



Booklet 5A

# Annual Financial Report

30 June 2023

**Responsible Entity**

Betashares Capital Limited Ltd

(ABN 78 139 566 868)

Level 11, 50 Margaret,  
Sydney, NSW 2000

[betashares.com.au](https://betashares.com.au)



**Booklet 5A**

**Betashares Climate Change Innovation ETF - ASX Code: ERTH (ARSN 643 155 524)**

**Betashares FTSE 100 ETF - ASX Code: F100 (ARSN 624 896 608)**

**Betashares Global Income Leaders ETF - ASX Code: INCM (ARSN 624 896 742)**

**Betashares Global Quality Leaders ETF - ASX Code: QLTY (ARSN 624 896 868)**

**Betashares Global Sustainability Leaders ETF - ASX Code: ETHI (ARSN 613 694 250)**

**Betashares India Quality ETF - ASX Code: IIND (ARSN 631 806 132)**

**Betashares S&P 500 Equal Weight ETF - ASX Code: QUS (ARSN 169 907 313)**

**Betashares Global Shares ETF - ASX Code: BGBL (ARSN 657 341 010)**

**Annual Financial Report**

**30 June 2023**

**Booklet 5A**  
**Annual Financial Report**  
**30 June 2023**

<b>Contents</b>	<b>Page</b>
Directors' report	2
Auditor's independence declaration	6
Statements of comprehensive income	7
Statements of financial position	9
Statements of changes in equity	11
Statements of cash flows	13
Notes to the financial statements	15
Directors' declaration	56
Independent auditor's report to the unitholders	57
Supplementary information	61

## Directors' report

The directors of Betashares Capital Ltd, the Responsible Entity of the following managed investment funds (the "Funds") present their report together with the annual financial report of the Funds for the period ended 30 June 2023 and the auditor's report thereon.

<b>Fund name</b>	<b>Referred to in this document as</b>	<b>Financial reporting period</b>	<b>ARSN</b>
Betashares Climate Change Innovation ETF	Climate Change Innovation ETF	1 July 2022 to 30 June 2023	643 155 524
Betashares FTSE 100 ETF	FTSE 100 ETF	1 July 2022 to 30 June 2023	624 896 608
Betashares Global Income Leaders ETF	Global Income Leaders ETF	1 July 2022 to 30 June 2023	624 896 742
Betashares Global Quality Leaders ETF	Global Quality Leaders ETF	1 July 2022 to 30 June 2023	624 896 868
Betashares Global Sustainability Leaders ETF	Global Sustainability Leaders ETF	1 July 2022 to 30 June 2023	613 694 250
Betashares India Quality ETF	India Quality ETF	1 July 2022 to 30 June 2023	631 806 132
Betashares S&P 500 Equal Weight ETF	S&P 500 Equal Weight ETF	1 July 2022 to 30 June 2023	169 907 313
Betashares Global Shares ETF	Global Shares ETF	1 July 2022 to 30 June 2023	657 341 010

## Responsible Entity

The Responsible Entity of the Funds is Betashares Capital Ltd (ABN 78 139 566 868). The Responsible Entity's registered office and principal place of business is Level 11, 50 Margaret Street, Sydney, NSW 2000.

## Principal activities

The principal activity of each Fund is to invest in accordance with the investment objective and guidelines as set out in the Fund's current Product Disclosure Statement and its Constitution.

Betashares Global Shares ETF commenced operations on 9 May 2023.

The Funds did not have any employees during the period.

There were no significant changes in the nature of the Funds' activities during the financial period.

## Directors

The following persons held office as directors of Betashares Capital Ltd during the period or since the end of the period and up to the date of this report:

Mr Alex Vynokur (appointed 21 September 2009)  
Mr Jason Gellert (appointed 5 March 2021)  
Mr Edward Sippel (appointed 5 March 2021)

## **Directors' report (continued)**

### **Review and results of operations**

During the period, the Funds continued to invest in accordance with target asset allocations as set out in their governing documents and in accordance with the provisions of the Funds' Constitutions.

The results of operations of the Funds are disclosed in the statements of comprehensive income. The income distributions payable by each of the Funds are disclosed in the statements of financial position. The income distributions paid and payable by each of the Funds are disclosed in Note 4 to the financial statements.

During the period, there has been increased volatility in global financial markets due to geopolitical events and economic conditions which may have affected the value of the funds to a greater extent.

### **Significant changes in state of affairs**

There have been continuous challenging economic conditions such as Covid-19 pandemic supply chain constraints, inflation, increasing interest rates, the Russia - Ukraine war, or other events that may impact the Funds' future performance.

In the opinion of the directors, there were no significant changes in the state of affairs of the Funds that occurred during the financial period.

### **Matters subsequent to the end of the financial period**

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect:

- (i) the operations of the Funds in future financial periods; or
- (ii) the results of those operations in future financial periods; or
- (iii) the state of affairs of the Funds in future financial periods.

## **Directors' report (continued)**

### **Likely developments and expected results of operations**

The results of the Funds' operations will be affected by a number of factors, including the performance of investment markets in which the Funds invest. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Further information on likely developments in the operation of the Funds and the expected results of those operations have not been included in this report because the Responsible Entity believes it would be likely to result in unreasonable prejudice to the Funds.

### **Indemnification and insurance of officers and auditors**

No insurance premiums are paid for out of the assets of the Funds in regard to insurance cover provided to either the officers of Betashares Capital Ltd or the auditor of the Funds. So long as the officers of Betashares Capital Ltd act in accordance with the Funds' Constitutions and the law, the officers remain indemnified out of the assets of the Funds against losses incurred while acting on behalf of the Funds. The auditor of the Funds is in no way indemnified out of the assets of the Funds.

### **Fees paid to and interests held in the Funds by the Responsible Entity or its associates**

Fees paid to the Responsible Entity and its associates out of the Funds' property during the period are disclosed in Note 15 to the financial statements.

No fees were paid out of the Funds' property to the directors of the Responsible Entity during the period.

The number of interests in the Funds held by the Responsible Entity or its associates as at the end of the financial period are disclosed in Note 15 to the financial statements.

### **Interests in the Funds**

The movement in units on issue in the Funds during the period is disclosed in Note 3 to the financial statements.

The value of the Funds' assets and liabilities is disclosed on the statements of financial position and derived using the basis set out in Note 2 to the financial statements.

### **Environmental regulation**

The operations of the Funds are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.

## **Directors' report (continued)**

### **Rounding of amounts to the nearest thousand dollars**

The Funds are entities of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* and in accordance with that instrument, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

### **Compensation (ASIC Regulatory Guide 94 Unit pricing: Guide to good practice)**

The Responsible Entity may apply a \$20 minimum to compensation amounts in respect of any unit pricing errors for exited investors.

### **Auditor's independence declaration**

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

This report is made in accordance with a resolution of the directors.



Alex Vynokur  
Director

Sydney  
22 September 2023



## Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Betashares Capital Limited, as Responsible Entity for the Schemes:

Betashares Climate Change Innovation ETF

Betashares FTSE 100 ETF

Betashares Global Income Leaders ETF

Betashares Global Quality Leaders ETF

Betashares Global Sustainability Leaders ETF

Betashares India Quality ETF

Betashares S&P 500 Equal Weight ETF

Betashares Global Shares ETF

I declare that, to the best of my knowledge and belief, in relation to the audit of the Schemes for the financial period ended 30 June 2023 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Nicholas Buchanan  
Partner  
Sydney

22 September 2023



**Booklet 5A**  
**Statements of comprehensive income**  
**For the period ended 30 June 2023**

<b>Statements of comprehensive income</b>		<b>Climate Change Innovation ETF</b>		<b>FTSE 100 ETF</b>		<b>Global Income Leaders ETF</b>		<b>Global Quality Leaders ETF</b>	
		<b>30 June 2023 \$'000</b>	<b>30 June 2022 \$'000</b>	<b>30 June 2023 \$'000</b>	<b>30 June 2022 \$'000</b>	<b>30 June 2023 \$'000</b>	<b>30 June 2022 \$'000</b>	<b>30 June 2023 \$'000</b>	<b>30 June 2022 \$'000</b>
	Notes								
<b>Investment income</b>									
Interest income		2	-	17	-	-	-	7	-
Dividend/distribution income		1,444	1,398	16,837	16,821	1,241	853	5,160	3,291
Net gains/(losses) on financial instruments at fair value through profit or loss		9,152	(64,098)	54,787	(14,975)	111	845	75,422	(53,948)
Net foreign exchange gains/(losses)		28	110	513	46	16	(42)	56	(518)
Other operating income		8	129	23	513	5	5	28	95
<b>Total net investment income/(loss)</b>		<b>10,634</b>	<b>(62,461)</b>	<b>72,177</b>	<b>2,405</b>	<b>1,373</b>	<b>1,661</b>	<b>80,673</b>	<b>(51,080)</b>
<b>Expenses</b>									
Management fees	15	924	888	1,697	1,617	90	79	980	716
Expense recoveries	15	168	162	313	298	14	12	203	148
Interest expenses		-	4	-	17	-	-	-	2
Transaction costs		58	110	142	555	24	18	104	129
Other operating expenses		23	15	8	19	7	13	5	9
<b>Total operating expenses</b>		<b>1,173</b>	<b>1,179</b>	<b>2,160</b>	<b>2,506</b>	<b>135</b>	<b>122</b>	<b>1,292</b>	<b>1,004</b>
<b>Profit/(loss) for the period</b>		<b>9,461</b>	<b>(63,640)</b>	<b>70,017</b>	<b>(101)</b>	<b>1,238</b>	<b>1,539</b>	<b>79,381</b>	<b>(52,084)</b>
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>		<b>9,461</b>	<b>(63,640)</b>	<b>70,017</b>	<b>(101)</b>	<b>1,238</b>	<b>1,539</b>	<b>79,381</b>	<b>(52,084)</b>

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

**Booklet 5A**  
**Statements of comprehensive income**  
**For the period ended 30 June 2023**  
**(continued)**

Statements of comprehensive income		Global Sustainability Leaders ETF		India Quality ETF		S&P 500 Equal Weight ETF		Global Shares ETF <sup>1</sup>	
		30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
	Notes								
<b>Investment income</b>									
Interest income		21	-	10	-	-	-	-	-
Dividend/distribution income		38,177	26,649	1,269	813	3,566	2,966	194	-
Net gains/(losses) on financial instruments at fair value through profit or loss		476,222	(289,943)	12,055	(5,320)	28,357	(6,570)	4,262	-
Net foreign exchange gains/(losses)		(5)	128	9	(120)	29	263	(9)	-
Other operating income		187	403	27	94	21	21	32	-
<b>Total net investment income/(loss)</b>		<b>514,602</b>	<b>(262,763)</b>	<b>13,370</b>	<b>(4,533)</b>	<b>31,973</b>	<b>(3,320)</b>	<b>4,479</b>	<b>-</b>
<b>Expenses</b>									
Management fees	15	11,021	9,503	525	482	506	462	7	-
Expense recoveries	15	2,249	1,939	58	54	82	75	-	-
Interest expenses		-	8	-	5	2	-	4	-
Transaction costs		443	435	108	108	26	24	30	-
Other operating expenses		6	8	2	4	25	25	-	-
<b>Total operating expenses</b>		<b>13,719</b>	<b>11,893</b>	<b>693</b>	<b>653</b>	<b>641</b>	<b>586</b>	<b>41</b>	<b>-</b>
<b>Operating profit/(loss) before income tax</b>		<b>500,883</b>	<b>(274,656)</b>	<b>12,677</b>	<b>(5,186)</b>	<b>31,332</b>	<b>(3,906)</b>	<b>4,438</b>	<b>-</b>
Income tax expense/(benefit)	12	-	-	1,337	(837)	-	-	-	-
<b>Profit/(loss) for the period</b>		<b>500,883</b>	<b>(274,656)</b>	<b>11,340</b>	<b>(4,349)</b>	<b>31,332</b>	<b>(3,906)</b>	<b>4,438</b>	<b>-</b>
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>		<b>500,883</b>	<b>(274,656)</b>	<b>11,340</b>	<b>(4,349)</b>	<b>31,332</b>	<b>(3,906)</b>	<b>4,438</b>	<b>-</b>

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.

