# Specialist Diversified Fixed Interest Fund

## Target Market Determination

## Introduction

This Target Market Determination (TMD) is required under section 994B of the *Corporations Act 2001* (Cth) (Corporations Act). This TMD describes the class of investors that comprises the target market for the financial product and matters relevant to the product's distribution and review (specifically, distribution conditions, review triggers and periods, and reporting requirements). Distributors must take reasonable steps that will, or are reasonably likely to, result in distribution of the product being consistent with the most recent TMD (unless the distribution is excluded conduct).

This document is not a Product Disclosure Statement (PDS) and is not a complete 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 the product before making a decision whether to buy this product.

Important terms used in this TMD are defined in the TMD Definitions available at **ioof.com.au/tmd**. Capitalised terms have the meaning given to them in the product's PDS, unless otherwise defined. The PDS can be obtained by visiting our website at **ioof.com.au/forms** or by contacting Investor Services on **1800 002 217**.

## Target Market Summary

The Fund is designed for investors who:

- seek exposure to a diversified portfolio of fixed income investments, and to produce total investment returns after fees which aim to outperform the Fund's benchmark (50% Bloomberg AusBond Composite 0+Yr Index and 50% Bloomberg Global Aggregate Total Return Index Hedged AUD) over a rolling three-year period;
- intend to use an investment in the Fund as a major or at least a satellite component of an investor's broader portfolio of investments (0-75%);
- have a medium risk and return profile for that portion of their investment portfolio;
- understands there can be fluctuations in income and the value of their investment;
- can invest for a minimum of 3 years; and
- are looking for an investment that processes withdrawals each business day.

## Fund and Issuer identifiers

| | |
|---|---|
| Issuer | MLC Investments Limited (referred to as 'MLC', 'we', 'us' or 'our')<br>ABN 30 002 641 661 AFSL 230705 |
| Investment manager | MLC Asset Management Services Limited (MLC Asset Management) |
| TMD contact details | ddoreporting_am@mlcam.com.au |
| Fund name | Specialist Diversified Fixed Interest Fund (Fund)<br>ARSN 097 160 748 APIR MMC0102AU |
| TMD issue date | 1 June 2026 |
| TMD Version | 6 |
| Distribution status of Fund | Available |

## Description of Target Market

### Table Instructions

In the table below:

- Column 1, Investor Attributes, indicates a description of the likely objectives, financial situation and needs of the class of investors that are considering this product.
- Column 2, TMD indicator, indicates whether an investor meeting the attribute in column 1 is likely to be in the target market for this product.
- Column 3, Product description including key attributes, outlines features of the product which are likely to be suitable for consumers with the attributes identified with a green TMD Indicator in Column 2.

## TMD indicator key

The investor attributes for which the product is likely to be appropriate have been assessed using a green and red rating methodology:

| In target market | Not in target market |
|---|---|

## Investor attribute definitions

Investors should refer to the 'TMD definitions' available at **ioof.com.au/tmd** for the definitions of the investor attributes (that is, the terms used in the 'Investor attributes' column in the table below).

## 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 investors in the target market as described below. The attributes of the product in the 'Product description including key attributes' column of the table below are consistent with the corresponding investor attributes identified with a green rating in the 'TMD indicator' column.

## Investment products and diversification

An investor (or class of investor) may intend to hold a product as part of a diversified portfolio (for example, with an intended product use of *minor allocation*). In such circumstances, the product should be assessed against the investor's attributes for the relevant portion of the portfolio, rather than the investor's portfolio as a whole. For example, an investor may seek to construct a balanced or moderate diversified portfolio with a minor allocation to growth assets. In this case, a product with a *high* risk/return profile may be consistent with the investor's objectives for that *minor allocation* notwithstanding that the risk/return profile of the investor as a whole is *medium*. In making this assessment, distributors should consider all features of a product (including its key attributes). Please note that an 'Investor's intended product use', which sets out the percentage of Investable Assets, is defined as based on all of the assets that the investor has available for investment (excluding the residential home). It is not intended to be limited to only, for example, the relevant portion of assets the investor is currently intending to invest.

