

# Target Market Determination

**Product/Fund:** Perpetual Exact Market Return Fund  
**Effective Date:** 9 July 2025  
**TMD Version:** 5

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## About this document

This Target Market Determination (**TMD**) is required under section 994B of the Corporations Act 2001 (Cth) (the Act). This TMD describes the class of consumers 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 which supplement this document. Capitalised terms have the meaning given to them in the product's PDS, unless otherwise defined. The PDS is available at [www.perpetual.com.au](http://www.perpetual.com.au).

## Target Market Statement

The Perpetual Exact Market Return Fund (**Fund**) offered in the Perpetual Exact Market Return Fund PDS is designed for consumers who:

- are seeking income and capital preservation,
- are intending to use the Fund as a core, minor or satellite allocation within a portfolio,
- have a minimum investment timeframe of 1 year or longer,
- have a low risk and return profile, and
- need to access their capital within one week of request under normal operating conditions.

TMD Indicator key

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

In target market	Not in target market
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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.

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 the features of this product in Column 3 of the table below are likely to be suitable for consumers with the attributes identified with a green TMD Indicator in Column 2.

Investment products and diversification

A consumer (or class of consumer) 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 consumer’s attributes for the relevant portion of the portfolio, rather than the consumer’s portfolio as a whole. For example, a consumer 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 consumer’s objectives for that minor allocation notwithstanding that the risk/return profile of the consumer as a whole is Medium. In making this assessment, distributors should consider all features of a product (including its key attributes).

The FSC has provided more detailed guidance on how to take this portfolio view for diversification, available on the FSC website. <https://www.fsc.org.au/>. This guidance only applies where a product is held as part of an appropriately diversified portfolio.



## Description of target market

Consumer attributes	TMD indicator
Consumer's investment objective	TMD indicator
Capital Growth	Not in target market
Capital Preservation	In target market
Income Distribution	In target market

### Investment objective

Aims to provide investors with a regular income return that matches the pre-tax benchmark performance of the Bloomberg Ausbond Bank Bill Index (referred to as Exact Benchmarking) on an ongoing basis.

### Key attributes

The Fund has the following key attributes:

- Designed to pay income on a quarterly basis by investing in a diversified portfolio of predominantly cash and fixed income securities. However, the level of any income may vary from one distribution period to next.
- Designed to deliver lower volatility through an actively managed, highly diversified liquid investments.

Consumer's intended product use (% of Investable Assets)	TMD indicator
Solution/Standalone (up to 100%)	Not in target market
Major Allocation (up to 75%)	Not in target market
Core Component (up to 50%)	In target market
Minor Allocation (up to 25%)	In target market
Satellite Component (up to 10%)	In target market

**Portfolio diversification:** Medium

### Portfolio diversification (for use in the key product attribute table)

The Fund is comprised of:

- 0-100% in cash and fixed income securities

The Fund provides a broad exposure across cash (including deposits and money market) and fixed income securities and is diversified across the capital structure, issuers and sectors.

As such, its portfolio diversification has been assessed as 'Medium'.

Consumer's investment timeframe	TMD indicator
1 year or longer	In target market

#### Suggested length of investment

The Fund is designed for consumers who seek to invest their capital for a minimum period of one year or longer.

Consumer's Risk (ability to bear loss) and Return profile for the relevant portion of the consumer's portfolio*	TMD indicator
Low	In target market
Medium	Not in target market
High	Not in target market
Very High	Not in target market
Extremely High	Not in target market

#### Risk level:

The Fund's standard risk measure (SRM) is 2 (Low), which is reflected in the PDS. The SRM is based on industry guidance and is not a complete assessment of all forms of investment risk.

Derivatives may be used in the management of the Fund.

For more information on risks and other features of the Fund please refer to the PDS.

The Fund is most suitable for consumers who have a low risk and return profile and:

- are seeking a Fund that has exposure to defensive assets (e.g. deposits, money market and fixed income securities)
- are seeking to minimise potential losses to their capital; and
- are comfortable with the specific risks associated with the Fund as disclosed in the PDS.

\*Refer to Investment products and diversification section of the TMD above.

Consumer's need to access capital	TMD indicator
Within One Week of request	In target market
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 Five Years of request	In target market
Within Ten Years of request	In target market

#### **Withdrawal request and acceptance frequency**

Withdrawal requests can be made daily, and must be received, accepted by the Fund's unit registry prior to 3pm (Sydney time) on a Business Day to be processed using that day's exit price if received after 3pm, it will be processed using the next available price.