**Booklet 5A**  
**Statements of financial position**  
**As at 30 June 2023**

<b>Statements of financial position</b>		<b>Climate Change Innovation ETF</b>		<b>FTSE 100 ETF</b>		<b>Global Income Leaders ETF</b>		<b>Global Quality Leaders ETF</b>	
		<b>30 June 2023 \$'000</b>	<b>30 June 2022 \$'000</b>	<b>30 June 2023 \$'000</b>	<b>30 June 2022 \$'000</b>	<b>30 June 2023 \$'000</b>	<b>30 June 2022 \$'000</b>	<b>30 June 2023 \$'000</b>	<b>30 June 2022 \$'000</b>
	Notes								
<b>Assets</b>									
Cash and cash equivalents		378	319	3,475	1,750	104	75	1,286	1,211
Cash held on collateral		-	-	437	-	-	-	-	-
Applications receivable		-	-	-	-	1,140	-	-	-
Financial assets at fair value through profit or loss	5	167,641	167,598	452,438	449,150	25,323	20,209	371,786	296,205
Due from brokers - receivables for securities sold		-	-	-	-	-	-	-	-
Other receivables	6	231	147	1,429	1,435	124	78	398	299
<b>Total assets</b>		<b>168,250</b>	<b>168,064</b>	<b>457,779</b>	<b>452,335</b>	<b>26,691</b>	<b>20,362</b>	<b>373,470</b>	<b>297,715</b>
<b>Liabilities</b>									
Financial liabilities at fair value through profit or loss	5	-	-	23	-	-	-	-	-
Distributions payable	4	251	3,668	7,257	7,703	419	293	2,634	2,460
Deferred tax liability		-	-	-	-	-	-	-	-
Due to brokers - payable for securities purchased		-	-	-	-	866	-	-	-
Other payables	7	100	93	174	175	11	9	122	99
<b>Total liabilities</b>		<b>351</b>	<b>3,761</b>	<b>7,454</b>	<b>7,878</b>	<b>1,296</b>	<b>302</b>	<b>2,756</b>	<b>2,559</b>
<b>Net assets attributable to unitholders - equity</b>	3	<b>167,899</b>	<b>164,303</b>	<b>450,325</b>	<b>444,457</b>	<b>25,395</b>	<b>20,060</b>	<b>370,714</b>	<b>295,156</b>

The above statements of financial position should be read in conjunction with the accompanying notes.

**Booklet 5A**  
**Statements of financial position**  
**As at 30 June 2023**  
**(continued)**

Statements of financial position		Global Sustainability Leaders ETF		India Quality ETF		S&P 500 Equal Weight ETF		Global Shares ETF <sup>1</sup>	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>									
Cash and cash equivalents		1,942	3,647	505	36	1,496	214	191	-
Cash held on collateral		-	-	-	-	-	-	22	-
Applications receivable		-	-	1,280	-	-	-	-	-
Financial assets at fair value through profit or loss	5	2,475,919	1,938,370	83,020	63,902	218,083	182,202	63,747	-
Due from brokers - receivables for securities sold		116,808	-	-	-	-	-	-	-
Other receivables	6	4,846	3,048	201	72	222	198	51	-
<b>Total assets</b>		<b>2,599,515</b>	<b>1,945,065</b>	<b>85,006</b>	<b>64,010</b>	<b>219,801</b>	<b>182,614</b>	<b>64,011</b>	<b>-</b>
<b>Liabilities</b>									
Financial liabilities at fair value through profit or loss	5	-	-	-	-	-	-	-	-
Distributions payable	4	115,669	49,365	3,064	-	5,045	6,264	145	-
Deferred tax liability	12	-	-	805	-	-	-	-	-
Due to brokers - payables for securities purchased		2	-	-	-	1,302	-	-	-
Other payables	7	1,355	1,048	58	52	65	56	4	-
<b>Total liabilities</b>		<b>117,026</b>	<b>50,413</b>	<b>3,927</b>	<b>52</b>	<b>6,412</b>	<b>6,320</b>	<b>149</b>	<b>-</b>
<b>Net assets attributable to unitholders - equity</b>	3	<b>2,482,489</b>	<b>1,894,652</b>	<b>81,079</b>	<b>63,958</b>	<b>213,389</b>	<b>176,294</b>	<b>63,862</b>	<b>-</b>

The above statements of financial position should be read in conjunction with the accompanying notes.

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.

**Booklet 5A**  
**Statements of changes in equity**  
**For the period ended 30 June 2023**

Statements of changes in equity		Climate Change Innovation ETF		FTSE 100 ETF		Global Income Leaders ETF		Global Quality Leaders ETF	
		30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
	Notes								
<b>Total equity at the beginning of the period</b>	3	<b>164,303</b>	94,594	<b>444,457</b>	357,928	<b>20,060</b>	18,053	<b>295,158</b>	160,900
<b>Comprehensive income for the period</b>									
Profit/(loss) for the period		<b>9,461</b>	(63,640)	<b>70,017</b>	(101)	<b>1,238</b>	1,539	<b>79,381</b>	(52,084)
<b>Total comprehensive income/(loss) for the period</b>		<b>9,461</b>	(63,640)	<b>70,017</b>	(101)	<b>1,238</b>	1,539	<b>79,381</b>	(52,084)
<b>Transactions with unitholders</b>									
Applications	3	<b>3,069</b>	141,072	<b>1,908</b>	100,487	<b>5,077</b>	3,407	<b>34,876</b>	190,032
Redemptions	3	<b>(9,610)</b>	(4,077)	<b>(52,285)</b>	-	-	(2,221)	<b>(34,850)</b>	(1,552)
Units issued upon reinvestment of distributions	3	<b>927</b>	22	<b>582</b>	504	<b>84</b>	57	<b>319</b>	771
Distributions to unitholders	3,4	<b>(251)</b>	(3,668)	<b>(14,354)</b>	(14,361)	<b>(1,064)</b>	(775)	<b>(4,170)</b>	(2,909)
<b>Total transactions with unitholders</b>		<b>(5,865)</b>	133,349	<b>(64,149)</b>	86,630	<b>4,097</b>	468	<b>(3,825)</b>	186,342
<b>Total equity at the end of the period</b>	3	<b>167,899</b>	164,303	<b>450,325</b>	444,457	<b>25,395</b>	20,060	<b>370,714</b>	295,158

The above statements of changes in equity should be read in conjunction with the accompanying notes.

**Booklet 5A**  
**Statements of changes in equity**  
**For the period ended 30 June 2023**  
**(continued)**

Statements of changes in equity		Global Sustainability Leaders ETF		India Quality ETF		S&P 500 Equal Weight ETF		Global Shares ETF <sup>1</sup>	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the period</b>	3	<b>1,894,652</b>	1,465,102	<b>63,959</b>	47,981	<b>176,294</b>	153,928	-	-
<b>Comprehensive income for the period</b>									
Profit/(loss) for the period		<b>500,883</b>	(274,656)	<b>11,340</b>	(4,349)	<b>31,332</b>	(3,906)	<b>4,438</b>	-
<b>Total comprehensive income/(loss) for the period</b>		<b>500,883</b>	(274,656)	<b>11,340</b>	(4,349)	<b>31,332</b>	(3,906)	<b>4,438</b>	-
<b>Transactions with unitholders</b>									
Applications	3	<b>305,286</b>	776,880	<b>9,172</b>	24,056	<b>33,212</b>	43,994	<b>59,569</b>	-
Redemptions	3	<b>(112,128)</b>	(47,700)	-	(3,664)	<b>(21,516)</b>	(10,592)	-	-
Units issued upon reinvestment of distributions	3	<b>16,122</b>	27,445	<b>46</b>	196	<b>410</b>	193	-	-
Distributions to unitholders	3,4	<b>(122,326)</b>	(52,419)	<b>(3,438)</b>	(261)	<b>(6,343)</b>	(7,323)	<b>(145)</b>	-
<b>Total transactions with unitholders</b>		<b>86,954</b>	704,206	<b>5,780</b>	20,327	<b>5,763</b>	26,272	<b>59,424</b>	-
<b>Total equity at the end of the period</b>	3	<b>2,482,489</b>	1,894,652	<b>81,079</b>	63,959	<b>213,389</b>	176,294	<b>63,862</b>	-

The above statements of changes in equity should be read in conjunction with the accompanying notes.

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.

**Booklet 5A**  
**Statements of cash flows**  
**For the period ended 30 June 2023**

Statements of cash flows		Climate Change Innovation ETF		FTSE 100 ETF		Global Income Leaders ETF		Global Quality Leaders ETF	
		30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
	Notes								
<b>Cash flows from operating</b>									
Proceeds from sale of financial instruments at fair value through profit or loss		54,466	48,158	78,221	42,440	20,144	10,327	161,417	115,067
Payments for purchase of financial instruments at fair value through profit or loss		(45,334)	(185,300)	(26,237)	(144,828)	(24,264)	(11,525)	(161,518)	(297,687)
Movement in cash held on collateral		-	-	(437)	-	-	-	-	-
Distributions/dividends received		1,358	1,353	16,844	16,453	1,195	824	5,065	3,180
Interest received		2	-	16	-	-	-	7	-
Interest paid		-	(4)	-	(17)	-	-	-	-
Other operating income received		10	110	23	513	5	(1)	28	63
Management fees paid		(927)	(854)	(1,698)	(1,597)	(88)	(79)	(963)	(709)
Expense recoveries paid		(168)	(156)	(313)	(295)	(14)	(12)	(199)	(148)
Transaction costs paid		(58)	(110)	(142)	(555)	(24)	(18)	(104)	(129)
Other operating expenses paid		(13)	(28)	(8)	(21)	(7)	(12)	(7)	5
<b>Net cash inflow/(outflow) from operating activities</b>	8	<b>9,336</b>	<b>(136,831)</b>	<b>66,269</b>	<b>(87,907)</b>	<b>(3,053)</b>	<b>(496)</b>	<b>3,726</b>	<b>(180,358)</b>
<b>Cash flows from financing activities</b>									
Proceeds from applications by unitholders		3,069	141,071	1,908	100,487	3,937	3,407	34,876	190,032
Payments for redemptions by unitholders		(9,610)	(4,077)	(52,285)	-	-	(2,221)	(34,850)	(1,552)
Distributions paid		(2,741)	(45)	(14,218)	(11,511)	(855)	(680)	(3,677)	(7,292)
<b>Net cash inflow/(outflow) from financing activities</b>		<b>(9,282)</b>	<b>136,949</b>	<b>(64,595)</b>	<b>88,976</b>	<b>3,082</b>	<b>506</b>	<b>(3,651)</b>	<b>181,188</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>54</b>	<b>118</b>	<b>1,674</b>	<b>1,069</b>	<b>29</b>	<b>10</b>	<b>75</b>	<b>830</b>
Cash and cash equivalents at the beginning of the financial period		319	198	1,750	665	75	64	1,211	375
Effects of foreign currency exchange rate changes on cash and cash equivalents		5	3	51	16	-	1	-	6
<b>Cash and cash equivalents at the end of the financial period</b>		<b>378</b>	<b>319</b>	<b>3,475</b>	<b>1,750</b>	<b>104</b>	<b>75</b>	<b>1,286</b>	<b>1,211</b>
<b>Non-cash financing activities</b>									
Units issued upon reinvestment of distributions		927	22	582	504	84	57	319	771

The above statements of cash flows should be read in conjunction with the accompanying notes.

