

UBS Private Equity Evergreen Secondary Fund

Target Market Determination (TMD)

Issue No. 1

TMD Version: 2

ARSN: 677 970 651

Wholesale Class APIR: UBS5294AU – AUD Hedged

Professional Class APIR: UBS6772AU – AUD Hedged

Issued by UBS Asset Management (Australia) Ltd

ABN 31 003 146 290

AFSL No. 222605

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). The most up to date version of all TMD's in relation to product of which UBS Asset Management (Australia) Ltd is the issuer can be found on our [website](#). 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).

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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.

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1. Target Market Summary

This product is intended for use as a **Satellite/Small Allocation** for a consumer who is seeking **Capital Growth** and has a **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 **at least a 7-year investment timeframe** and who have a **limited need for liquidity** in their investment – see section 2 “Consumer’s need to access capital”.

Fund and Issuer identifiers	
Issuer	UBS Asset Management (Australia) Ltd
Issuer ABN	31003146290
Issuer AFSL	222605
Fund Manager	UBS Asset Management (Australia) Ltd
TMD Contact Details	clientservices-ubsam@ubs.com
Fund	UBS Private Equity Evergreen Secondary Fund
ARSN	677 970 651
APIR Code	Wholesale Class UBS5294AU – AUD Hedged Professional Class UBS6772AU – AUD Hedged
ISIN Code	Wholesale Class – AU60UBS52949 - AUD Hedged Professional Class AU60UBS67723 – AUD Hedged
Market Identifier Code	NA
Product Exchange code	NA
TMD Issue Date	5 September 2024
TMD Issue Number	1
TMD Version	2
Distribution Status of TMD	Available

2. 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	Potentially in target market	Not considered 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 would be considered to be in the target market for this product.

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	In	<p>Investment Return Objective</p> <p>The Fund seeks to provide long-term capital growth through investing in a portfolio of diversified global private equity investments via the Private Equity (Lux) Evergreen Secondary Fund (Master Fund).</p> <p>Fund Investments</p> <p>The Master Fund seeks to generate risk-adjusted returns by selectively investing into globally diversified and mature private equity assets, predominantly via secondary investments and co-investment transactions.</p>
Capital Preservation	Out	<p>The Master Fund expects to invest across geographies, strategy types, deal types, and managers to deliver a diversified private equity portfolio with an emphasis on the lower mid-market buyout and growth capital stage of the private equity universe.</p> <p>Capital Growth</p> <p>The Fund is listed as 'In Target Market' for Capital Growth as the Fund's investment process and methodology is designed or expected to deliver capital growth through its underlying investments, over the investment timeframe.</p>
Income Distribution	Out	<p>Capital Preservation</p> <p>The Fund is listed as 'Out of Target Market' for Capital Preservation as the Fund is not designed or expected to focus on capital preservation as a key investment objective. For an investor seeking Capital Preservation as an objective, the Fund would not be suitable.</p> <p>Income Distribution</p> <p>The Fund is listed as 'Out of Target Market' for Income Distribution as the Fund is not designed or expected to focus on income distribution as a key investment objective. For an investor seeking income distribution as an objective, the Fund would not be suitable.</p>
Consumer's intended product use (% of Investable Assets)		
Solution/Standalone (up to 100%)	Out	<p>Investment Guidelines</p> <p>The Master Fund seeks to generate risk-adjusted returns by selectively investing into globally diversified and mature private equity assets, predominantly via secondary investments and co-investment transactions.</p>
Major Allocation (up to 75%)	Out	<p>The Master Fund expects to invest across geographies, strategy types, deal types, and managers to deliver a diversified private equity portfolio with an emphasis on the lower mid-market buyout and growth capital stage of the private equity universe.</p>
Core Component (up to 50%)	Out	<p>The Fund is designed as a long-term investment for investors who have a limited need for liquidity in their investment.</p>
Minor Allocation (up to 25%)	Out	<p>Fund Diversification</p> <p>The Issuer classifies the Fund as a LOW Diversification (see Definitions) on the basis that it:</p> <ul style="list-style-type: none"> - Mainly invests in a single asset class (Private Equity) - Invests in a multiple geographic regions
Satellite/small allocation (up to 10%)	In	<p>Given the assessment of diversification and the underlying investment of the Fund, it would be suitable for up to a Satellite/Small Allocation within the investors diversified portfolio.</p>
Consumer's investment timeframe		