Proceeds from your withdrawal will typically be available within 3-5 business days but can be up to 14 business days (e.g. during distribution periods) from when we have accepted the request, given normal operating conditions.

We can also delay processing withdrawal requests (including switches from a Fund) or stagger the payment of large amounts from a Fund according to the Fund's constitution if we believe that's in the best interests of consumers. See the PDS for more information.

Distribution information

Distribution conditions / restrictions

Channel	Distribution Condition	1. Rationale
Distribution channels such as investment or super platforms or wrap products (platforms), Investor directed portfolio service (IDPS), IDPS-like scheme, nominee or custody service or any other trading platform.	This Product is available to persons investing through investment or super platforms, or wrap products (platform), an investor directed portfolio service (IDPS), IDPS-like scheme, nominee or custody service or any other trading platform.	The issuer of each platform has its own obligations as an issuer and distributor to take reasonable steps that will or are reasonably likely to result in retail product distribution being consistent with this TMD.

## Distributor reporting requirements

Distributors required to report	Reporting requirement	Reporting period	Method of reporting (using FSC data standards where practicable)
All distributors	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 the end of a calendar quarter.	Information to be sent to <a href="mailto:DDOmail@perpetual.com.au">DDOmail@perpetual.com.au</a>
All distributors	Significant dealings outside the target market determination.	As soon as practicable but no later than 10 business days after becoming aware of a significant dealing.	Information to be sent to <a href="mailto:DDOmail@perpetual.com.au">DDOmail@perpetual.com.au</a>

## Review period and triggers

We will review this target market determination as outlined below.

Mandatory review periods	
Review period	Maximum period for review
Initial review	1 year and 3 months (Complete)
Subsequent / periodic reviews	2 years and 3 months (□ □ □ □ □r 2027)

Review Triggers
The issuer has determined that a significant dealing outside the target market determination has occurred.
Material deviation in actual performance of the product (compared to investment objective / benchmark) over a sustained period, which may cause consumer harm.
Material change to fund liquidity which may cause consumer harm.
Material change to investment objective, key product features or fees.
Material or unexpectedly high number of complaints about the product (or distribution of the product) which indicate a systemic issue has occurred.
Significant regulatory action which indicates that the target market determination is no longer appropriate.

Where a review trigger has occurred, this target market determination will be reviewed within 10 business days.

## Definitions

Term	Definition
<b>Consumer's investment objective</b>	
Capital Growth	The consumer seeks to invest in a product designed or expected to generate capital return over the investment timeframe. The consumer prefers exposure to growth assets (such as shares or property) or otherwise seeks an investment return above the current inflation rate.
Capital Preservation	The consumer seeks to invest in a product designed or expected to have low volatility and minimise capital loss. The consumer prefers exposure to defensive assets that are generally lower in risk and less volatile than growth investments (this may include cash or fixed income securities).
Income Distribution	The consumer seeks to invest in a product designed or expected to distribute regular and/or tax-effective income. The consumer prefers exposure to income-generating assets (this may include, high dividend-yielding equities, fixed income securities and money market instruments).
<b>Consumer's intended product use (% of Investable Assets)</b>	
Solution/Standalone (up to 100%)	The consumer may hold the investment as up to 100% of their total investable assets. The consumer is likely to seek a product with very high portfolio diversification.
Major Allocation (up to 75%)	The consumer may hold the investment as up to 75% of their total investable assets. The consumer is likely to seek a product with at least high portfolio diversification.
Core Component (up to 50%)	The consumer may hold the investment as up to 50% of their total investable assets. The consumer is likely to seek a product with at least medium portfolio diversification.
Minor Allocation (up to 25%)	The consumer may hold the investment as up to 25% of their total investable assets. The consumer is likely to seek a product with at least low portfolio diversification.
Satellite Component (up to 10%)	The consumer may hold the investment as up to 10% of the total investable assets. The consumer may seek a product with very low portfolio diversification. Products classified as extremely high risk are likely to meet this category only.
Investable Assets	Those assets that the investor has available for investment, excluding the residential home.
<b>Portfolio diversification (for completing the key product attribute section of consumer's intended product use)</b>	
Low	The product provides exposure to a small number of holdings (for example, fewer than 25 securities) or a narrow asset class, sector or geographic market (for example, a single major commodity (e.g. gold) or equities from a single emerging market economy).
Medium	The product provides exposure to a moderate number of holdings (for example, up to 50 securities) in at least one broad asset class, sector or geographic market (for example, Australian fixed income securities or global natural resources).
High	The product provides exposure to a large number of holdings (for example, over 50 securities) in more than one broad asset class, sector or geographic market (for example, global equities).
Very High	The product provides exposure to a large number of holdings across a broad range of asset classes, sectors and geographic markets with limited correlation to each other.
Very Low	The product provides exposure to a single asset (for example, a commercial property) or a niche asset class (for example, minor commodities, crypto-assets or collectibles).
<b>Consumer's intended investment timeframe</b>	
Minimum	The minimum suggested time frame for holding the product. Typically, is the rolling period over which the investment objective of the Fund is likely to be achieved.



