

## Target Market Determination

# Mercer Passive Global Listed Infrastructure Fund

1 December 2025

ARSN: 160 295 134 APIR: NCL0012AU

## Introduction

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. 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.

This TMD has been prepared by Mercer Investments (Australia) Limited ABN 66 008 612 397 AFSL 244385 (**'MIAL'** or **'the Issuer'**), as the Responsible Entity of the Fund. The Issuer is part of the Mercer Group of Companies. 'MERCER' is a registered trademark of Mercer (Australia) Pty Ltd ABN 32 005 315 917. References to Mercer shall be construed to include Mercer (Australia) Pty Limited and/or its associated companies.

Important terms used in this TMD are defined below in the Definitions. Capitalised terms have the meaning given to them in the product's PDS, unless otherwise defined. The PDS is available at [www.mercer.com.au/mercerfunds](http://www.mercer.com.au/mercerfunds).

## Target Market Summary

This product is intended for use as a Core Component, Minor Allocation or Satellite Allocation for a consumer who is seeking Capital Growth and Income Distribution, and has a High to Very 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 an investment timeframe of at least seven years and who is unlikely to need to withdraw their money on less than one week's notice.

## Fund and Issuer Identifiers

Issuer	Mercer Investments (Australia) Limited
Issuer ABN	66 008 612 397
Issuer AFSL	244385
TMD contact details	<a href="mailto:Pacific.Investments@mercero.com">Pacific.Investments@mercero.com</a>
Fund name	Mercer Passive Global Listed Infrastructure Fund (the Fund or product)
ARSN	160 295 134
APIR Code	NCL0012AU
ISIN Code	AU60NCL00128
TMD issue date	1 December 2025
TMD version	6
Distribution status	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/green rating methodology.

**In target market (GREEN)**

**Not in target market (RED)**

## 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 in this TMD. The features of this product in the third column of the table below (Product description including key attributes) are likely to be suitable for consumers with the attributes identified with a green TMD Indicator in the second column (TMD indicator).

## 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 Financial Services Council (**FSC**) has provided more detailed guidance on how to take this portfolio view for diversification, available on the [FSC website](#). This guidance only applies where a product is held as part of a diversified portfolio.

Consumer attributes	TMD indicator	Product description including key attributes
<b>Consumer's investment objective</b>		
Capital growth	GREEN	Product investment objective – The Fund aims to meet the benchmark, before management fees and costs, over the medium to long term. Benchmark – FTSE Developed Core Infrastructure 50/50 Index in A\$ (Hedged) The strategic asset allocation of the product is: <ul style="list-style-type: none"> <li>• Growth assets of 100%</li> <li>• Defensive assets of 0%.</li> </ul> We seek to consider environmental, social and governance factors in our investment process for the Fund. See the PDS and Additional Information Booklet for details.
Capital preservation	RED	
Income distribution	GREEN	
<b>Consumer's intended product use (% of investable assets)</b>		
Solution/standalone (up to 100%)	RED	Portfolio diversification is Medium.
Major allocation (up to 75%)	RED	The Fund provides exposure to global listed infrastructure returns, generally via a single investment manager. The Fund invests in a strategy incorporating global listed infrastructure exposure and a swap arrangement or other derivatives with the appointed investment manager to achieve benchmark-like returns. The Fund has currency hedging arrangements in place to minimise the impact of fluctuations in the Australian dollar against other currencies. Refer to the PDS for full details.
Core component (up to 50%)	GREEN	
Minor allocation (up to 25%)	GREEN	
Satellite allocation (up to 10%)	GREEN	
<b>Consumer's investment timeframe</b>		
Minimum investment timeframe	At least seven years.	
<b>Consumer's risk (ability to bear loss) and return profile</b>		
Low	RED	The Standard Risk Measure is High.
Medium	RED	For information on the risks of investing into the Fund, refer to the PDS.
High	GREEN	

Very high	GREEN	
Extremely high	RED	
<b>Consumer's need to access capital</b>		
Within one week of request	GREEN	The product has daily unit pricing and a withdrawal request will generally be completed within five business days.
Within one month or more	GREEN	

### Distribution conditions/restrictions

Interests in the product may be distributed subject to the following conditions.

