Satellite/small allocation (<25%)	Green	
Consumer's investment timeframe		
Short ( $\leq 2$ years)	Red	The minimum suggested timeframe for holding investments in the Fund is 5 years.
Medium ( $> 2$ years)	Amber	
Long ( $> 5$ years)	Green	
Consumer's Risk (ability to bear loss) and Return profile		
Low	Red	The Fund has a risk band of 6 (High) and may experience up to 6 negative returns over a 20 year period.
Medium	Amber	The Fund aims to provide investors with the performance of the market, before fees, as measured by the MSCI World ex-Australia Net TR Index (unhedged in AUD).
High	Green	However, the returns from the Fund are not guaranteed and there is a high risk of short-term loss compared to other investment types but with the potential to deliver higher investment returns over the minimum suggested investment timeframe of 5 years. The key risks of the Fund include market risk and strategy risk.
Very High	Green	
Consumer's need to withdraw money		
Daily	Red	The Fund is expected to be liquid at all times and investors will normally be able to redeem from the Fund on a monthly basis.
Weekly	Red	
Monthly	Green	The Fund's constitution allows 30 days to decide to accept a request and a further up to 21 days to pay the proceeds, however this has not occurred to date. In certain circumstances, such as a freeze on withdrawals or where the Fund is not liquid (as defined
Quarterly	Green	

Annually or longer	Green	in the Corporations Act), there may be a cap on withdrawals for an aggregate value of more than 5% of NAV or investors may not be able to withdraw their investment during the usual period. This has not occurred to date and is considered very unlikely.
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## Appropriateness

The Issuer has assessed the product and formed the view that the product, including its key attributes, is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market as described above, as the features of this product in Column 3 of the table above are likely to be suitable for consumers with the attributes identified with a green TMD Indicator in Column 2.

The Issuer considers that the distribution conditions below will make it likely that the investors who acquire units in the Fund are in the target market because of the following:

- The Fund’s advertisements and website content is directed towards consumers in the Fund’s target market.
- The online and paper application form for the Fund include filtering questions and alerts.
- The distributors’ past performance in relation to the distribution of financial products, about which the Issuer is aware.
- Any other relevant information about a distributor, about which the Issuer is aware.

## Distribution conditions/restrictions

Distribution Condition	Distribution Condition Rationale
No distribution conditions	No distribution conditions are specified because the financial product is suitable for a wide range of retail consumers and there are sufficient conditions and restrictions imposed by other provisions of the Corporations Act, including obligations on distributors which require them to consider the Consumer Attributes set out above. Investors will be asked filtering questions in the application process to assist the Issuer in monitoring distribution.

<b>Review triggers</b>
Material change to key attributes, fund investment objective and/or fees.
Material deviation from benchmark / objective over sustained period.
Key attributes have not performed as disclosed by a material degree and for a material period.
Determination by the issuer of an ASIC reportable Significant Dealing.
Material or unexpectedly high number of complaints (as defined in section 994A(1) of the Act) about the product or distribution of the product.
The use of Product Intervention Powers, regulator orders or directions that affects the product.

<b>Mandatory review periods</b>	
<b>Review period</b>	<b>Maximum period for review</b>
Initial review	1 year and 3 months
Subsequent review	3 years and 3 months

<b>Distributor reporting requirements</b>		
<b>Reporting requirement</b>	<b>Reporting period</b>	<b>Which distributors this requirement applies to</b>
Complaints (as defined in section 994A(1) of the Act) relating to the product design, product availability and distribution. The distributor should provide all the content of the complaint, having regard to privacy.	Within 10 business days following end of calendar quarter	All distributors
Significant dealing outside of target market, under s994F(6) of the Act. See Definitions for further detail.	As soon as practicable but no later than 10 business days after distributor becomes aware of the significant dealing.	All distributors

Distributor reporting requirements		
To the extent a distributor is aware, dealings outside the target market, including reason why acquisition is outside of target market, and whether acquisition occurred under personal advice.	Within 10 business days following the end of the calendar quarter.	All distributors

If practicable, distributors should adopt the FSC data standards for reports to the issuer. Distributors must report to One Managed Investment Funds Limited using the email address [DDO@oneinvestment.com.au](mailto:DDO@oneinvestment.com.au) or the method specified at <https://www.oneinvestment.com.au/ddo/>.

## Definitions

Term	Definition
<b>Consumer's investment objective</b>	
Capital Growth	The consumer seeks to invest in a product designed to generate capital return. The consumer prefers exposure to growth assets or otherwise seeks an investment return above the current inflation rate.
Capital Preservation	The consumer seeks to invest in a product to reduce volatility and minimise loss in a market down-turn. The consumer prefers exposure to defensive assets.
Capital Guaranteed	The consumer seeks a guarantee or protection against capital loss whilst still seeking the potential for capital growth.
Regular Income	The consumer seeks to invest in a product designed to generate regular investor income. The consumer prefers income-generating assets (typically, high dividend-yielding equities, fixed income securities and money market instruments).
<b>Consumer's intended product use</b>	
Solution/Standalone (75-100%)	The consumer intends to hold the investment as either a part or the majority (up to 100%) of their total <i>investable assets</i> (see definition below).
Core Component (25-75%)	The consumer intends to hold the investment as a major component, up to 75%, of their total <i>investable assets</i> (see definition below).
Satellite (<25%)	The consumer intends to hold the investment as a smaller part of their total portfolio, as an indication it would be suitable for up to 25% of the total <i>investable assets</i> (see definition below).