Term	Definition
<b>Consumer's Risk (ability to bear loss) and Return profile</b>	
<p>This TMD uses the Standard Risk Measure (SRM) to estimate the likely number of negative annual returns for this product over a 20 year period, using the guidance and methodology outlined in the Standard Risk Measure Guidance Paper For Trustees (note the bands in the SRM guidance differ from the bands used in this TMD). However, the 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 (including under conditions of market stress) or that a positive return could still be less than a consumer requires to meet their investment objectives/needs. The SRM methodology may be supplemented by other risk factors. For example, some products may have other risk factors which result from, for example, the use of leverage, derivatives or short selling, liquidity or withdrawal limitations, may have underlying investments with valuation risks or risks of capital loss; 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> <p>A consumer's desired product return profile would generally take into account the impact of fees, costs and taxes.</p>	
Low	<p>For the relevant part of the consumer's portfolio, the consumer:</p> <ul style="list-style-type: none"> <li>• has a conservative or low risk appetite,</li> <li>• seeks to minimise volatility and potential losses (e.g. has the ability to bear up to 1 negative return over a 20 year period (SRM 1 to 2)), and</li> <li>• is comfortable with a low target return profile.</li> </ul> <p>The consumer typically prefers stable, defensive assets (such as cash).</p>
Medium	<p>For the relevant part of the consumer's portfolio, the consumer:</p> <ul style="list-style-type: none"> <li>• has a moderate or medium risk appetite,</li> <li>• seeks low volatility and potential losses (e.g. has the ability to bear up to 4 negative returns over a 20 year period (SRM 3 to 5)), and</li> <li>• is comfortable with a moderate target return profile.</li> </ul> <p>The consumer typically prefers defensive assets (for example, fixed income).</p>
High	<p>For the relevant part of the consumer's portfolio, the consumer:</p> <ul style="list-style-type: none"> <li>• has a high risk appetite,</li> <li>• can accept high volatility and potential losses (e.g. has the ability to bear up to 6 negative returns over a 20 year period (SRM 5 or 6)), and</li> <li>• seeks high returns (typically over a medium or long timeframe).</li> </ul> <p>The consumer typically prefers growth assets (for example shares and property).</p>
Very High	<p>For the relevant part of the consumer's portfolio, the consumer:</p> <ul style="list-style-type: none"> <li>• has a very high risk appetite,</li> <li>• can accept very high volatility and potential losses (e.g. has the ability to bear 6 to 7 negative returns over a 20 year period (SRM 6 or 7)), and</li> <li>• seeks to maximise returns (typically over a medium or long timeframe).</li> </ul> <p>The consumer typically prefers high growth assets (such as high conviction portfolios, hedge funds, and alternative investments).</p>
Extremely High	<p>For the relevant part of the consumer's portfolio, the consumer:</p> <ul style="list-style-type: none"> <li>• has an extremely high risk appetite,</li> <li>• can accept significant volatility and losses, and</li> <li>• seeks to obtain accelerated returns (potentially in a short timeframe).</li> </ul> <p>The consumer seeks extremely high risk, speculative or complex products which may have features such as significant use of derivatives, leverage or short positions or may be in emerging or niche asset classes (for example, crypto-assets or collectibles).</p>
<b>Consumer's need to access capital</b>	
<p>This consumer attribute addresses the likely period of time between the making of a request to access capital and the receipt of proceeds from this request under ordinary circumstances.</p>	

Term	Definition
<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> <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 and/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 quarter,</li> <li>• the consumer's intended product use is solution/standalone,</li> <li>• the consumer's intended product use is core component or higher and the consumer's risk/return profile is low, or</li> <li>• the relevant product has a green rating for consumers seeking extremely high risk/return.</li> </ul>

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## More Information

Contact your adviser or call:

1800 022 033 (Australia)

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