



Target Market Determination

About this document

This Target Market Determination (**TMD**) can help you understand who the B. Ethical Investment Fund (the **Fund**) is designed for, with regard to the objectives, financial situation and needs of the class of consumer in its target market.

Please note, this document is only a summary of the Fund's features and is not intended to provide financial advice. You should refer to the Product Disclosure Statement (**PDS**) which provides further detail about the Fund before making an investment decision.



01

Target market for the B. Ethical Investment Fund

This section sets out the class of consumer (you, your, consumer) which are part of the target market for the B. Ethical Investment Fund (the Fund) and the Fund's key attributes.

The B. Ethical Investment Fund (the Fund) is designed for consumers with the objectives, financial situation and needs which are marked as green in the following tables.

If you have an objective, financial situation or need marked as yellow – the Fund may or may not be suitable for you and you should consider the relevant reason why the Fund may not be suitable before investing.

If you have any of the objectives, financial situation or needs marked as red – the Fund is not suitable for you and you should not invest.

Investment objectives

Investment objective	Suitability
Capital Growth	
Capital Stability	
Income required	

The Fund aims to track and outperform the S&P/ASX Small Ordinaries Accumulation Index and is an actively managed fund that invests in listed companies on the ASX that are outside the S&P/ASX 100. These smaller companies tend to have higher capital growth but also higher volatility and lower dividends.

Consequently, the Fund is likely to be suitable for you if you are seeking capital growth over the longer term, can withstand market volatility and have minimal needs to earn an income from invested capital.

Risk profile

Risk profile	Suitability
Conservative	
Assertive	
Aggressive	

The Fund is more suitable for you if you have a more aggressive risk profile (or, as part of a diversified portfolio, for the portion of your asset allocation which has a more aggressive risk profile).

It is not suitable for a consumer who requires capital security or has a conservative risk profile as the Fund has the potential to incur capital losses.

Asset allocation

Asset allocation (% of investible assets)	Suitability
Standalone (75% - 100%)	
Core (25% - 75%)	
Satellite (<25%)	

The Fund's underlying investments are a portfolio of smaller companies listed on the Australian Stock Exchange but are outside the S&P/ASX 100.

Given the likely exposure to mid, small, and micro-cap companies, this Fund is most appropriately used as a satellite allocation as part of a diversified portfolio.



Investment timeframe

Investment timeframe	Suitability
Less than 2 years	
2 to 5 years	
More than 5 years	

Due to market fluctuations, the Fund is likely to be suitable for you if you are seeking capital growth over a medium-to-longer term horizon and able to withstand investment market volatility.

The suggested minimum investment timeframe is 5 years.

Access to capital

Access to capital requirements	Suitability
Less than a month	
More than a month	

The Fund only offers redemptions at the end of each month. Therefore, it is not suitable for you if you need access to capital on a shorter timeframe or at other times.

Responsible investment

In addition, we note that the Fund invests in accordance with our Responsible Investment Charter. The Fund is appropriate for consumers who seek to invest in a manner which is consistent with the principles set out in our Responsible Investment Charter.

Fees

Management and performance fees apply and the Fund is not suitable for you if you do not wish to incur fees to manage your investment.

02

How this product is to be distributed

Distribution channels and conditions

The Fund is designed to be distributed through the following distribution channels:

- By us and our representatives (including online, in person and by telephone);
- By licensed financial advisers; or
- By investor directed portfolio services (e.g. investment wraps and platforms).

The Fund should not be distributed:

- through distribution channels other than those listed above; or
- to consumers who the Fund is not appropriate for (as indicated in section 01 above) unless the Fund forms part of personal financial advice provided by a licensed financial adviser.

These distribution conditions result in it being reasonable to conclude that the Fund will be distributed to consumers in the target market. We have the ability to implement controls through our own distribution channels and other regulated Australian financial services licensees must meet legal obligations related to the distribution of the Fund.



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Reporting and monitoring this target market determination

All distributors of the Fund are required to report complaints and significant dealings to us by email (hello@bethical.com.au).

Information	Reporting Procedure
Complaints	Distributors must report all complaints to us that they receive in relation to the Fund. Reporting must be in writing and provided to us within 10 business days of the end of the relevant quarter. Please provide details of: (a) who made the complaint; (b) the date that the complaint was received; (c) summary of the issue; (d) status of the complaint; (e) the outcome of the complaint; (f) any AFCA referral.
Significant dealings	Distributors must report any significant dealing to us that they become aware of in relation to the Fund within 10 business days. A significant dealing includes: <ul style="list-style-type: none">• A high proportion of consumers who have invested in the Fund but are not in or specifically excluded from the target market.• Identifying potential or actual harm resulting from consumers outside of the target market investing in the Fund.• Distribution which is significantly inconsistent with this TMD (by nature, extent or over an extended time period). Please provide the following details of any significant dealing: (a) date, dates or date range of the significant dealing; (b) description of the significant dealing; (c) reasons why you consider the dealing significant; (d) how you identified the significant dealing; and (e) any steps you will take in relation to the significant dealing.

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Reviewing this target market determination

We will review this TMD in the event of a review trigger or within 24 months of the last review.

A review trigger is any event or circumstance which suggest that the TMD is no longer appropriate including:

- significant losses suffered by investors;
- high degree of uncertainty in relation to whether the Fund is likely to achieve its investment objective over time;
- inability for the Fund to continue to offer regular withdrawals;
- fees of the Fund no longer being competitive to comparable funds;
- investors experiencing poor tax outcomes compared to comparable funds;
- removal of the Fund from approved product lists of key distributors;
- distribution conditions no longer make it likely that consumers who invest in the Fund are in the target market;
- poor performance relative to its investment objective, benchmarks and comparable funds;
- a significant increase in fund outflows;
- complaints in relation to the Fund which are significant in nature, number or adverse outcomes; and
- we form a view that a significant dealing in the Fund has occurred which is notifiable to ASIC.

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Further information

If you would like further information about the Fund, distribution or the Fund's target market, please do not hesitate to visit bethical.com.au or contact us at hello@bethical.com.au.