

# Dexus Core Infrastructure Fund

## Target Market Determination

25 March 2024

### Target Market Summary

This product is intended for use as a *minor or satellite allocation* for a consumer who is seeking *capital growth and regular income* and has a *high risk and return profile* for that portion of their investment portfolio. It is likely to be consistent with the financial situation and needs of a consumer with a *5 year investment timeframe* and who is unlikely to need to withdraw their money on less than one month's notice (see 'Consumer's need to access capital') below.

See the Definitions section of this document for an explanation of the terms in *italics* and other key terms used in this document.

### Purpose of 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.

Capitalised terms have the meaning given to them in the product's PDS, unless otherwise defined. The PDS can be obtained from [www.dexus.com/dcinvest](http://www.dexus.com/dcinvest).

### Fund and Issuer Identifiers

Issuer	Dexus Capital Funds Management Limited	Fund name	Dexus Core Infrastructure Fund
Issuer ABN	15 159 557 721	ARSN	127 019 238
Issuer AFSL	426455	APIR Code	AMP1180AU Dexus Core Infrastructure Fund - Off-platform Class H
Fund manager	Dexus Capital Investors Limited	TMD contact details	DexusDDO@dexus.com
TMD issue date	25 March 2024	TMD Version	7
Distribution status of fund	Available		

## 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 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 described above, as the features of this product in the 'Product description including key attributes' sections are likely to be suitable for consumers with the attributes identified with a green TMD Indicator against the relevant Consumer Attributes.

### 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 ([www.fsc.org.au/resources/target-market-determination-templates](http://www.fsc.org.au/resources/target-market-determination-templates))

Consumer Attributes	TMD Indicator	Product description including key attributes
<b>Consumer's investment objective</b>		
Capital Growth	In Target Market	The Fund aims to provide investors with total returns (income and capital growth) after costs and before tax, above the 10 Year Australian Government Bond Yield plus 3.25% p.a.
Capital Preservation	Not in Target Market	
Income Distribution	In Target Market	
<b>Consumer's intended product use (% of Investable Assets)</b>		
Solution/Standalone (up to 100%)	Not in Target Market	The intended product use is to provide exposure to a diversified portfolio of infrastructure assets as a minor or satellite part of a broader investment portfolio. The Fund invests into a broad range of infrastructure assets, sectors, and geographic locations, through investment in both unlisted infrastructure assets and listed infrastructure securities. Targeted asset allocations for the Funds are as follows: <ul style="list-style-type: none"> <li>A range of 40% - 60% to unlisted infrastructure assets</li> <li>A range of 40% - 60% to listed infrastructure securities and cash (listed infrastructure securities are currently accessed through investment in a sub-fund).</li> </ul> The actual asset allocations will be affected by the availability and volume of suitable unlisted infrastructure investment opportunities. Consequently, the actual asset allocations may vary significantly from the target allocations. Actual asset allocations can be obtained online at <a href="http://www.dexus.com/dcif">www.dexus.com/dcif</a> or by contacting the Responsible Entity. Returns from the Fund are expected to have a low correlation with returns from other asset classes (such as shares and bonds), providing diversification benefits for investors.
Major allocation (up to 75%)	Not in Target Market	
Core component (up to 50%)	Not in Target Market	
Minor allocation (up to 25%)	In Target Market	
Satellite allocation (up to 10%)	In Target Market	
<b>Consumer's investment timeframe</b>		
Minimum investment timeframe	5 years	The suggested minimum investment timeframe is 5 years.

Consumer Attributes	TMD Indicator	Product description including key attributes
<b>Consumer's Risk (ability to bear loss) and Return profile</b>		
Low	Not in Target Market	The Fund aims to provide total returns (income and capital growth) after costs and before tax, above the 10 Year Australian Government Bond Yield plus 3.25% p.a.
Medium	Not in Target Market	
High	In Target Market	As the Fund is estimated to experience 4 to less than 6 negative annual returns over any given 20-year period, it has been assigned a Standard Risk Measure of 6 or High.
Very high	In Target Market	
Extremely high	In Target Market	The Fund is suitable for consumers who typically prefer growth assets. In particular: <ul style="list-style-type: none"> <li>are seeking a financial product that is higher risk in nature, and</li> <li>can accept higher potential losses in order to target a higher risk-adjusted return profile.</li> </ul>

#### Consumer's need to access capital

Within one week of request	Not in Target Market	We accept withdrawal requests daily. We aim to process and pay withdrawal requests within 10 business days. However, due to the liquidity characteristics of the Fund's unlisted infrastructure assets, we may take up to 365 days or longer to pay withdrawal requests, as allowed under the Fund's constitution.
Within one month of request	In Target Market	
Within 3 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 or restrictions