Consumer Attributes	TMD Indicator	Product description including key attributes
Minimum investment timeframe	7 years	The suggested minimum investment timeframe for the Fund is at least 7 years . The Fund may be held as part of a diversified portfolio where the consumer's portfolio investment timeframe is different to that of the Fund.
Consumer's Risk (ability to bear loss) and Return profile		
Low	Out	<p>The Fund is likely to be suitable for an investor with Very High Risk and Return Profile (refer to Definitions), as:</p> <ul style="list-style-type: none"> - The Fund is likely to be experience very high volatility. - The Fund is likely to have a very high risk of potential losses. - The Fund is likely to experience periods of negative returns (over the longer term) - The Fund will take active investment decisions with a view to maximising investment returns within its stated investment parameters as outlined in the Fund's PDS. <p>This TMD outlines the risk and return profile in relation to an investment in this Fund only. It is important that potential investors consider the consumer's risk and return profile specially in relation to the proposed investment in the Fund rather than their broader portfolio as these may differ.</p> <p>Please refer to the PDS for full details of the risks associated with this Fund.</p>
Medium	Out	
High	Out	
Very High	In	
Extremely High	Out	
Consumer's need to access capital		
Within one week of request	Out	<p>Quarterly Withdrawals</p> <p>Withdrawals may be available quarterly, on the last Calendar Day of each calendar quarter ('Redemption Dealing Day'). An investor's ability to redeem from the Fund will be subject to various factors, including cash available in the Fund and the Fund's ability to redeem from the Master Fund.</p>
Within one month of request	Out	<p>The redemption form must be received by 2 p.m. (Sydney time) 93 Calendar Days prior to the Redemption Dealing Day.</p>
Within three months of request	Out	<p>Given the time taken to calculate the Fund's Unit price, the Fund intends to pay withdrawal requests within 23 Business Days after the Redemption Dealing Day.</p>
Within one year of request	In	<p>Whilst it is anticipated that withdrawal proceeds will be paid on a quarterly basis, under the Constitution, the Responsible Entity has up to 36 months (or such longer period as permitted under the Constitution) from the date of receipt of a withdrawal request to consider whether to accept the request.</p> <p>PROSPECTIVE INVESTORS MUST BE AWARE OF THE POTENTIAL LIMITATIONS IN CONNECTION WITH THEIR ABILITY TO WITHDRAW FROM THE FUND. NOTE THAT UBS DOES NOT PROVIDE ANY GUARANTEES CONCERNING THE LIQUIDITY OF THE FUND NOR THE ABILITY OF AN INVESTOR TO WITHDRAW THEIR INVESTMENT.</p> <p>A redemption charge of up to 5% during the Lock-Up and up to 2% thereafter may be levied by the Master Fund at its discretion from time to time in the event that the Master Fund would need to dispose of investments in an Underlying Vehicle or in any underlying investment to meet withdrawal requests.</p> <p>If the Fund is not liquid, withdrawals from the Fund will only be permitted under a regulated withdrawal offer in accordance with</p>

Consumer Attributes	TMD Indicator	Product description including key attributes
		<p>the Corporations Act. Where the Fund is not liquid, the Responsible Entity is not required to make a withdrawal offer.</p> <p>Withdrawal restrictions</p> <p>Due to the illiquid nature of the Fund's unlisted private equity assets, where appropriate the Responsible Entity will implement measures to protect investor equity and portfolio integrity:</p> <ul style="list-style-type: none"> • Quarterly cap on withdrawals – not to exceed 5% of the Units on issue. • Annual cap on withdrawals – not to exceed 20% of the highest amount of Units on issue during the last 12 months. • Pro rata processing of withdrawal requests that, in aggregate, exceed the quarterly/annual caps.

