

Target Market Determination

Barings Liquidity Investment Strategy - Ordinary Units

and comply with their obligations.

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 (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 and additional information booklet (**AIB**) 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 and AIB, unless otherwise defined. The PDS and AIB can be obtained at www.oneinvestment.com.au/BLIS or www.barings.com/en-au/guest/content/barings-liquidity-investment-strategy/why-invest-in-blis.

Target Market Summary

This product is intended for use as a Satellite or Minor allocation for a consumer who is seeking Capital Preservation and Income Distributions and has a Low to Medium 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 minimum investment timeframe of one year and who is unlikely to need to withdraw their money on less than one week’s notice.

Fund and Issuer identifiers

Issuer	One Managed Investment Funds Limited	Fund name	Barings Liquidity Investment Strategy - Ordinary Units
Issuer ABN	47 117 400 987	ARSN	677 446 034

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Issuer AFSL	297042	APIR Code	OMF6430AU
Fund manager	Barings Australia Pty Ltd ACN 140 045 656 AFSL 342 787	ISIN Code	AU600MF64305
TMD contact details	02 8277 0000	Market Identifier Code	N/A
TMD issue date	23 July 2024	Product Exchange code	N/A
TMD Version	1.0	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/amber/green rating methodology with appropriate colour coding:

In target market	See Issuer instructions*	Not in target market
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*Please see the 'Product description including key attributes' in the table below for Issuer instructions.

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.

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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](#).

Consumer Attributes	TMD indicator	Product description including key attributes
Consumer’s investment objective		
Capital Growth	Not in target market	The Fund’s investment objective is to generate, floating rate investment returns that exceed the RBA Overnight Cash Rate +1.50% - 2.00% (net of fees) over rolling 12-month periods. The Fund aims to generate quarterly income and capital preservation at a portfolio level by investing in floating rate securities consisting of Australian based residential mortgage-backed securities (RMBS) and asset backed securities (ABS), with some exposure to short term money market securities or cash equivalents and cash held with a bank or ADI. The Fund aims to provide investors with sustainable income paid quarterly. The Fund is not capital guaranteed. While the Fund’s portfolio primarily consists of an actively managed portfolio of highly rated, floating rate, securitised assets which are historically capital stable, an investment in the Fund could experience capital loss. Therefore, the Fund is suitable for investors seeking to preserve their capital but who accept that there is a risk they may lose capital. The Fund is not suitable for investors who cannot accept any loss of capital.
Capital Preservation	In target market	
Capital Guaranteed	Not in target market	
Income Distribution	In target market	
Consumer’s intended product use (% of Investable Assets)		
Solution/Standalone (up to 100%)	Not in target market	The Fund aims to provide investors with a means of diversifying their income investments to a defensive floating rate asset class that provides diversification for investors by gaining

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Consumer Attributes	TMD indicator	Product description including key attributes
Major allocation (up to 75%)	Not in target market	<p>exposure to a portfolio that is normally difficult to access for retail investors.</p> <p>The product is suited to investors intending to use the product as a Satellite or a Minor allocation to spread this risk across a broad portfolio of investments.</p>
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	
Consumer's investment timeframe		
Minimum investment timeframe	One year	The Fund's suggested minimum investment timeframe is one year. The Fund is managed with the intention of generating income returns and achieve investment objective of the product over rolling 12-month periods. It is recommended that investors keep their investment in the Fund for the minimum investment timeframe of one year. If you do not intend to hold your investment for this period of time the Fund may not be suitable for you.
Consumer's Risk (ability to bear loss) and Return profile		
Low	In target market	<p>An investment in the Fund is expected to have a high probability of capital preservation over the medium term, however, the value of the Fund's investments may decline, and capital is not guaranteed.</p>
Medium	In target market	
High	See Issuer instructions	<p>While we believe is it reasonable for investors to anticipate regular quarterly income because the Fund is targeting a diversified portfolio of floating rate securities, providing contractually required coupons, the income distributions are dependent on risks associated with the underlying investments and are not guaranteed.</p>
Very high	See Issuer instructions	
Extremely high	See Issuer instructions	<p>An investment in the Fund is not without risk. The PDS and AIB include a summary of the risks associated with the Fund.</p> <p>Over a 20-year period, it is estimated an investment in the Fund will likely have no more than one year of negative returns. Therefore, the Fund is estimated to have a risk band of Low.</p> <p>The return objective of the Fund is to generate returns that exceed the RBA Overnight Cash Rate +1.50% - 2.00% (net of fees) over rolling 12-month periods. Therefore, the Fund is unlikely to meet the return profile of investors seeking High, Very High or Extremely High</p>