**Booklet 5A**  
**Statements of cash flows**  
**For the period ended 30 June 2023**  
**(continued)**

Statements of cash flows		Global Sustainability Leaders ETF		India Quality ETF		S&P 500 Equal Weight ETF		Global Shares ETF <sup>1</sup>	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating</b>									
Proceeds from sale of financial instruments at fair value through profit or loss		600,492	417,414	30,452	29,403	87,470	83,559	74	-
Payments for purchase of financial instruments at fair value through profit or loss		(778,738)	(1,102,197)	(37,507)	(48,036)	(93,663)	(115,364)	(59,569)	-
Movement in cash held on collateral		-	-	-	-	-	-	(22)	-
Distributions/dividends received		36,430	26,096	1,143	854	3,543	2,900	143	-
Interest received		21	-	9	-	-	-	-	-
Interest paid		-	(8)	-	(5)	-	-	-	-
Other operating income received		204	(112)	27	94	21	21	32	-
Management fees paid		(10,785)	(9,616)	(516)	(475)	(502)	(458)	(3)	-
Expense recoveries paid		(2,201)	(1,779)	(57)	(53)	(81)	(74)	-	-
Transaction costs paid		(443)	(435)	(108)	(108)	(26)	(24)	(30)	-
Other operating expenses paid		(51)	(71)	(540)	(124)	(24)	(17)	(4)	-
<b>Net cash inflow/(outflow) from operating activities</b>	8	<b>(155,071)</b>	<b>(670,708)</b>	<b>(7,097)</b>	<b>(18,450)</b>	<b>(3,262)</b>	<b>(29,457)</b>	<b>(59,379)</b>	-
<b>Cash flows from financing activities</b>									
Proceeds from applications by unitholders		305,286	776,879	7,892	24,056	33,212	43,994	59,569	-
Payments for redemptions by unitholders		(112,128)	(47,701)	-	(3,664)	(21,516)	(10,592)	-	-
Distributions paid		(39,900)	(56,362)	(327)	(1,492)	(7,152)	(4,071)	-	-
<b>Net cash inflow/(outflow) from financing activities</b>		<b>153,258</b>	<b>672,816</b>	<b>7,565</b>	<b>18,900</b>	<b>4,544</b>	<b>29,331</b>	<b>59,569</b>	-
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(1,813)</b>	<b>2,108</b>	<b>468</b>	<b>450</b>	<b>1,282</b>	<b>(126)</b>	<b>190</b>	-
Cash and cash equivalents at the beginning of the financial period		3,647	1,481	36	(415)	214	336	-	-
Effects of foreign currency exchange rate changes on cash and cash equivalents		108	58	1	2	-	4	1	-
<b>Cash and cash equivalents at the end of the financial period</b>		<b>1,942</b>	<b>3,647</b>	<b>505</b>	<b>37</b>	<b>1,496</b>	<b>214</b>	<b>191</b>	-
<b>Non-cash financing activities</b>									
Units issued upon reinvestment of distributions		16,122	27,445	46	196	410	193	-	-

The above statements of cash flows should be read in conjunction with the accompanying notes.

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.



**Contents of the notes to the financial statements**

	Page
1 General information	16
2 Summary of significant accounting policies	16
3 Net assets attributable to unitholders	23
4 Distributions to unitholders	25
5 Financial assets at fair value through profit or loss	27
6 Other receivables	28
7 Other payables	29
8 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities	30
9 Financial risk management	31
10 Offsetting financial assets and financial liabilities	40
11 Fair value measurements	42
12 Current and deferred income taxes	47
13 Derivative financial instruments	48
14 Auditor's remuneration	50
15 Related party transactions	51
16 Events occurring after the reporting period	55
17 Contingent assets and liabilities and commitments	55

## 1 General information

These financial statements cover the following managed investment funds (the "Funds"). The Funds are registered managed investment funds under the *Corporations Act 2001*. The Responsible Entity cannot issue or redeem any units from the 80th anniversary of the day before the day the Funds commenced if that issue or redemption would cause a contravention of the rule against perpetuities or any other rule of law or equity. The Funds may be terminated in accordance with the provisions of their Constitutions. The Funds are domiciled in Australia.

Abbreviated Fund name	Registered date	Commenced date	Financial reporting period
Climate Change Innovation ETF	14 August 2020	9 March 2021	1 July 2022 to 30 June 2023
FTSE 100 ETF	21 March 2018	12 July 2019	1 July 2022 to 30 June 2023
Global Income Leaders ETF	21 March 2018	18 October 2018	1 July 2022 to 30 June 2023
Global Quality Leaders ETF	21 March 2018	5 November 2018	1 July 2022 to 30 June 2023
Global Sustainability Leaders ETF	26 July 2016	5 January 2017	1 July 2022 to 30 June 2023
India Quality ETF	4 March 2019	2 August 2019	1 July 2022 to 30 June 2023
S&P 500 Equal Weight ETF	16 June 2014	17 December 2014	1 July 2022 to 30 June 2023
Global Shares ETF	23 February 2022	9 May 2023	1 July 2022 to 30 June 2023

The Responsible Entity of the Funds is Betashares Capital Ltd (the "Responsible Entity"). The Responsible Entity's registered office is Level 11, 50 Margaret Street, Sydney, NSW 2000.

The financial statements were authorised for issue by the directors of the Responsible Entity on 22 September 2023. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

## 2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented unless otherwise stated.

### (a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001* in Australia.

The Funds operated solely in one segment which is the business of investment management within Australia.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

## 2 Summary of significant accounting policies (continued)

### (a) Basis of preparation (continued)

The statements of financial position are presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be recovered or settled within twelve months, except for investments in financial assets and liabilities at fair value through profit or loss and net assets attributable to unitholders.

The financial statements are presented in Australian dollars, which is the Funds' functional currency.

#### *Compliance with International Financial Reporting Standards*

The financial statements of the Funds also comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

#### *Use of estimates and judgement*

Management make estimates and assumptions that affect the reported amounts in the financial statements. These estimates and assumptions are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

For the majority of the Funds' financial instruments, quoted market prices are readily available. However, certain financial instruments are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and regularly reviewed by experienced personnel of the Responsible Entity, independent of the area that created them.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

For certain other financial instruments, including amounts due from/to brokers and payables, the carrying amounts approximate fair value due to the short-term nature of these financial instruments.

#### *Investment entity exception*

The Funds meet the definition of an investment entity and therefore apply the investment entity amendments to AASB 10 *Consolidated Financial Statements* ("AASB 10"), AASB 12 *Disclosure of Interests in Other Entities* and AASB 127 *Separate Financial Statements*. AASB 10 is applicable to all investees; among other things, it requires the consolidation of an investee if the Funds control the investee on the basis of de facto circumstances. An exception however exists where an entity meets the definition of an investment entity.

The Funds meet the definition of investment entity due to the following factors:

- (a) the Funds obtain funds from one or more unitholders for the purpose of providing the unitholders with investment management services;
- (b) the Funds commit to their unitholders that their business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- (c) the Funds measure and evaluate the performance of substantially all of their investments on a fair value basis.

In making the above assessments, the Funds have multiple investments and multiple investors. Their investors are generally unrelated parties of the Funds. Unitholders invest for returns from capital appreciation, investment income, or both. Directors of the Responsible Entity have concluded that the Funds meet the definition of investment entity.

## 2 Summary of significant accounting policies (continued)

### (a) Basis of preparation (continued)

#### *Assessment of the Funds' investments as structured entities*

The Funds have assessed whether the securities in which they invest are structured entities. The Funds have considered the voting rights and other similar rights afforded to investors in any managed investment funds in which they invest, including the rights to remove the fund manager or redeem holdings. The Funds have assessed whether these rights are the dominant factor in controlling the relevant funds, or whether the contractual agreement with the fund manager is the dominant factor in controlling such funds. The Funds have concluded that any managed investment funds in which they invest are not structured entities.

### (b) Australian accounting standards and interpretations

There are no new accounting standards, interpretations or amendments to existing standards that are effective for the period beginning 1 July 2022 that would be expected to have a material impact on the Funds.

### (c) Financial instruments

#### *(i) Classification*

The Funds classify their investments based on their business model for managing those financial assets and their contractual cash flow characteristics. The Funds' portfolios of financial assets are managed and their performance is evaluated on a fair value basis in accordance with the Funds' documented investment strategy. The Funds evaluate the information about their investments on a fair value basis together with other related financial information.

Equity securities, preference shares and derivatives are measured at fair value through profit or loss.

For debt securities, the contractual cash flows are solely payments of principal and interest, however, they are neither held for collecting contractual cash flows nor held for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Funds' business model objective. Consequently, the debt securities are measured at fair value through profit or loss.

## 2 Summary of significant accounting policies (continued)

### (c) Financial instruments (continued)

#### (ii) Recognition/derecognition

The Funds recognise financial assets and financial liabilities on the date they become party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

Investments are derecognised when the right to receive cash flows from the investments have expired or the Funds have transferred substantially all risks and rewards of ownership.

#### (iii) Measurement

At initial recognition, the Funds measure a financial asset or liability at its fair value. Transaction costs are expensed in the statements of comprehensive income as incurred.

Subsequent to initial recognition, all financial assets and financial liabilities are measured at fair value. Gains and losses arising from changes in the fair value measurement are presented in the statements of comprehensive income within net gains/(losses) on financial instruments at fair value through profit or loss during the financial period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

For further details on how the fair value of the financial instruments is determined are disclosed in note 11.

#### (iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

### (d) Net assets attributable to unitholders

The Funds consider their net assets attributable to unitholders as equity as each Fund had made an irrevocable choice to be an Attribution Managed Investment Trust ("AMIT"). Units are normally redeemable only by unitholders being Authorised Participants at the unitholders' option (other unitholders only have a right to redeem units in special circumstances). The units can be put back to the Funds at any time (subject to the *Corporations Act 2001* and the Funds' Constitutions) for cash based on the redemption price. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) at the end of the reporting period if unitholders exercised their right to redeem units in the Funds.

The net assets attributable to unitholders of the Funds met the criteria set out under AASB 132 *Financial instruments: Presentation* and are classified as equity since inception.

Income not distributed is included in net assets attributable to unitholders. Where the Fund's units are classified as liabilities, movement in net assets attributable to unitholders are recognised in the statement of comprehensive income as finance costs.

## **2 Summary of significant accounting policies (continued)**

### **(e) Cash and cash equivalents**

For the purpose of presentation in the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. The carrying amount of cash approximates fair value.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as movements in the fair value of these securities represent the Fund's main income generating activity.