Distribution condition	Distribution condition rationale
<p>The PDS for the product may be given to consumers who wish to access the product indirectly through an Investor Directed Portfolio Service (IDPS), IDPS-like scheme or a nominee or custody service, a managed account or any other service or platform approved by the Issuer (collectively referred to as a 'Service') or through a superannuation fund. The Issuer will accept applications for investments through a Service or a superannuation fund only where it considers the Service or superannuation fund to be reputable and likely to comply with its legal and regulatory obligations.</p>	<p>The distribution conditions applying to a Service or superannuation fund will make it likely that these consumers will be in the target market because:</p> <ul style="list-style-type: none"> <li>• The PDS for the product is made available to prospective consumers by the Service or superannuation fund in accordance with their disclosure obligations.</li> <li>• As distributors, Services and superannuation funds: <ul style="list-style-type: none"> <li>• Must take reasonable steps to ensure that their distribution activities will or are reasonably likely to result in retail product distribution conduct being consistent with this TMD.</li> <li>• Are required to comply with reporting requirements (set out below).</li> </ul> </li> <li>• The Issuer will monitor complaints and significant dealings in order to assess the effectiveness of the product distribution arrangements via a Services or superannuation funds and make changes as necessary.</li> </ul>

### Review triggers

- Material change to key attributes, product investment objective and/or fees.
- Material deviation from benchmark / objective over a 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.

### Mandatory review periods

Review period	Maximum period for review
Ongoing reviews	Three years and three 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 section 994F(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

If practicable, distributors should adopt the FSC data standards for reports to the Issuer. Distributors must report to the Issuer via email to [Pacific.Investments@mercer.com](mailto:Pacific.Investments@mercer.com).

# 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</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 (or portfolio diversification of at least Medium and an SRM of 5 or lower).
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 (or a portfolio diversification of at least Medium and an SRM of 5 or lower).
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 allocation (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 consumer has available for investment, excluding the residential home.

**Portfolio diversification (for completing the key product attribute section of consumer'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 (for example, 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.

## Consumer's risk (ability to bear loss) and return profile

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, 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 the 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 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	For the relevant part of the consumer's portfolio, the consumer 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 return over a 20-year period (SRM 1 to 2)), and is comfortable with a low target return profile. The consumer typically prefers stable, defensive assets (such as cash).
Medium	For the relevant part of the consumer's portfolio, the consumer has a moderate or Medium risk appetite, 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 is comfortable with a moderate target return profile. The consumer typically prefers defensive assets (for example, fixed income).
High	For the relevant part of the consumer's portfolio the consumer has a High risk appetite, 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 seeks high returns (typically over a medium or long timeframe). The consumer typically prefers growth assets (for example, shares and property).
Very high	For the relevant part of the consumer's portfolio, the consumer has a Very high risk appetite, can accept very high volatility and potential losses (e.g. has the ability to bear 6 or 7 negative returns over a 20 year period (SRM 6 or 7)) and seeks to maximise returns (typically over a medium or long timeframe). The consumer typically prefers high growth assets (such as high conviction portfolios, hedge funds and alternative investments).
Extremely high	For the relevant part of the consumer's portfolio, the consumer has an Extremely high risk appetite, can accept significant volatility and losses, and seeks to obtain accelerated returns (potentially in a short timeframe). 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).

## 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 (e.g. 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 via a Service or superannuation fund, distributors also need to factor in the length of time the Service or superannuation fund takes 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 and likely realisable value on market should be considered, including in times of market stress.

## 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 this 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.
- 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).

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 withdrawal timeframes).
- 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).
- Nature and extent of the inconsistency of distribution with this TMD (which may be indicated by the number of red and/or amber ratings attributed to the consumer).

Objectively, a distributor may consider a dealing (or group of dealings) outside this 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 consumer's intended product use is solution / standalone.
  - The consumer's intended product use is core component or higher and the consumer's risk /return profile is Low.
  - The relevant product has a green rating for consumers seeking Extremely high risk/return.
-