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

3. How the product is to be distributed

Distribution conditions/restrictions

Distribution Conditions	Distribution Condition Rationale	Distributors this applies to
Via the UBS Asset Management (Australia) Ltd. Website:		
<p>The offer under this PDS is not available directly to investors who are not Wholesale Clients.</p> <p>The Fund is not available for sale to direct retail investors.</p>	<p>The Distribution Condition is likely to result in distribution in line with the Fund's likely target market because the Issuer must take reasonable steps to ensure that their distribution activities will or are likely to result in retail product distribution conduct that is consistent with the Fund's TMD.</p>	<p>This Distribution Condition applies to all distributors who invest in the Fund directly via the UBS Asset Management (Australia) Ltd Website.</p>
Via an Investment Service or Superannuation Funds, either:		
<p>The Fund is available for sale indirectly via 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 an 'Investment Service') or through a superannuation fund. UBS Asset Management (Australia) Ltd will only accept applications only where it considers the Investment Service to be likely to comply with their legal and regulatory obligation.</p> <p>The investment service or superannuation fund must ensure the investor has read and accepted the Fund's PDS.</p> <p>To invest in the Fund the retail investor must have received Personal Advice in relation to the investment into the Fund or where the Investment Service has determined that the consumer's attributes are consistent with this TMD.</p>	<p>The Distribution Condition is likely to result in distribution in line with the Fund's likely target market because, Investment Service as distributors must take reasonable steps to ensure that their distribution activities will or are likely to result in retail product distribution conduct that is consistent with the Fund's TMD.</p>	<p>This Distribution Condition applies to all distributors who distribute the Fund.</p>
<p>This Fund is available for investors with a registered financial advisor via an Investment Service where the advisor and/or dealer group has satisfied themselves that the Fund, or a portfolio that the Fund would form part of, is suitable for the consumer.</p> <p>To invest in the Fund the retail investor must have received Personal Advice in relation to the investment into the Fund</p>	<p>The Distribution Condition is likely to result in distribution in line with the Fund's likely target market because, financial advisors must consider the consumer's individual circumstances and comply with the best interests' duty and related obligations under Pt 7.7A of the Corporations Act.</p>	<p>This Distribution Condition applies to all distributors who distribute the Fund.</p>

4. Reviewing this TMD

Review triggers
The following events and circumstances would reasonably suggest that this TMD is no longer appropriate:
Material change to key attributes, fund investment objective and/or fees.
Material deviation from benchmark / objective over the investment timeframe.
Key attributes have not performed as disclosed by a material degree and for a material period.
A significant increase in fund outflows.
A material change to the performance of the product relative to its investment objectives.
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	Within 1 year and three months from the TMD Issue Date
Subsequent review	Within every period of 1.5 years and three months from the previous review

5. Reporting and monitoring

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 each complaint, having regard to privacy.	As soon as practicable, but no later than 10 business days, following the end of each calendar quarter.	All distributors
Significant Dealing outside of target market, under s994F(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 UBS Asset Management (Australia) Ltd at clientservices-ubsam@ubs.com. Visit the UBS Asset Management Australia website for more information in relation to the Design and Distribution Obligations.

6. Definitions

In some instance, examples have been provided below. These examples are indicative only and are 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).
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 investable assets. 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 the 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</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).
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.
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	
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.	

Term	Definition
	<p>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>Although the Issuer discloses the SRM for each Fund in its PDS, the Issuer adopts a risk assessment model designed to provide investors with a more complete assessment of potential risk than SRM alone. Both SRM and UBS's assessment of risk have been assessed in categorising the Fund for the purposes of the Consumer's Risk and Return profile as part of this TMD.</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>
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. 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 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.</p>	

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 or higher</i> 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</i> risk/return.