Investable Assets	Those assets that the investor has available for investment, excluding the family home.
<b>Portfolio diversification (for completing the key product attribute section of consumer's intended product use)</b>	
Very low	Single asset class, single country, low holdings of securities - e.g. high conviction Aussie Equities.
Low	Single Asset Class, Single Country, Moderate number of holdings, e.g. Aussie Equities Fund.
Medium	1-2 Asset Classes, Single Country, Broad exposure within asset class, e.g. Aussie Equities All Ords.
Medium High	Greater diversification across either asset classes or countries, e.g. global equities or Australian multi-asset.
High	Highly diversified across either asset classes, countries or investment managers, e.g. Australian multi-manager balanced fund or Global Equities extending beyond benchmark.
Very High	Diversified across asset classes AND across countries e.g. global multi-asset product.
<b>Consumer's intended investment timeframe</b>	
Short ( $\leq 2$ years)	The consumer has a short investment timeframe and may wish to redeem within two years.
Medium ( $> 2$ years)	The consumer has a medium investment timeframe and is unlikely to redeem within two years.
Long ( $> 5$ years)	The consumer has a long investment timeframe and is unlikely to redeem within five years.
<b>Consumer's Risk (ability to bear loss) and Return profile</b>	
<p>Issuers should undertake a comprehensive risk assessment for each product. The FSC strongly recommends adoption of the Standard Risk Measure (SRM) to calculate the likely number of negative annual returns over a 20 year period, using the guidance and methodology outlined in the <b>Standard Risk Measure Guidance Paper For Trustees</b>. SRM is not a complete assessment of risk and potential loss. For example, it does not detail important issues such as the potential size of a negative return or that a positive return could still be less than a consumer requires to meet their investment objectives/needs. Issuers may wish to supplement the SRM methodology by also considering other risk factors. For example, some products may use leverage, derivatives or short selling, may have liquidity or withdrawal limitations, or otherwise may have a complex structure or increased investment risks, which should be documented together with the SRM to substantiate the product risk rating.</p>	
Very high	<p>The consumer has a more aggressive or very high risk appetite, seeks to maximise returns and can accept higher potential losses (e.g. has the ability to bear 6 or more negative returns over a 20 year period (SRM 7) and possibly other risk factors, such as leverage).</p> <p>Consumer typically prefers growth assets such as shares, property and alternative assets.</p>
High	<p>The consumer is higher risk in nature and can accept higher potential losses (e.g. has the ability to bear up to 6 negative returns over a 20 year period (SRM 6)) in order to target a higher target return profile.</p> <p>Consumer typically prefers predominantly growth assets such as shares, property and alternative assets with only a smaller or moderate holding in defensive assets such as cash and fixed income.</p>

Medium	The consumer is moderate or medium risk in nature, seeking to minimise potential losses (e.g. has the ability to bear up to 4 negative returns over a 20 year period (SRM 3 to 5)) and comfortable with a moderate target return profile. Consumer typically prefers a balance of growth assets such as shares, property and alternative assets and defensive assets such as cash and fixed income.
Low	The consumer is conservative or low risk in nature, seeks to minimise potential losses (e.g. has the ability to bear up to 1 negative return over a 20 year period (SRM 1 to 2)) and is comfortable with a low target return profile. Consumer typically prefers defensive assets such as cash and fixed income.
<b>Consumer's need to withdraw money</b>	
Issuers should consider in the first instance the redemption request frequency under ordinary circumstances. However, the redemption request frequency is not the only consideration when determining the ability to meet the investor's requirement to access capital. To the extent that the liquidity of the underlying investments or possible liquidity constraints (e.g. ability to stagger or delay redemptions) could impact this, this is to be taken into consideration in completing this section.	
Daily/Weekly/Monthly/Quarterly/Annually or longer	The consumer seeks to invest in a product which permits redemption requests at this frequency under ordinary circumstances and the issuer is typically able to meet that request within a reasonable period.

<b>Distributor Reporting</b>	
Significant dealings	<p>Section 994F(6) of the Act requires distributors to notify the issuer if they become aware of a significant dealing in the product that is not consistent with the TMD. Neither the Act nor ASIC defines when a dealing is 'significant' and distributors have discretion to apply its ordinary meaning.</p> <p>The issuer will rely on notifications of significant dealings to monitor and review the product, this TMD, and its distribution strategy, and to meet its own obligation to report significant dealings to ASIC.</p> <p>Dealings outside this TMD may be significant because:</p> <ul style="list-style-type: none"> <li>• they represent a material proportion of the overall distribution conduct carried out by the distributor in relation to the product, or</li> <li>• they constitute an individual transaction which has resulted in, or will or is likely to result in, significant detriment to the consumer (or class of consumer).</li> </ul> <p>In each case, the distributor should have regard to:</p> <ul style="list-style-type: none"> <li>• the nature and risk profile of the product (which may be indicated by the product's risk rating or withdrawal timeframes),</li> </ul>

	<ul style="list-style-type: none"> <li>• the actual or potential harm to a consumer (which may be indicated by the value of the consumer’s investment, their intended product use or their ability to bear loss), and</li> <li>• the nature and extent of the inconsistency of distribution with the TMD (which may be indicated by the number of red or amber ratings attributed to the consumer).</li> </ul> <p>Objectively, a distributor may consider a dealing (or group of dealings) outside the TMD to be significant if:</p> <ul style="list-style-type: none"> <li>• it constitutes more than half of the distributor’s total retail product distribution conduct in relation to the product over the reporting period,</li> <li>• the consumer’s intended product use is <i>Solution / Standalone</i>, or</li> <li>• the consumer’s intended product use is <i>Core component</i> and the consumer’s risk (ability to bear loss) and return profile is <i>Low</i>.</li> </ul>
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*Disclaimer*

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