### **(f) Cash held on collateral**

Margin accounts comprise cash held for derivative transactions. The cash is held by the broker and is only available to meet margin calls. Unrestricted margin account balances and restricted margin accounts balances, where the derivative transactions' original maturities are within three months, are classified as cash and cash equivalents. Restricted margin accounts where the derivative transactions' original maturities are not within three months are classified as cash held on collateral.

### **(g) Investment income**

Interest income earned on cash balances is recognised on an accrual basis in the statements of comprehensive income using the nominated interest rates available on the bank accounts held. Interest income earned from financial assets at amortised cost is recognised using the effective interest method and includes interest from cash and cash equivalents. Interest from financial assets at fair value through profit or loss is determined based on the contractual coupon interest rate and includes interest from debt securities. Other changes in fair value for such instruments are recorded in accordance with the accounting policies described in Note 2(c).

Dividend and distribution income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income within dividend income and distribution income when the Funds' right to receive payments is established.

Trust distributions are recognised on an entitlements basis and stated net of foreign withholding tax.

### **(h) Expenses**

All expenses are recognised in the statements of comprehensive income on an accruals basis.

## **2 Summary of significant accounting policies (continued)**

### **(i) Income tax**

The income tax expenses or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

Under current legislation, the Fund is not subject to Australian Income Tax provided they attribute the entirety of their taxable income to their unitholders. The benefits of imputation credits and foreign tax paid are passed onto unitholders. Foreign income taxes are calculated on the basis of tax laws enacted or substantively enacted at the balance sheet date. Deferred income tax is recognised for temporary differences using tax rates that are expected to apply when the temporary difference reverses, based on the manner in which the Fund expect to recover or settle the assets and liabilities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised, and deferred tax assets are offset against deferred tax liabilities when there is a legally enforceable right to set off and when the deferred income tax assets relate to the same taxation authority.

### **(j) Distributions**

Distributions are payable, either by cash or reinvestment, as set out in the Funds' product disclosure statements and/or Funds' Constitutions.

The distributions are recognised in the statements of changes in equity as transactions with unitholders.

### **(k) Foreign currency translation**

#### *(i) Functional and presentation currency*

Items included in the Funds' financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Funds compete for funds and are regulated. The Australian dollar is also the Funds' presentation currency.

#### *(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statements of comprehensive income.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined. Translation differences on assets and liabilities carried at fair value are reported in the statements of comprehensive income on a net basis within net gains/(losses) on financial instruments at fair value through profit or loss.

## **2 Summary of significant accounting policies (continued)**

### **(l) Due from/to brokers**

Amounts due from/to brokers (if applicable) represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the period. Trades are recorded on trade date, and for equities normally settled between one to three business days. These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on amounts due from broker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance.

### **(m) Other receivables**

Other receivables may include amounts for dividends, interest and trust distributions. Dividends and trust distributions are accrued when the right to receive payment is established. Interest is accrued at the end of each reporting period from the time of last payment in accordance with the policy set out in Note 2(f) above. The Funds' other receivables are measured at amortised cost under AASB 9 and the impact of any expected credit losses (ECL) is not material as amounts are generally received within 30 days of being recorded as receivables. The carrying amount of other receivables approximates fair value.

### **(n) Other payables**

Other payables include liabilities and accrued expenses owing by the Funds which are unpaid as at the end of the reporting period.

The distribution amount payable to unitholders as at the end of each reporting period is recognised separately in the statements of financial position when unitholders are presently entitled to the distributable income.

### **(o) Applications and redemptions**

Applications received for units in the Funds are recorded net of any entry fees payable (if applicable) prior to the issue of units in the Funds. Redemptions from the Funds are recorded gross of any exit fees payable (if applicable) after the cancellation of units redeemed.

### **(p) Goods and Services Tax (GST)**

The GST incurred on the costs of various services provided to the Funds by third parties such as custodial services and investment management fees have been passed onto the Funds. The Funds qualify for Reduced Input Tax Credits (RITC) at a rate of 55% to 85%; hence investment management fees, custodial fees and other expenses have been recognised in the statements of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Accounts payable are inclusive of GST. The net amount of GST recoverable from the ATO as a reduced input tax credit (RITC) is included in payable in the statements of financial position. Cash flows relating to GST are included in the statements of cash flows on a gross basis.

### **(q) Rounding of amounts**

The Funds are an entity of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise indicated.



### 3 Net assets attributable to unitholders

Units are redeemable at the unitholders' option, however, applications and redemptions may be suspended by the Responsible Entity if it is in the best interests of the unitholders. The units can be put back to the Funds at any time for cash based on the redemption price, which is equal to a proportionate share of the Funds' net asset value attributable to the unitholders.

Under AASB 132 *Financial Instruments: Presentation*, puttable financial instruments meet the definition of a financial liability to be classified as equity where certain strict criteria are met. The Funds shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions.

Movements in the number of units and net assets attributable to unitholders during the period were as follows:

	Climate Change Innovation ETF				FTSE 100 ETF			
	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 Units '000	30 June 2022 Units '000
<b>Net assets attributable to unitholders</b>								
Opening balance	16,702	6,700	164,303	94,594	46,563	36,713	444,457	357,928
Applications	300	10,400	3,069	141,072	200	9,800	1,908	100,487
Redemptions	(950)	(400)	(9,610)	(4,077)	(5,300)	-	(52,285)	-
Units issued upon reinvestment of distributions	94	2	927	22	59	50	582	504
Distributions to unitholders	-	-	(251)	(3,668)	-	-	(14,354)	(14,361)
Profit/(loss) for the period	-	-	9,461	(63,640)	-	-	70,017	(101)
<b>Closing balance</b>	<b>16,146</b>	<b>16,702</b>	<b>167,899</b>	<b>164,303</b>	<b>41,522</b>	<b>46,563</b>	<b>450,325</b>	<b>444,457</b>

  

	Global Income Leaders ETF				Global Quality Leaders ETF			
	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 Units '000	30 June 2022 Units '000
<b>Net assets attributable to unitholders</b>								
Opening balance	1,357	1,278	20,060	18,053	15,197	7,063	295,158	160,900
Applications	338	225	5,077	3,407	1,725	8,175	34,876	190,032
Redemptions	-	(150)	-	(2,221)	(1,650)	(75)	(34,850)	(1,552)
Units issued upon reinvestment of distributions	5	4	84	57	16	34	319	771
Distributions to unitholders	-	-	(1,064)	(775)	-	-	(4,170)	(2,909)
Profit/(loss) for the period	-	-	1,238	1,539	-	-	79,381	(52,084)
<b>Closing balance</b>	<b>1,700</b>	<b>1,357</b>	<b>25,395</b>	<b>20,060</b>	<b>15,288</b>	<b>15,197</b>	<b>370,714</b>	<b>295,158</b>

### 3 Net assets attributable to unitholders (continued)

	Global Sustainability Leaders ETF				India Quality ETF			
	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 \$'000	30 June 2022 \$'000
<b>Net assets attributable to unitholders</b>								
Opening balance	184,015	122,920	1,894,652	1,465,102	6,981	5,041	63,959	47,981
Applications	27,000	63,000	305,286	776,880	900	2,280	9,172	24,056
Redemptions	(9,600)	(4,200)	(112,128)	(47,700)	-	(360)	-	(3,664)
Units issued upon reinvestment of distributions	1,555	2,295	16,122	27,445	5	20	46	196
Distributions to unitholders	-	-	(122,326)	(52,419)	-	-	(3,438)	(261)
Profit/(loss) for the period	-	-	500,883	(274,656)	-	-	11,340	(4,349)
<b>Closing balance</b>	<b>202,970</b>	<b>184,015</b>	<b>2,482,489</b>	<b>1,894,652</b>	<b>7,886</b>	<b>6,981</b>	<b>81,079</b>	<b>63,959</b>

  

	S&P 500 Equal Weight ETF				Global Shares ETF <sup>1</sup>			
	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 Units '000	30 June 2022 Units '000	30 June 2023 \$'000	30 June 2022 \$'000
<b>Net assets attributable to unitholders</b>								
Opening balance	4,675	3,860	176,294	153,928	-	-	-	-
Applications	810	1,050	33,212	43,994	1,190	-	59,569	-
Redemptions	(510)	(240)	(21,516)	(10,592)	-	-	-	-
Units issued upon reinvestment of distributions	11	5	410	193	-	-	-	-
Distributions to unitholders	-	-	(6,343)	(7,323)	-	-	(145)	-
Profit/(loss) for the period	-	-	31,332	(3,906)	-	-	4,438	-
<b>Closing balance</b>	<b>4,986</b>	<b>4,675</b>	<b>213,389</b>	<b>176,294</b>	<b>1,190</b>	<b>-</b>	<b>63,862</b>	<b>-</b>

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.

#### Capital risk management

The Funds consider their net assets attributable to unitholders as equity. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Funds are subject to daily applications and redemptions at the discretion of eligible unitholders.

Under the terms of the Funds' Constitutions, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

#### 4 Distributions to unitholders

Distributions are payable as set out in the Funds' Product Disclosure Statement and/or Funds' Constitution. Such distributions are recognised as payable when they are determined by the Responsible Entity.

The distributions for the period were as follows:

	Climate Change Innovation ETF				FTSE 100 ETF			
	30 June 2023 \$'000	30 June 2023 CPU	30 June 2022 \$'000	30 June 2022 CPU	30 June 2023 \$'000	30 June 2023 CPU	30 June 2022 \$'000	30 June 2022 CPU
Distributions paid - December	-	-	-	-	7,097	16.35	6,658	16.75
Distributions payable - June	251	1.56	3,668	21.96	7,257	17.48	7,703	16.54
<b>Total distributions</b>	<b>251</b>	<b>1.56</b>	<b>3,668</b>	<b>21.96</b>	<b>14,354</b>	<b>33.83</b>	<b>14,361</b>	<b>33.29</b>

  

	Global Income Leaders ETF				Global Quality Leaders ETF			
	30 June 2023 \$'000	30 June 2023 CPU	30 June 2022 \$'000	30 June 2022 CPU	30 June 2023 \$'000	30 June 2023 CPU	30 June 2022 \$'000	30 June 2022 CPU
Distributions paid - September	188	12.47	140	10.28	-	-	-	-
Distributions paid - December	221	14.65	166	12.19	1,536	9.19	449	4.62
Distributions paid - March	236	15.24	176	13.00	-	-	-	-
Distributions payable - June	419	24.64	293	21.61	2,634	17.23	2,460	16.19
<b>Total distributions</b>	<b>1,064</b>	<b>67.00</b>	<b>775</b>	<b>57.08</b>	<b>4,170</b>	<b>26.42</b>	<b>2,909</b>	<b>20.81</b>

#### 4 Distributions to unitholders (continued)

	Global Sustainability Leaders ETF				India Quality ETF			
	30 June 2023 \$'000	30 June 2023 CPU	30 June 2022 \$'000	30 June 2022 CPU	30 June 2023 \$'000	30 June 2023 CPU	30 June 2022 \$'000	30 June 2022 CPU
Distributions paid - December	6,657	3.35	3,055	1.87	374	5.17	261	3.56
Distributions payable - June	115,669	56.99	49,365	26.83	3,064	38.86	-	-
<b>Total distributions</b>	<b>122,326</b>	<b>60.34</b>	<b>52,420</b>	<b>28.70</b>	<b>3,438</b>	<b>44.03</b>	<b>261</b>	<b>3.56</b>

  

	S&P 500 Equal Weight ETF				Global Shares ETF <sup>1</sup>			
	30 June 2023 \$'000	30 June 2023 CPU	30 June 2022 \$'000	30 June 2022 CPU	30 June 2023 \$'000	30 June 2023 CPU	30 June 2022 \$'000	30 June 2022 CPU
Distributions paid - December	1,298	24.70	1,059	22.22	-	-	-	-
Distributions payable - June	5,045	101.18	6,264	133.99	145	12.15	-	-
<b>Total distributions</b>	<b>6,343</b>	<b>125.88</b>	<b>7,323</b>	<b>156.21</b>	<b>145</b>	<b>12.15</b>	<b>-</b>	<b>-</b>

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.

