

Definitions

Please note: In some instances, examples have been provided below. These examples are indicative only and not exhaustive.

Term	Definition
Investor's investment objective	
Capital Growth	The investor seeks to invest in a product designed or expected to generate capital return over the investment timeframe. The investor prefers exposure to growth assets (such as shares or property) or otherwise seeks an investment return above the current inflation rate.
Capital Preservation	The investor seeks to invest in a product designed or expected to have low volatility and minimise capital loss. The investor 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 investor seeks to invest in a product designed or expected to distribute regular and/or tax-effective income earned by the product. The investor prefers exposure to income-generating assets (this may include high dividend-yielding equities, fixed income securities and money market instruments).
Investor's intended product use (% of Investable Assets)	
Solution/Standalone (up to 100%)	The investor may hold the investment as up to 100% of their total <i>investable assets</i> . The investor is likely to seek a product with <i>very high</i> portfolio diversification.
Major allocation (up to 75%)	The investor may hold the investment as up to 75% of their total <i>investable assets</i> . The investor is likely to seek a product with at least <i>high</i> portfolio diversification.
Core Component (up to 50%)	The investor may hold the investment as up to 50% of their total <i>investable assets</i> . The investor is likely to seek a product with at least <i>medium</i> portfolio diversification.
Minor allocation (up to 25%)	The investor may hold the investment as up to 25% of their total <i>investable assets</i> . The investor is likely to seek a product with at least <i>low</i> portfolio diversification.
Satellite allocation (up to 10%)	The investor may hold the investment as up to 10% of the total <i>investable assets</i> . The investor may seek a product with <i>very low</i> portfolio diversification. Products classified as <i>extremely high</i> risk are likely to meet this category only.
<i>Investable Assets</i>	Those assets that the investor has available for investment, excluding the residential home.

Term	Definition
Portfolio diversification (for completing the key product attribute section of investor's intended product use)	
Note: exposures to cash and cash-like instruments may sit outside the diversification framework below.	
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).
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 multiple broad asset classes, sectors or geographic markets (for example, global equities).
Very high	The product provides exposure to a large number of holdings across a broad range of asset classes, sectors <u>and</u> geographic markets with limited correlation to each other.
Investor's intended investment timeframe	
Minimum	The minimum suggested timeframe for holding the product. Typically, this is the rolling period over which the investment objective of the product is likely to be achieved.

Term	Definition
Investor's Risk (ability to bear loss) and Return profile	
Proprietary modelling is used to estimate the likely number of negative annual returns for this product over a 20 year period. This 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 annual return (including under conditions of market stress) or that a positive return could still be less than an investor requires to meet their investment objectives/needs. The table on page 5 explains the relationship between this section and 'Risk level' (in the respective product's PDS).	
Low	For the relevant part of the investor's portfolio, the investor: • has a conservative or low risk appetite, • seeks to minimise volatility and potential losses (e.g. has the ability to bear up to 1 negative annual return over a 20 year period), and • is comfortable with a low target return profile. The investor typically prefers stable, defensive assets (such as cash).
Medium	For the relevant part of the investor's portfolio, the investor: • has a moderate or medium risk appetite, • seeks low volatility and potential losses (e.g. has the ability to bear up to 4 negative annual returns over a 20 year period), and • is comfortable with a moderate target return profile. The investor typically prefers defensive assets (for example, fixed income).
High	For the relevant part of the investor's portfolio, the investor: • has a high risk appetite, • can accept high volatility and potential losses (e.g. has the ability to bear up to 6 negative annual returns over a 20 year period), and • seeks high returns (typically over a medium or long timeframe). The investor typically prefers growth assets (for example, shares and property).
Very high	For the relevant part of the investor's portfolio, the investor: • has a very high risk appetite, • can accept very high volatility and potential losses (e.g. has the ability to bear 6 or more negative annual returns over a 20 year period), and • seeks to maximise returns (typically over a medium or long timeframe). The investor typically prefers high growth assets (such as high conviction portfolios, hedge funds, and alternative investments).
Extremely high	For the relevant part of the investor's portfolio, the investor: • has an extremely high risk appetite, • can accept significant volatility and losses, and • seeks to obtain accelerated returns (potentially in a short timeframe). The investor 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).

Term	Definition
Investor's need to access capital	
This investor attribute addresses the likely period of time between the making of a request for redemption/withdrawal (or access to investment proceeds more generally) and the receipt of proceeds from this request under ordinary circumstances. Where a product is held on investment platforms, distributors also need to factor in the length of time platforms take to process requests for redemption for underlying investments. Where access to investment proceeds from the product is likely to occur through a secondary market, the liquidity of the market for the product should be considered.	
Distributor Reporting	
Significant dealings	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. 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. Dealings outside this TMD may be significant because: • they represent a material proportion of the overall distribution conduct carried out by the distributor in relation to the product, or • they constitute an individual transaction which has resulted in, or will or is likely to result in, significant detriment to the investor (or class of investor). In each case, the distributor should have regard to: • the nature and risk profile of the product (which may be indicated by the product's risk rating or access to capital timeframes), • the actual or potential harm to a investor (which may be indicated by the value of the investor's investment, their intended product use or their ability to bear loss), and • 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 investor). Objectively, a distributor may consider a dealing (or group of dealings) outside the TMD to be significant if: • it constitutes more than half of the distributor's total retail product distribution conduct in relation to the product over the quarter, • the investor's intended product use is <i>solution/standalone</i>, • the investor's intended product use is <i>core component</i> or higher and the investor's risk/return profile is <i>low</i>, or • the relevant product has a green rating for investors seeking <i>extremely high</i> risk/return.

‘Investor’s Risk (ability to bear loss) and Return profile’ and ‘Risk level’

The table below explains the relationship between:

- ‘Investor’s Risk (ability to bear loss) and Return profile’ (TMD), and
- ‘Risk level’ (PDS).

Estimated number of negative annual returns over a 20 year period	Investor’s Risk (ability to bear loss) and Return profile (TMD)	Risk level (PDS)
Less than 0.5	Low	Very low
0.5 to less than 1	Low	Low
1 to less than 2	Medium	Low to medium
2 to less than 3	Medium	Medium
3 to less than 4	Medium	Medium to high
4 to less than 6	High	High
6 or more	Very high	Very high