| Investor Attributes | TMD indicator | Product description including key attributes |
|---|---|---|
| **Investor's investment objective** | | |
| Capital Growth | Not in target market | The Fund aims to provide exposure to a diversified portfolio of fixed income investments, and to produce total investment returns after fees which aim to outperform the Fund's composite benchmark (50% – Bloomberg AusBond Composite 0+Yr Index; 50% - Bloomberg Global Aggregate Total Return Index Hedged AUD) over a rolling three-year period. |
| Capital Preservation | In target market | |
| Income Distribution | In target market | |
| **Investor's intended product use (% of Investable Assets)** | | |
| Solution/Standalone (up to 100%) | Not in target market | The Fund has high portfolio diversification. The asset allocation ranges of the Fund are:<br>• Cash and short-term securities: 0-25%<br>• Australian fixed interest: 25-75%<br>• International fixed interest: 25-75% |
| Major allocation (up to 75%) | In target market | |
| Core component (up to 50%) | In target market | |
| Minor allocation (up to 25%) | In target market | The Fund is diversified across different types of fixed income securities, sectors and investment managers to enhance potential returns and manage risk. |
| Satellite allocation (up to 10%) | In target market | |
| **Investor's investment timeframe** | | |
| Minimum investment timeframe | **3 years** | The Fund has a short to medium term suggested investment period.<br>The Fund is likely to be suitable for clients who can invest for a minimum of approximately 3 years. |

| Investor's Risk (ability to bear loss) and Return profile for the relevant portion of the investor's portfolio | | |
|---|---|---|
| Low | Not in target market | The Fund's risk level is 'low to medium', as stated in the PDS.<br>The Fund is likely to be suitable for investors who, in respect of the relevant portion of their portfolio:<br>• have a low to medium tolerance of the risks associated with investing<br>• seek to minimise potential losses through a low to medium risk product (eg have the ability to bear approximately 1 to 2 negative annual returns over a 20 year period), and<br>• are comfortable with the low to medium potential level of return that is offered by the Fund.<br>Derivatives are an investment technique used in the Fund. They are a common tool used to manage risk (hedging), efficiently manage a portfolio or generate returns. The Fund does not use derivatives for gearing purposes.<br>The Fund will generally hedge foreign currency exposure to the Australian dollar but it may choose not to hedge some or all of its exposure. Underlying Fund(s) that the Fund invests in may hedge some or all foreign currency exposure to the Australian dollar.<br>For further information, refer to the PDS. |
| Medium | In target market | |
| High | Not in target market | |
| Very high | Not in target market | |
| Extremely high | Not in target market | |
| **Investor's need to access capital** | | |
| Within one week of request | In target market | Direct investors can generally request to redeem all or part of their investment in the Fund by 2:00pm (Melbourne time) on a Business Day. Redemption proceeds will generally be paid within 10 Business Days after we accept the redemption request. If there are abnormal circumstances such as a suspension of redemptions or where we believe that it is not in the best interests of investors, withdrawals may be delayed. For further information, refer to the PDS.<br>Investing via an IDPS or master trust may result in different timeframes for payments of redemption requests compared to direct investors. Investors should contact their financial adviser or IDPS operator for further information. |
| Within one month of request | In target market | |
| Within three months of request | In target market | |
| Within one year of request | In target market | |
| Within 5 years of request | In target market | |
| Within 10 years of request | In target market | |
| 10 years or more | In target market | |