The distribution information shown above refers to cash distributions paid by the relevant Fund for the period. Under the AMIT tax rules, a Fund may distribute cash that is different to the taxable income attributed by the Fund to unitholders.

All Funds are half-period distribution funds, with the exception of Global Income Leaders ETF which is a quarterly distribution fund.

During the period, some distributions were satisfied by the issue of units (reinvestment). See Note 3.

## 5 Financial assets and liabilities at fair value through profit or loss

The Fund measures and recognises the following assets and liabilities at fair value on a recurring basis.

	Climate Change Innovation ETF		FTSE 100 ETF		Global Income Leaders ETF		Global Quality Leaders ETF	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
<b>Financial assets at fair value through profit or loss</b>								
Listed securities	167,641	167,598	452,438	449,077	25,323	20,209	371,786	296,205
Futures	-	-	-	73	-	-	-	-
<b>Total financial assets at fair value through profit or loss</b>	<b>167,641</b>	<b>167,598</b>	<b>452,438</b>	<b>449,150</b>	<b>25,323</b>	<b>20,209</b>	<b>371,786</b>	<b>296,205</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Futures	-	-	23	-	-	-	-	-
<b>Total financial liabilities at fair value through profit or loss</b>	<b>-</b>	<b>-</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Global Sustainability Leaders ETF		India Quality ETF		S&P 500 Equal Weight ETF		Global Shares ETF <sup>1</sup>	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
<b>Financial assets at fair value through profit or loss</b>								
Listed securities	2,475,919	1,938,370	83,020	63,902	218,083	182,202	63,744	-
Futures	-	-	-	-	-	-	3	-
<b>Total financial assets at fair value through profit or loss</b>	<b>2,475,919</b>	<b>1,938,370</b>	<b>83,020</b>	<b>63,902</b>	<b>218,083</b>	<b>182,202</b>	<b>63,747</b>	<b>-</b>

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.

An overview of the fair value measurements relating to financial instruments at fair value through profit or loss is included in Note 11 to the financial statements

## 6 Other receivables

	Climate Change Innovation ETF		FTSE 100 ETF		Global Income Leaders ETF		Global Quality Leaders ETF	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
Dividends/Distributions receivable	117	104	1,368	1,391	93	70	111	231
Interest receivable	-	-	1	-	-	-	-	-
GST receivable	22	24	44	44	2	2	26	22
Other receivable	92	19	16	-	29	6	261	46
<b>Total other receivables</b>	<b>231</b>	<b>147</b>	<b>1,429</b>	<b>1,435</b>	<b>124</b>	<b>78</b>	<b>398</b>	<b>299</b>

  

	Global Sustainability Leaders ETF		India Quality ETF		S&P 500 Equal Weight ETF		Global Shares ETF <sup>1</sup>	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
Dividends/Distributions receivable	1,691	2,054	187	61	209	185	48	-
Interest receivable	-	-	1	-	-	-	-	-
GST receivable	302	251	13	11	13	12	-	-
Other receivables	2,853	743	-	-	-	1	3	-
<b>Total other receivables</b>	<b>4,846</b>	<b>3,048</b>	<b>201</b>	<b>72</b>	<b>222</b>	<b>198</b>	<b>51</b>	<b>-</b>

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.

## 7 Other payables

	Climate Change Innovation ETF		FTSE 100 ETF		Global Income Leaders ETF		Global Quality Leaders ETF	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
Management fees payable	74	77	142	143	8	6	87	70
Expense recoveries payable	14	14	26	26	1	1	18	14
Other payables	12	2	6	6	2	2	17	15
<b>Total other payables</b>	<b>100</b>	<b>93</b>	<b>174</b>	<b>175</b>	<b>11</b>	<b>9</b>	<b>122</b>	<b>99</b>

  

	Global Sustainability Leaders ETF		India Quality ETF		S&P 500 Equal Weight ETF		Global Shares ETF <sup>1</sup>	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
Management fees payable	1,021	785	47	38	42	38	4	-
Expense recoveries payable	208	160	5	4	7	6	-	-
Other payables	126	103	6	10	16	12	-	-
<b>Total other payables</b>	<b>1,355</b>	<b>1,048</b>	<b>58</b>	<b>52</b>	<b>65</b>	<b>56</b>	<b>4</b>	<b>-</b>

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.

**8 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities**

	Climate Change Innovation ETF		FTSE 100 ETF		Global Income Leaders ETF		Global Quality Leaders ETF	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
<b>Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>								
Profit/(loss)	9,461	(63,640)	70,017	(101)	1,238	1,539	79,381	(52,084)
Proceeds from sale of financial instruments at fair value through profit or loss	54,466	48,158	78,221	42,440	20,144	10,327	161,417	115,067
Payments for the purchase of financial instruments at fair value through profit or loss	(45,334)	(185,300)	(26,237)	(144,828)	(24,264)	(11,525)	(161,518)	(297,687)
Net (gains)/losses on financial instruments at fair value through profit or loss	(9,152)	64,098	(54,787)	14,975	(111)	(845)	(75,422)	53,948
Movement in cash held on collateral	-	-	(437)	-	-	-	-	-
Net change in dividends/distributions	(13)	(45)	23	(368)	(23)	(29)	120	(111)
Net change in receivables and other assets	(71)	(34)	(17)	(5)	(23)	(6)	(219)	(54)
Net foreign exchange (gains)/losses	(28)	(110)	(513)	(46)	(16)	42	(56)	518
Net change in payables and other liabilities	7	42	(1)	26	2	1	23	45
<b>Net cash inflow/(outflow) from operating activities</b>	<b>9,336</b>	<b>(136,831)</b>	<b>66,269</b>	<b>(87,907)</b>	<b>(3,053)</b>	<b>(496)</b>	<b>3,726</b>	<b>(180,358)</b>
	Global Sustainability Leaders ETF		India Quality ETF		S&P 500 Equal Weight ETF		Global Shares ETF <sup>1</sup>	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
<b>Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>								
Profit/(loss)	500,883	(274,656)	11,340	(4,349)	31,332	(3,906)	4,438	-
Proceeds from sale of financial instruments at fair value through profit or loss	600,492	417,414	30,452	29,403	87,470	83,559	74	-
Payments for the purchase of financial instruments at fair value through profit or loss	(778,738)	(1,102,197)	(37,507)	(48,036)	(93,663)	(115,364)	(59,569)	-
Net (gains)/losses on financial instruments at fair value through profit or loss	(476,222)	289,943	(12,055)	5,320	(28,357)	6,570	(4,262)	-
Movement in cash held on collateral	-	-	-	-	-	-	(22)	-
Net change in dividends/distributions	363	(553)	(126)	41	(24)	(66)	(48)	-
Net change in receivables and other assets	(2,161)	(766)	(3)	(1)	-	(1)	(3)	-
Net foreign exchange (gains)/losses	5	(128)	(9)	120	(29)	(263)	9	-
Net change in payables and other liabilities	307	235	811	(948)	9	14	4	-
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(155,071)</b>	<b>(670,708)</b>	<b>(7,097)</b>	<b>(18,450)</b>	<b>(3,262)</b>	<b>(29,457)</b>	<b>(59,379)</b>	<b>-</b>

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.



## **9 Financial risk management**

The Funds are exchange traded managed funds that primarily invest in a portfolio of securities listed on global financial markets as well as derivative instruments and cash equivalents.

The Funds' activities expose them to a variety of financial risks which may include: market risk (including price risk, foreign exchange risk and interest rate risk), counterparty/credit risk and liquidity risk. The Funds use different methods to measure different types of risk to which they are exposed. Methods include sensitivity analysis in the case of price risk.

The Funds' overall risk management programs focus on ensuring compliance with the Funds' Product Disclosure Statements (PDSs) and seek to maximise the returns derived for the level of risk to which the Funds are exposed. Financial risk management is carried out by an investment manager under policies approved by the Board of Directors of the Responsible Entity (the Board).

The Board of Directors of the Responsible Entity has overall responsibility for the establishment and oversight of the Funds' risk management framework. The Funds' overall risk management programs focus on ensuring compliance with the Funds' PDSs and investment guidelines.

Compliance with the Funds' PDSs, Constitutions and investment guidelines are reported to the Board on a regular basis.

### **(a) Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity market prices will affect the Funds' income or the carrying value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Included in the following analysis are tables that summarise the sensitivity of the operating profit and net assets attributable to unitholders to changes in market prices (e.g. equity price, foreign exchange rates and interest rates). The analysis is based on reasonably possible movements in the specified risk variable with other variables held constant. Actual movements in the risk variables in any period may be greater or less than indicated. The market price risk information is intended to be a relative estimate of risk rather than a precise and accurate number. It represents a hypothetical outcome and is not intended to be predictive. The analysis is based on historical data and cannot take account of the fact that future market price movements (e.g. in times on market stress) may bear no relation to historical patterns.

#### *(i) Price risk*

The Funds are exposed to equity securities and derivatives price risk. This arises from investments held by the Funds for which prices in the future are uncertain. Equity securities and derivatives are classified on the statements of financial position as at fair value through profit or loss. All securities investments present a risk of loss of capital.

The Funds' overall market positions are reported to the Board on a regular basis.

#### *Sensitivity analysis*

A 10% movement at the report date of the market prices attributable to financial assets or financial liabilities by the relevant Funds would have the following impact on the Funds' profit/(loss) and net assets attributable to unitholders. The calculations include the impact of any derivatives that may be held by a Fund. It is assumed that the relevant change occurs at the balance date.

## 9 Financial risk management (continued)

### (a) Market risk (continued)

#### (i) Price risk (continued)

##### Sensitivity analysis (continued)

	Climate Change Innovation ETF		FTSE 100 ETF		Global Income Leaders ETF		Global Quality Leaders ETF	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
+10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	16,764	16,760	45,244	44,908	2,532	2,021	37,178	29,621
-10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	(16,764)	(16,760)	(45,244)	(44,908)	(2,532)	(2,021)	(37,178)	(29,621)
	Global Sustainability Leaders ETF		India Quality ETF		S&P 500 Equal Weight ETF		Global Shares ETF <sup>1</sup>	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
+10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	247,592	193,837	8,302	6,390	21,809	18,221	6,374	-
-10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	(247,592)	(193,837)	(8,302)	(6,390)	(21,809)	(18,221)	(6,374)	-

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.

#### (ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk is not considered to be significant to the Funds other than their cash holdings.

The Funds are exposed to interest rate risk on their cash holdings. Interest income from cash holdings is earned at variable interest rates. Investments in cash holdings are at call.