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Consumer Attributes	TMD indicator	Product description including key attributes
		returns as a standalone investment. However, the Fund may be suitable for these investors where the investor accepts the moderate return objective of the Fund.
Consumer's need to access capital		
Daily	Not in target market	<p>The Fund is expected to be liquid under ordinary circumstances. Investors may request to withdraw their investment by submitting a withdrawal form to the Fund's Registry. If the withdrawal request is accepted, under ordinary circumstances, the Fund's Registry will endeavour to pay withdrawal proceeds within five business days. However, this timing is not guaranteed and exceptions to this may see additional time required to process and pay withdrawal proceeds (the constitution provides up to 180 days to process withdrawal requests). The Fund's constitution allows up to 21 days after a valid withdrawal request is accepted to satisfy withdrawal requests.</p> <p>In certain circumstances, such as a suspension of withdrawals or where the Fund is illiquid (as defined in the Corporations Act), then investors have no ability to withdraw from the Fund unless the Issuer has made a withdrawal offer in accordance with the Corporations Act.</p>
Within one week of request	In target market	

Distribution conditions/restrictions

Distribution Channel	Distribution conditions/restrictions
Direct	<ul style="list-style-type: none"> Retail clients will only be admitted to the Fund on completion of an approved online application form. The online application form includes filtering questions and alerts including in certain circumstances prompting investors to seek further advice before progressing with the application. The filtering questions have been designed to assist the Issuer to assess whether it is likely the investor is in the target market for the Fund. The Issuer will review the information provided in response to the filtering questions, assess those answers against the Fund's key attributes (set out above). Where the Issuer concludes the investor is not likely to be within the target market, the Issuer may reject the application or seek further information from the investor.
Advisor	Retail client to confirm through online or paper application, they have received personal advice.

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Distribution Channel	Distribution conditions/restrictions
Platform / wrap	<ul style="list-style-type: none"> 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 this TMD. Retail clients who have not received personal advice are not able to access the Fund unless the platform or wrap provider has a process where the client is asked filtering questions relating to the TMD. The filtering questions have been designed to assist the Issuer to assess whether it is likely the investor is in the target market for the Fund. The Issuer will review the information provided in response to the filtering questions, assess those answers against the Fund's key attributes (set out above). Where the Issuer concludes the investor is not likely to be within the target market, the Issuer may reject the application or seek further information from the investor.
Wholesale	If the investor is a 'wholesale client' this TMD does not apply.

Review triggers

Material change to key attributes, fund investment objective and/or fees.
Material deviation from benchmark / objective over 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 TMD review periods

Review period	Maximum period for review
Initial review	1 year and 3 months from the date of this TMD.
Subsequent review	1 year and 3 months from the date of the previous review (for whatever reason)

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 One Managed Investment Funds Limited at gryphon@oneinvestment.com.au.

Definitions

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

Term	Definition
Consumer's investment objective	
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).
Capital Guaranteed	The consumer seeks a guarantee or protection against capital loss whilst still seeking the potential for capital growth (typically gained through a derivative arrangement). The consumer would likely understand the complexities, conditions and risks that are associated with such products.

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Term	Definition
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).
Consumer's intended product use (% of Investable Assets)	
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 the total <i>investable assets</i> . The consumer 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.
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 (e.g. gold) or equities from a single emerging market economy).

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Term	Definition
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.
Consumer'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.
Consumer's Risk (ability to bear loss) and Return profile	
<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 <u>Standard Risk Measure Guidance Paper For Trustees</u> (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.</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"> • 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. <p>The consumer typically prefers stable, defensive assets (such as cash).</p>

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Term	Definition
Medium	<p>For the relevant part of the consumer's portfolio, the consumer:</p> <ul style="list-style-type: none"> • 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. <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"> • 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). <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"> • has a very high risk appetite, • 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 • seeks to maximise returns (typically over a medium or long timeframe). <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"> • has an extremely high risk appetite, • can accept significant volatility and losses, and • seeks to obtain accelerated returns (potentially in a short timeframe). <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	
<p>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.</p>	

Term	Definition
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"> • 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 consumer (or class of consumer). <p>In each case, the distributor should have regard to:</p> <ul style="list-style-type: none"> • the nature and risk profile of the product (which may be indicated by the product’s risk rating or withdrawal timeframes), • 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 • 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). <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"> • 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 <i>solution/standalone</i>, • 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 • the relevant product has a green rating for consumers seeking <i>extremely high risk/return</i>.

Disclaimer

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