Distribution conditions	Distribution condition rationale	Distributors this condition applies to
The financial adviser or broker must confirm that they: <ul style="list-style-type: none"> <li>have considered the PDS and TMD in distributing the product to the relevant consumer, and</li> <li>are authorised to act for the investor in the 'Adviser use only section' in the online or paper application form, and that the investor has been given advice in connection with the Fund (either via general or personal advice).</li> </ul>	To ensure that any person distributing the product is appropriately authorised by the consumer and had considered whether the consumer is in the target market.	Financial advisers and brokers
The platform must have an Australian Financial Services Licence, as required by law. The platform must be approved by the Issuer in writing as a distributor prior to distributing the product.	To ensure that any person distributing the product is considered by the Issuer to be appropriate to do so.	Platforms
The investor must acknowledge that they have reviewed the PDS and the TMD for the Fund and complete certain filtering questions via the Issuer's website prior to being able to complete an online or physical application form.	To ensure that the Issuer has the information to consider whether the consumer is in the target market prior to distributing the product.	Direct

## Review triggers

Material change to key attributes, fund investment objective and/or fees.

Material deviation from benchmark/objective over sustained period.

The Fund ceases to be 'liquid' as defined in the Corporations Act.

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.

## Mandatory TMD review periods

Review period	Maximum period for review
Initial review	N/A – initial review has already occurred.
Subsequent review	15 months

## 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. 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 s994F(6) of the Act. See <i>Definitions</i> for further detail.	As soon as practicable, but no later than 10 business days after the distributor becomes aware of the significant dealing.	All distributors

**If practicable, distributors should adopt the FSC data standards for reports to the Issuer. Distributors must report to Dexus via a bilaterally agreed protocol or intermediary or via email – [DexusDDO@dexus.com](mailto:DexusDDO@dexus.com). This email address should also be used to contact the Issuer regarding any details relating to this TMD.**

## TMD Definitions

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

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 <i>investable assets</i> . The consumer is likely to seek a product with <i>very high</i> portfolio diversification.
Major allocation (up to 75%)	The consumer may hold the investment as up to 75% of their total <i>investable assets</i> . The consumer is likely to seek a product with at least <i>high</i> portfolio diversification.
Core Component (up to 50%)	The consumer may hold the investment as up to 50% of their total <i>investable assets</i> . The consumer is likely to seek a product with at least <i>medium</i> portfolio diversification.
Minor allocation (up to 25%)	The consumer may hold the investment as up to 25% of their total <i>investable assets</i> . The consumer is likely to seek a product with at least <i>low</i> portfolio diversification.
Satellite allocation (up to 10%)	The consumer may hold the investment as up to 10% of their total <i>investable assets</i> . The consumer may seek a product with <i>very low</i> portfolio diversification. Products classified as <i>extremely high risk</i> 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
<b>Portfolio diversification (for completing the key product attribute section of the consumer's intended product use)</b>	
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 (eg 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 and geographic markets with limited correlation to each other.
<b>Consumer's intended investment timeframe</b>	
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.
<b>Consumer's Risk (ability to bear loss) and Return profile</b>	
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 <a href="#">Standard Risk Measure Guidance Paper for Trustees</a> (note the bands in the SRM guidance differ from the bands used in this TMD). However, 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 use leverage, derivatives or short selling; may have 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. A consumer's desired product return profile would generally take into account the impact of fees, costs and taxes.	
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 (eg 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 (eg 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 (eg 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 (eg 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>

Term	Definition
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>

### Consumer's need to access capital

This consumer 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. Issuers should consider both the frequency for accepting the request and the length of time to accept, process and distribute the proceeds of such a request. To the extent that the liquidity of the underlying investments or possible liquidity constraints (eg ability to stagger or delay redemptions) could impact this, this is to be taken into consideration in aligning the product to the consumer's need to access capital. 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	<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 <i>solution/standalone</i>, or</li> <li>• the consumer's intended product use is <i>core component</i> or higher and the consumer's risk/return profile is <i>low</i>, or</li> <li>• the relevant product has a green rating for consumers seeking <i>extremely high risk/return</i>.</li> </ul>
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## Important Information

The information in this TMD is up to date as at the date specified on page 1. The information may change from time to time. Please consult [www.dexus.com/dcifinvest](http://www.dexus.com/dcifinvest) for the latest version of the TMD. This document is intended primarily for use by brokers, advisers, platform operators and other professionals involved in the distribution of the Fund. The key information for prospective investors in the Fund is set out in the PDS for the Fund. Dexus recommends that investors should carefully consider whether the allocation they propose to make to this Fund represents a suitable proportion of a balanced portfolio and, if appropriate, seek professional advice. Investors should not rely on this TMD as the sole basis for an investment decision.

Dexus Capital Funds Management Limited ABN 15 159 557 721, AFSL 426455 (DCFM) is the responsible entity and issuer of units in the Dexus Core Infrastructure Fund.

This document has been prepared for the purpose of providing general information only and does not take into account any particular investor's objectives, financial situation or needs. Before making an investment decision, an investor should consider the appropriateness of the information in this document, and seek professional financial advice, having regard to their objectives, financial situation and needs.

This document is solely for the use of the party to whom it is provided.

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