## 9 Financial risk management (continued)

### (a) Market risk (continued)

#### (iii) Foreign exchange risk

The Funds may hold both monetary and non-monetary assets denominated in currencies other than the Australian dollar. The foreign exchange risk relating to non-monetary assets and liabilities is a component of price risk not foreign exchange risk. Foreign exchange risk arises as the value of monetary assets denominated in other currencies fluctuates due to changes in exchange rates. The risk is measured using sensitivity analysis.

The tables below summarise the Funds' assets and liabilities, monetary and non-monetary, that are denominated in a currency other than the Australian dollar (calculated after the effect of associated foreign currency derivatives). The disclosures below represent the significant currency exposures of Funds at each respective reporting date.

	Climate Change Innovation ETF				FTSE 100 ETF			
	30 June 2023	30 June 2023	30 June 2022	30 June 2022	30 June 2023	30 June 2023	30 June 2022	30 June 2022
	Currency	\$'000	Currency	\$'000	Currency	\$'000	Currency	\$'000
	USD	94,028	USD	96,631				
	EUR	20,799	EUR	27,661				
	DKK	8,388	DKK	8,680				
	GBP	3,410	GBP	6,088				
	KRW	11,478	KRW	6,021				
	JPY	6,024	JPY	5,998	GBP	457,326	GBP	451,571
	TWD	967	TWD	1,271	USD	89	USD	456
	Others	23,004	Others	15,672	EUR	215	EUR	251
Net foreign currency exposure		<u>168,098</u>		<u>168,022</u>		<u>457,630</u>		<u>452,278</u>

  

	Global Income Leaders ETF				Global Quality Leaders ETF			
	30 June 2023	30 June 2023	30 June 2022	30 June 2022	30 June 2023	30 June 2023	30 June 2022	30 June 2022
	Currency	\$'000	Currency	\$'000	Currency	\$'000	Currency	\$'000
	USD	16,481	USD	10,110	USD	231,913	USD	178,491
	EUR	4,148	EUR	2,130	HKD	3,798	HKD	10,831
	GBP	-	GBP	815	EUR	41,132	EUR	24,986
	HKD	353	CAD	628	JPY	49,194	JPY	41,119
	JPY	779	JPY	1,055	CHF	7,909	CHF	12,632
	Others	3,727	Others	5,621	Others	39,409	Others	29,295
Net foreign currency exposure		<u>25,488</u>		<u>20,359</u>		<u>373,355</u>		<u>297,354</u>

## 9 Financial risk management (continued)

### (a) Market risk (continued)

#### (iii) Foreign exchange risk (continued)

	Global Sustainability Leaders ETF				India Quality ETF			
	30 June 2023	30 June 2023	30 June 2022	30 June 2022	30 June 2023	30 June 2023	30 June 2022	30 June 2022
	Currency	\$'000	Currency	\$'000	Currency	\$'000	Currency	\$'000
	USD	1,705,647	USD	1,342,159				
	EUR	275,277	EUR	180,796				
	GBP	67,821	GBP	63,844				
	JPY	224,630	JPY	176,656				
	CHF	67,917	CHF	93,995				
	Others	142,205	Others	87,170	INR**	83,245	INR**	64,239
Net foreign currency exposure		<u>2,483,497</u>		<u>1,944,620</u>		<u>83,245</u>		<u>64,239</u>

  

	S&P 500 Equal Weight ETF				Global Shares ETF <sup>1</sup>			
	30 June 2023	30 June 2023	30 June 2022	30 June 2022	30 June 2023	30 June 2023	30 June 2022	30 June 2022
	Currency	\$'000	Currency	\$'000	Currency	\$'000	Currency	\$'000
					CAD	2,250	CAD	-
					EUR	5,848	EUR	-
					GBP	2,710	GBP	-
					JPY	4,540	JPY	-
					USD	44,712	USD	-
					CHF	1,620	CHF	-
	USD***	218,409	USD***	182,588	Others	2,279	Others	-
Net foreign currency exposure		<u>218,409</u>		<u>182,588</u>		<u>63,959</u>		<u>-</u>

\*\* This Fund only has INR exposure.

\*\*\* This Fund only has USD exposure.

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.

## 9 Financial risk management (continued)

### (a) Market risk (continued)

#### (iii) Foreign exchange risk (continued)

##### Sensitivity analysis

The following tables summarise the sensitivities of the Funds' monetary assets and liabilities to foreign exchange risk.

	Climate Change Innovation ETF		FTSE 100 ETF		Global Income Leaders ETF		Global Quality Leaders ETF	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
Impact on profit/(loss) from activities and net assets attributable to unitholders								
10% AUD appreciation against foreign currency (2022: 10%)	(46)	(42)	(519)	(320)	(65)	150	(157)	(115)

  

	Global Sustainability Leaders ETF		India Quality ETF		S&P 500 Equal Weight ETF		Global Shares ETF <sup>1</sup>	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
Impact on profit/(loss) from activities and net assets attributable to unitholders								
10% AUD appreciation against foreign currency (2022: 10%)	(758)	(625)	(23)	(34)	(33)	(39)	(24)	-

10% AUD depreciation against foreign currency would have an equal, but opposite effect to the amounts shown in the table above.

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.

## 9 Financial risk management (continued)

### (b) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Funds.

The main concentration of credit risk to which the Funds are exposed arise from the Funds' investment in cash and cash equivalents, and investment in debt securities.

#### *(i) Cash and cash equivalents*

The exposure to credit risk for cash and cash equivalents is considered low as the Funds only invest their assets into bank deposit accounts held with banks that are regulated in Australia by the Australian Prudential Regulatory Authority as authorised deposit taking institutions, and all counterparties have a credit rating of at least A.

In accordance with the Funds' policy, the Responsible Entity monitors the Funds' credit position on a regular basis.

#### *(ii) Settlement of securities transactions*

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered low, as delivery of securities sold is only made once the broker has received payment. Payment is made once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

#### *(iii) Other*

The custody of the Funds' assets are mainly concentrated with one counterparty, namely Citigroup Pty Ltd. Citigroup Pty Ltd is a subsidiary of a company listed on a major securities exchange, and at 30 June 2023 had a credit rating of A by Standard & Poor's (S&P) (30 June 2022: "A" by S&P). At 30 June 2023, substantially all cash and cash equivalents, balances due from brokers and investments are held in custody by Citigroup Pty Ltd.

### (c) Liquidity risk

Liquidity risk is the risk that the Funds will encounter difficulty in meeting obligations associated with financial liabilities.

The Funds are exposed to daily cash redemptions of redeemable units. The Funds' investments in cash and cash equivalents are considered to be readily realisable and the Funds maintain adequate liquidity to pay withdrawals and distributions when required.

Certain Funds may invest in derivative contracts traded over the counter, which are not traded in an organised market and may be illiquid. As a result, the Funds may not be able to quickly liquidate their investments in these instruments at an amount close to their fair value to meet their liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer or counterparty.

## 9 Financial risk management (continued)

### (c) Liquidity risk (continued)

The following tables analyse the Funds' non-derivative and derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows.

	Climate Change Innovation ETF							
	On demand 30 June 2023 \$'000	Less than 6 months 30 June 2023 \$'000	Greater than 6 months 30 June 2023 \$'000	Total 30 June 2023 \$'000	On demand 30 June 2022 \$'000	Less than 6 months 30 June 2022 \$'000	Greater than 6 months 30 June 2022 \$'000	Total 30 June 2022 \$'000
Distributions payable	-	251	-	251	-	3,668	-	3,668
Due to brokers - payables for securities	-	-	-	-	-	-	-	-
Other payables	-	100	-	100	-	93	-	93
Contractual cash flows (excluding net settled derivatives)	-	351	-	351	-	3,761	-	3,761
	FTSE 100 ETF							
	On demand 30 June 2023 \$'000	Less than 6 months 30 June 2023 \$'000	Greater than 6 months 30 June 2023 \$'000	Total 30 June 2023 \$'000	On demand 30 June 2022 \$'000	Less than 6 months 30 June 2022 \$'000	Greater than 6 months 30 June 2022 \$'000	Total 30 June 2022 \$'000
Distributions payable	-	7,257	-	7,257	-	7,703	-	7,703
Other payables	-	174	-	174	-	175	-	175
Contractual cash flows (excluding net settled derivatives)	-	7,431	-	7,431	-	7,878	-	7,878
Futures	-	23	-	23	-	-	-	-
Net settled derivatives	-	23	-	23	-	-	-	-

## 9 Financial risk management (continued)

### (c) Liquidity risk (continued)

Global Income Leaders ETF							
On demand 30 June 2023 \$'000	Less than 6 months 30 June 2023 \$'000	Greater than 6 months 30 June 2023 \$'000	Total 30 June 2023 \$'000	On demand 30 June 2022 \$'000	Less than 6 months 30 June 2022 \$'000	Greater than 6 months 30 June 2022 \$'000	Total 30 June 2022 \$'000
Distributions payable	-	419	419	-	293	-	293
Due to brokers - payables for securities	-	866	866	-	-	-	-
Other payables	-	11	11	-	9	-	9
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>1,296</b>	<b>1,296</b>	<b>-</b>	<b>302</b>	<b>-</b>	<b>302</b>
Global Quality Leaders ETF							
On demand 30 June 2023 \$'000	Less than 6 months 30 June 2023 \$'000	Greater than 6 months 30 June 2023 \$'000	Total 30 June 2023 \$'000	On demand 30 June 2022 \$'000	Less than 6 months 30 June 2022 \$'000	Greater than 6 months 30 June 2022 \$'000	Total 30 June 2022 \$'000
Distributions payable	-	2,634	2,634	-	2,460	-	2,460
Due to brokers - payables for securities	-	-	-	-	-	-	-
Other payables	-	122	122	-	99	-	99
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>2,756</b>	<b>2,756</b>	<b>-</b>	<b>2,559</b>	<b>-</b>	<b>2,559</b>
Global Sustainability Leaders ETF							
On demand 30 June 2023 \$'000	Less than 6 months 30 June 2023 \$'000	Greater than 6 months 30 June 2023 \$'000	Total 30 June 2023 \$'000	On demand 30 June 2022 \$'000	Less than 6 months 30 June 2022 \$'000	Greater than 6 months 30 June 2022 \$'000	Total 30 June 2022 \$'000
Distributions payable	-	115,669	115,669	-	49,365	-	49,365
Due to brokers - payables for securities	-	2	2	-	-	-	-
Other payables	-	1,355	1,355	-	1,048	-	1,048
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>117,026</b>	<b>117,026</b>	<b>-</b>	<b>50,413</b>	<b>-</b>	<b>50,413</b>



## 9 Financial risk management (continued)

### (c) Liquidity risk (continued)

India Quality ETF							
On demand	Less than	Greater than	Total	On demand	Less than	Greater than	Total
30 June	6 months	6 months	30 June	30 June	6 months	6 months	30 June
2023	2023	2023	2023	2022	2022	2022	2022
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Distributions payable	-	3,064	-	3,064	-	-	-
Other payables	-	863	-	863	-	47	47
<b>Contractual cash flows (excluding net settled derivatives)</b>	-	3,927	-	3,927	-	47	47
S&P 500 Equal Weight ETF							
On demand	Less than	Greater than	Total	On demand	Less than	Greater than	Total
30 June	6 months	6 months	30 June	30 June	6 months	6 months	30 June
2023	2023	2023	2023	2022	2022	2022	2022
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Distributions payable	-	5,045	-	5,045	-	6,264	6,264
Due to brokers - payables for securities	-	1,302	-	1,302	-	-	-
Other payables	-	65	-	65	-	56	56
<b>Contractual cash flows (excluding net settled derivatives)</b>	-	6,412	-	6,412	-	6,320	6,320
Global Shares ETF <sup>1</sup>							
On demand	Less than	Greater than	Total	On demand	Less than	Greater than	Total
30 June	6 months	6 months	30 June	30 June	6 months	6 months	30 June
2023	2023	2023	2023	2022	2022	2022	2022
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Distributions payable	-	145	-	145	-	-	-
Other payables	-	4	-	4	-	-	-
<b>Contractual cash flows (excluding net settled derivatives)</b>	-	149	-	149	-	-	-

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.