## Distribution conditions/restrictions

| Channel | Distribution conditions | Distribution condition rationale |
|---|---|---|
| Advised | This product may be distributed to investors by a Licensee or its Authorised Representative (as defined in the Act) (known as a financial adviser) who provides personal advice. The Application Form includes a series of questions to assist the Issuer in understanding whether the investor is within the target market.<br>Financial advisers have their own legal obligations that must be satisfied in the provision of personal advice. | The Issuer considers the distribution condition will make it likely that investors who acquire the product will be in target market for the product, or the product will otherwise be appropriate for them because the financial adviser providing personal advice must:<br>• take into account the investor's personal objectives, financial situation and needs, and<br>• comply with the best interests duty and related obligations under Pt 7.7A of the Act.<br>The Issuer has an arrangement with the Licensee or Authorised Representative governing their relationship. As distributors, they are required to take reasonable steps that will, or are likely to, result in distribution of the product being consistent with the TMD. |
| Platform providers | This product is available to persons investing through investment or super platforms, wrap products, IDPS, IDPS-like schemes, a nominee or custody service or any other trading platform (platform) as authorised by the Responsible Entity. | The Issuer considers the distribution condition will make it more likely that the consumers who acquire the product are in the target market because the platform provider has an arrangement with the Issuer governing their relationship with the Issuer noting that platform providers, as distributors, are required to take reasonable steps that will, or are likely to, result in distribution of the product being consistent with the TMD. The Issuer seeks confirmation twice a year from platform providers confirming that they have taken reasonable steps to ensure distribution is consistent with the TMD.<br>In addition, the Issuer of each platform product has its own obligations as a distributor to take reasonable steps that will or are reasonably likely to result in retail product distribution conduct being consistent with the TMD. Reasonable steps includes undertaking due diligence of platform providers, methods of distribution and controls. |

## Review triggers

The parameters for each review trigger listed below are set by the Issuer and may vary from time to time. The Product is assessed against these parameters on a quarterly basis. Please note, in some instances, examples have been provided below. These examples are indicative only and not exhaustive.

| |
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| Material change to key attributes, Fund investment objective and/or fees. For example, changes to the Fund profile within the PDS. |

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|---|
| Material deviation from benchmark/objective over sustained period. For example, the Fund's performance has not met the Issuer's threshold over a period specific to the Fund. |
| 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 affect the product. |
| Regulatory or legislative changes which govern the Fund such as changes to tax legislation. |
| Significant breach of financial services law where the breach relates to the design or distribution of the Fund. |

## Mandatory TMD review periods

| Review period | Maximum period for review |
|---|---|
| Initial review | Within 18 months after the issue date. (Complete) |
| Subsequent review | After initial review, within every 27 months. (March 2027) |

## Distributor reporting requirements

| Reporting requirement | Reporting period | Which distributors this requirement applies to |
|---|---|---|
| Complaints (as defined in section 994A(1) of the Act) relating to the product design, product availability and distribution of the Fund. The distributor should provide all the content of the complaint, having regard to privacy. | As soon as practicable but no later than 10 business days following end of calendar quarter. | All distributors |
| Significant dealing outside of target market, under section 994F(6) of the Act.<br>See Definitions at **ioof.com.au/tmd** for further detail. | As soon as practicable but no later than 10 business days after distributor becomes aware of the significant dealing. | All distributors |
| Other information requested by us | Other information reasonably requested by us to meet our legal obligations, with appropriate notice given to the Distributor such as:<br>• a summary of the steps taken to ensure the Distributor's conduct is consistent with this TMD (as required under section 994E(3) of the Corporations Act); and<br>• feedback on investor experience with the Fund which suggests that the TMD may no longer be appropriate. | All distributors |

Distributors must report to the Issuer using the method specified at **ioof.com.au/ddoreporting**

This TMD is issued by MLC Investments Limited ABN 30 002 641 661 AFSL 230705 (MLC) as Responsible Entity for the Fund. MLC is part of the Insignia Financial Group of Companies, comprising Insignia Financial Ltd ABN 49 100 103 722 and its related bodies corporate (Insignia Financial Group). The Insignia Financial Group is ultimately controlled by CC Capital Partners LLC and its affiliates (a New York based private equity firm) and OneIM GP LLC and its affiliates (a London based private equity firm).

MLC is the issuer of units in the Fund or product defined in this TMD. The information in this TMD is general information only and not intended to provide financial advice or take into account an individual's objectives, situation or needs. The TMD may, therefore, not be applicable to an individual's situation. Before making an investment decision, investors should consider with a financial adviser their circumstances, the PDS and whether the TMD is suitable to their situation. Investors can access the PDS at **ioof.com.au/forms** or by contacting Investor Services on **1800 002 217**.

Past performance is not a reliable indicator of future performance. The value of an investment may rise or fall with the changes in the market.

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