## 10 Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The gross and net positions of financial assets and liabilities that have been offset in the statements of financial position are disclosed in the first three columns of the tables below.

	Effects of offsetting on the statements of financial position			Related amounts not offset in the statements of financial position		Net amounts
	Gross amounts of financial assets/(liabilities)	Gross amounts set off in the statements of financial position	Net amount of financial assets/ (liabilities) presented in the statements of financial position	Financial instruments (including non-cash collateral)	Stock and cash collateral pledged	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>FTSE 100 ETF</b>						
<b>As at 30 June 2023</b>						
<b>Financial liabilities</b>						
Futures	(23)	-	(23)	-	23	-
<b>Total</b>	<b>(23)</b>	<b>-</b>	<b>(23)</b>	<b>-</b>	<b>23</b>	<b>-</b>
<b>As at 30 June 2022</b>						
<b>Financial assets</b>						
Futures	73	-	73	-	-	73
<b>Total</b>	<b>73</b>	<b>-</b>	<b>73</b>	<b>-</b>	<b>-</b>	<b>73</b>

**10 Offsetting financial assets and financial liabilities (continued)**

	Effects of offsetting on the statements of financial position			Related amounts not offset in the statements of financial position		Net amounts
	Gross amounts of financial assets/(liabilities)	Gross amounts set off in the statements of financial position	Net amount of financial assets/ (liabilities) presented in the statements of financial position	Financial instruments (including non-cash collateral)	Stock and cash collateral pledged	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Global Shares ETF<sup>1</sup></b>						
<b>As at 30 June 2023</b>						
<b>Financial assets</b>						
Futures	3	-	3	-	-	3
<b>Total</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>3</b>
<b>As at 30 June 2022</b>						
<b>Financial assets</b>						
Futures	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.

Agreements with over-the-counter derivative counterparties are based on the International Swaps and Derivatives Association (ISDA) Master Agreement. Under the terms of these arrangements, only when certain credit events occur (such as default), the net position owing/receivable to a single counterparty in the same currency will be taken as owing and all the relevant arrangements terminated. As the Fund does not presently have a legally enforceable right of set-off, these amounts have not been offset in the statement of financial position but have been presented separately in the above table.

## **11 Fair value measurements**

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

### **Fair value estimation**

The carrying amounts of the Funds' assets and liabilities at the end of each reporting period approximate their fair values.

Financial assets and liabilities at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments at fair value through profit or loss are measured at fair value with changes in their fair value recognised in statements of comprehensive income.

#### *(i) Fair value in an active market (Level 1)*

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

The Funds value their investments in accordance with the accounting policies set out in Note 2. For the majority of their investments, the Funds rely on information provided by independent pricing services for the valuation of their investments.

The quoted market price used for financial assets and liabilities is the last traded price. Where the last traded price does not fall within the bid-ask spread, an assessment is performed by management to determine the appropriate valuation price to use that is most representative of fair value.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

#### *(ii) Fair value in an inactive or unquoted market (Level 2 and Level 3)*

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

## 11 Fair value measurements (continued)

### Fair value estimation (continued)

#### (ii) Fair value in an inactive or unquoted market (Level 2 and Level 3)

For other pricing models, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Funds for similar financial instruments.

Index futures are measured by the quoted market prices, or binding dealer price quotations on the exchange where they are listed or held.

#### (iii) Recognised fair value measurements

The tables below set out the Funds' financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy:

	Climate Change Innovation ETF							
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2023	2023	2023	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Financial assets at fair value through profit or loss:								
Listed securities	167,641	-	-	167,641	167,598	-	-	167,598
Total	167,641	-	-	167,641	167,598	-	-	167,598
	FTSE 100 ETF							
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2023	2023	2023	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Financial assets at fair value through profit or loss:								
Listed securities	452,438	-	-	452,438	449,077	-	-	449,077
Futures	-	-	-	-	73	-	-	73
Total	452,438	-	-	452,438	449,150	-	-	449,150
Financial liabilities								
Financial liabilities at fair value through profit or loss:								
Futures	23	-	-	23	-	-	-	-
Total	23	-	-	23	-	-	-	-

## 11 Fair value measurements (continued)

### Fair value estimation (continued)

(iii) Recognised fair value measurements (continued)

		Global Income Leaders ETF						
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2023	2023	2023	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Listed securities	25,323	-	-	25,323	20,209	-	-	20,209
<b>Total</b>	<b>25,323</b>	<b>-</b>	<b>-</b>	<b>25,323</b>	<b>20,209</b>	<b>-</b>	<b>-</b>	<b>20,209</b>
		Global Quality Leaders ETF						
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2023	2023	2023	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Listed securities	371,786	-	-	371,786	296,205	-	-	296,205
<b>Total</b>	<b>371,786</b>	<b>-</b>	<b>-</b>	<b>371,786</b>	<b>296,205</b>	<b>-</b>	<b>-</b>	<b>296,205</b>
		Global Sustainability Leaders ETF						
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2023	2023	2023	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Listed securities	2,475,919	-	-	2,475,919	1,938,370	-	-	1,938,370
<b>Total</b>	<b>2,475,919</b>	<b>-</b>	<b>-</b>	<b>2,475,919</b>	<b>1,938,370</b>	<b>-</b>	<b>-</b>	<b>1,938,370</b>

## 11 Fair value measurements (continued)

### Fair value estimation (continued)

(iii) Recognised fair value measurements (continued)

				India Quality ETF			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2023	2023	2023	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>							
Financial assets at fair value through profit or loss:							
Listed securities	83,020	-	-	83,020	63,902	-	-
<b>Total</b>	<b>83,020</b>	<b>-</b>	<b>-</b>	<b>83,020</b>	<b>63,902</b>	<b>-</b>	<b>-</b>
				S&P 500 Equal Weight ETF			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2023	2023	2023	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>							
Financial assets at fair value through profit or loss:							
Listed securities	218,083	-	-	218,083	182,202	-	-
<b>Total</b>	<b>218,083</b>	<b>-</b>	<b>-</b>	<b>218,083</b>	<b>182,202</b>	<b>-</b>	<b>-</b>
				Global Shares ETF <sup>1</sup>			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2023	2023	2023	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>							
Financial assets at fair value through profit or loss:							
Listed securities	63,744	-	-	63,744	-	-	-
Futures	3	-	-	3	-	-	-
<b>Total</b>	<b>63,747</b>	<b>-</b>	<b>-</b>	<b>63,747</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.

## 11 Fair value measurements (continued)

### Fair value estimation (continued)

#### (iv) Transfers between levels

There were no transfers between levels for the year ended 30 June 2023.

#### (v) Movement in level 3 instruments

The following table presents the Funds that had movement in level 3 instruments for the period ended 30 June 2023 and 30 June 2022 by class of financial instrument:

	<b>Listed securities</b>	
	<b>FTSE 100 ETF</b>	
	<b>30 June 2023 \$'000</b>	<b>30 June 2022 \$'000</b>
Opening balance	-	-
Purchases	-	322
Sales	-	(52)
Transfers into/(out) of level 3	-	1,724
Gains/(losses) recognised in profit or loss	-	(1,994)
<b>Closing balance</b>	<b>-</b>	<b>-</b>
Total gains/(losses) for the period included in the statements of comprehensive income for financial assets and liabilities held at the end of the period	-	(1,994)

\*includes unrealised gains or (losses) recognised in profit or loss attributable to balances held at the end of the reporting period.

### Fair value measurements using significant unobservable inputs (Level 3)

On 21 March 2022 the Responsible Entity, in accordance with its pricing policy, wrote down the value of Global Depository Receipts relating to Russian securities to zero. At the date of write off, the total cost base was \$ 1.93m.

### Valuation process

Portfolio reviews are undertaken regularly by management to identify securities that potentially may not be actively traded or have stale security pricing. This process identifies securities which possibly could be regarded as level 3 securities.

Further analysis, should it be required, is undertaken to determine the accounting significance of the identification. For certain security types, in selecting the most appropriate valuation model, management performs back testing and considers actual market transactions. Changes in allocation to or from level 3 are analysed at the end of each reporting period.

For FTSE 100 ETF, due to uncertainties with Global Depository Receipts relating to Russian securities, these assets were valued at zero as at 30 June 2023.



## 11 Fair value measurements (continued)

### Fair value estimation (continued)

(vi) *Fair value of financial instruments not carried at fair value*

The carrying value of receivables and payables are assumed to approximate their fair values.

The carrying value of the net assets attributable to unitholders differs from its fair value (deemed to be the redemption price for individual units) due to differences in valuation inputs. The difference is not material in the current period.

## 12 Current and deferred income taxes

### (a) Income tax expense

The amount of income tax recognised in the statement of comprehensive income represents:

India Quality ETF	
Period ended	
30 June 2023 \$'000	30 June 2022 \$'000
1,337	(837)
<b>1,337</b>	<b>(837)</b>

Current income tax expense/(benefits)

**Income tax expense/(benefits)**

The income tax expense differs from the amount that would arise from applying the Australian income tax rate applicable to the Fund on profit for the period due to the following:

Period ended	
30 June 2023 \$'000	30 June 2022 \$'000
11,340	(4,349)
-	-
1,337	(837)
<b>1,337</b>	<b>(837)</b>

**Profit/(loss) for the period**

Tax at applicable Australian tax rate of 0% (2022: 0%)

Effect of:

Capital gains tax in foreign jurisdictions on financial assets

**Income tax expense**

## 12 Current and deferred income taxes (continued)

### (b) Deferred tax

The deferred tax balance comprises temporary differences attributable to:

	As at	
	30 June	30 June
	2023	2022
	\$'000	\$'000
<b>Deferred tax assets</b>		
Carry forward tax losses on financial assets at fair value through profit or loss	-	-
<b>Deferred tax liabilities</b>		
Unrealised gains on foreign assets at fair value through profit or loss	805	-
<b>Net deferred tax liability after set-off of deferred tax assets</b>	<u>805</u>	<u>-</u>

All changes in the deferred tax balances are recognised in profit or loss.

## 13 Derivative financial instruments

In the normal course of business certain Funds may enter into transactions in various derivative financial instruments which have certain risks. A derivative is a financial instrument or other contract which is settled at a future date and whose value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

Derivative transactions include many different instruments such as forwards, futures and options. Derivatives are considered to be part of the investment process and the use of derivatives is an essential part of the Funds' portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability of the Fund against a fluctuation in market values or to reduce volatility;
- a substitution for trading of physical securities; and
- adjusting asset exposures within the parameters set in the investment strategy, and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash portfolios.

### 13 Derivative financial instruments (continued)

While derivatives are used for trading purposes, they are not used to gear (leverage) a portfolio. Gearing a portfolio would occur if the level of exposure to the markets exceeds the underlying value of the Funds.

The following Fund held derivative instruments:

		FTSE 100 ETF				
		Fair values				
	Contract/ notional 30 June 2023 \$'000	Assets 30 June 2023 \$'000	Liabilities 30 June 2023 \$'000	Contract/ notional 30 June 2022 \$'000	Assets 30 June 2022 \$'000	Liabilities 30 June 2022 \$'000
Futures	4,897	-	(23)	2,893	73	-
	4,897	-	(23)	2,893	73	-
		Global Shares ETF <sup>1</sup>				
		Fair values				
	Contract/ notional 30 June 2023 \$'000	Assets 30 June 2023 \$'000	Liabilities 30 June 2023 \$'000	Contract/ notional 30 June 2022 \$'000	Assets 30 June 2022 \$'000	Liabilities 30 June 2022 \$'000
Futures	140	3	-	-	-	-
	140	3	-	-	-	-

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.

#### 14 Auditor's remuneration

During the period the following fees were paid or payable for services provided by the auditor of the Funds. Audit fees were borne by the Responsible Entity:

	Climate Change Innovation ETF		FTSE 100 ETF		Global Income Leaders ETF		Global Quality Leaders ETF	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
<b>KPMG</b>	\$	\$	\$	\$	\$	\$	\$	\$
<i>Audit and other assurance service</i>								
Audit and review of financial reports	4,982	4,982	4,982	4,982	4,982	4,982	4,982	4,982
Audit of compliance plan	1,230	1,230	1,230	1,230	1,230	1,230	1,230	1,230
Total remuneration of audit and other assurance services	6,212	6,212	6,212	6,212	6,212	6,212	6,212	6,212

  

	Global Sustainability Leaders ETF		India Quality ETF		S&P 500 Equal Weight ETF		Global Shares ETF <sup>1</sup>	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
<b>KPMG</b>	\$	\$	\$	\$	\$	\$	\$	\$
<i>Audit and other assurance service</i>								
Audit and review of financial reports	4,982	4,982	4,982	4,982	4,982	4,982	4,982	-
Audit of compliance plan	1,230	1,230	1,230	1,230	1,230	1,230	1,230	-
Total remuneration of audit and other assurance services	6,212	6,212	6,212	6,212	6,212	6,212	6,212	-

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.

## 15 Related party transactions

### Responsible Entity

The Responsible Entity of the Funds is Betashares Capital Ltd (ABN 78 139 566 868), which is a wholly owned subsidiary of Betashares Financial Group Pty Ltd.

### Key management personnel

The Funds do not employ personnel in their own right. However, the Funds are required to have an incorporated Responsible Entity to manage the activities and this is considered to be key management personnel. The directors of the Responsible Entity, which are key management personnel of the Responsible Entity, during or since the end of the financial period are:

#### (a) Directors

Mr Alex Vynokur (appointed 21 September 2009)

Mr Jason Gellert (appointed 5 March 2021)

Mr Edward Sippel (appointed 5 March 2021)

#### (b) Other key management personnel

There were no other persons with responsibility for planning, directing and controlling the activities of the Funds, directly or indirectly during the financial period.

### Responsible Entity's management fees and other transactions

The Responsible Entity's fees are calculated in accordance with the Funds' Constitutions. The Responsible Entity's fees comprise a management fee and (if applicable) expense recoveries (after taking account of GST and reduced input tax credits), which are calculated as a percentage of the net asset value of the Funds and are disclosed in the statements of comprehensive income. The following table discloses the Responsible Entity's fees for 30 June 2023 and 30 June 2022:

Funds	Management Fee		Expense Recoveries	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	%	%	%	%
Climate Change Innovation ETF	0.55	0.55	0.10	0.10
FTSE 100 ETF	0.38	0.38	0.07	0.07
Global Income Leaders ETF	0.39	0.39	0.06	0.06
Global Quality Leaders ETF	0.29	0.29	0.06	0.06
Global Sustainability Leaders ETF	0.49	0.49	0.10	0.10
India Quality ETF	0.72	0.72	0.08	0.08
S&P 500 Equal Weight ETF	0.25	0.25	0.04	0.04
Global Shares ETF <sup>1</sup>	0.08	-	-	-

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.

## 15 Related party transactions (continued)

### Responsible Entity's management fees and other transactions (continued)

The related party transactions during the period and amounts payable at period end were as follows:

	Climate Change Innovation ETF		FTSE 100 ETF		Global Income Leaders ETF		Global Quality Leaders ETF	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$		\$		\$	\$	\$	\$
Management fees expensed to the Responsible Entity	924,447	888,471	1,696,923	1,616,713	90,492	78,850	979,718	716,479
Management fees payable to the Responsible Entity at reporting date	74,318	76,946	141,712	142,547	7,816	6,491	86,685	69,658
Expense recoveries expensed to the Responsible Entity	168,081	161,540	312,591	297,816	13,922	12,131	202,700	148,237
Expense recoveries payable to the Responsible Entity at reporting date	13,512	13,990	26,105	26,259	1,203	999	17,935	14,412
	Global Sustainability Leaders ETF		India Quality ETF		S&P 500 Equal Weight ETF		Global Shares ETF <sup>1</sup>	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$	\$	\$	\$	\$	\$	\$	\$
Management fees expensed to the Responsible Entity	11,021,131	9,502,732	525,331	482,027	505,641	461,562	7,023	-
Management fees payable to the Responsible Entity at reporting date	1,021,110	784,898	46,577	38,083	41,913	37,900	-	-
Expense recoveries expensed to the Responsible Entity	2,249,210	1,939,401	58,370	53,559	82,381	75,440	-	-
Expense recoveries payable to the Responsible Entity at reporting date	208,390	160,183	5,175	4,231	6,834	6,064	-	-
Management fees rebate received from the Responsible Entity	-	-	-	-	-	7,415	-	-
Management fees rebate receivable from the Responsible Entity at reporting date	-	-	-	-	-	939	-	-

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.

## 15 Related party transactions (continued)

### Related party unitholdings

During the financial period, parties related to the Funds, including the Responsible Entity, its affiliates or other schemes managed by the Responsible Entity, held units in the Funds and information about the investments held by these related parties in certain Funds is included in the following tables.

#### *Global Quality Leaders ETF*

<b>2023</b>							
<b>Unitholder</b>	<b>Number of units held opening (Units)</b>	<b>Number of units held closing (Units)</b>	<b>Fair value of investment (\$)</b>	<b>Interest held (%)</b>	<b>Number of units acquired (Units)</b>	<b>Number of units disposed (Units)</b>	<b>Distributions paid/payable by the Fund (\$)</b>
Betashares Global Quality Leaders ETF - Currency Hedged	1,718,644	1,780,562	43,175,329	11.65	463,335	401,417	476,707
Betashares Global Quality Leaders Fund	-	411	9,966	-	411	-	71
<b>Total</b>	<b>1,718,644</b>	<b>1,780,973</b>	<b>43,185,295</b>	<b>11.65</b>	<b>463,746</b>	<b>401,417</b>	<b>476,778</b>

  

<b>2022</b>							
<b>Unitholder</b>	<b>Number of units held opening (Units)</b>	<b>Number of units held closing (Units)</b>	<b>Fair value of investment (\$)</b>	<b>Interest held (%)</b>	<b>Number of units acquired (Units)</b>	<b>Number of units disposed (Units)</b>	<b>Distributions paid/payable by the Fund (\$)</b>
Betashares Global Quality Leaders ETF - Currency Hedged	1,109,211	1,718,644	33,379,270	11.31	852,294	242,861	345,887
Betashares Global Quality Leaders Fund	-	-	-	-	-	-	-
<b>Total</b>	<b>1,109,211</b>	<b>1,718,644</b>	<b>33,379,270</b>	<b>11.31</b>	<b>852,294</b>	<b>242,861</b>	<b>345,887</b>

## 15 Related party transactions (continued)

### Related party unitholdings (continued)

#### *Global Sustainability Leaders ETF*

Unitholder	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
2023							
Betashares Ethical Diversified Balanced ETF	371,819	479,519	5,864,901	0.24	151,107	43,407	288,500
Betashares Ethical Diversified Growth ETF	814,530	1,153,199	14,104,546	0.57	415,886	77,217	693,290
Betashares Ethical Diversified High Growth ETF	1,800,649	2,605,431	31,866,505	1.28	946,414	141,632	1,565,152
Betashares Global Sustainability Leaders ETF - Currency Hedged	15,544,179	29,413,356	359,748,875	14.49	18,680,968	4,811,791	17,474,903
Betashares Global Sustainability Leaders Fund	-	788	9,638	-	788	-	449
<b>Total</b>	<b>18,531,177</b>	<b>33,652,293</b>	<b>411,594,465</b>	<b>16.58</b>	<b>20,195,163</b>	<b>5,074,047</b>	<b>20,022,294</b>
2022							
Unitholder	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
Betashares Ethical Diversified Balanced ETF	165,249	371,819	3,828,316	0.20	249,906	43,336	111,724
Betashares Ethical Diversified Growth ETF	237,965	814,530	8,386,549	0.44	635,844	59,279	230,665
Betashares Ethical Diversified High Growth ETF	356,618	1,800,649	18,539,810	0.98	1,480,589	36,558	505,411
Betashares Global Sustainability Leaders ETF - Currency Hedged	10,209,300	15,544,179	160,045,696	8.45	7,542,777	2,207,898	4,415,800
Betashares Global Sustainability Leaders Fund	-	-	-	-	-	-	-
<b>Total</b>	<b>10,969,132</b>	<b>18,531,177</b>	<b>190,800,371</b>	<b>10.07</b>	<b>9,909,116</b>	<b>2,347,071</b>	<b>5,263,600</b>



## 15 Related party transactions (continued)

### Related party unitholdings (continued)

#### *BetaShares Global Shares ETF*<sup>1</sup>

2023

Unitholder	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
Betashares Managed Risk Global Share Fund (managed fund)	-	926,986	49,748,090	77.90	1,000,000	73,014	112,649
Betashares Global Shares Currency Hedged ETF	-	52,929	2,840,514	4.45	54,155	1,226	6,432
<b>Total</b>	-	<b>979,915</b>	<b>52,588,604</b>	<b>82.35</b>	<b>1,054,155</b>	<b>74,240</b>	<b>119,081</b>

<sup>1</sup> There was no comparative amount for Global Shares ETF. The Fund was registered on 23 February 2022 and commenced trading on 9 May 2023.

All transactions with related parties are conducted on normal terms and conditions. From time to time the Responsible Entity or its director-related entities may invest or withdraw from the Funds.

### Investments

The Funds did not hold any investments in other schemes managed by the Responsible Entity or its related parties.

## 16 Events occurring after the reporting period

No significant events have occurred since the end of the reporting period which would impact on the financial position of the Funds disclosed in the statements of financial position as at 30 June 2023 or on the results and cash flows of the Funds for the period ended on that date.

## 17 Contingent assets and liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 30 June 2023 and 30 June 2022.

**Directors' declaration**

Betashares Capital Ltd presents the Directors' Declaration in respect of the following Funds:

Betashares Climate Change Innovation ETF  
Betashares FTSE 100 ETF  
Betashares Global Income Leaders ETF  
Betashares Global Quality Leaders ETF  
Betashares Global Sustainability Leaders ETF  
Betashares India Quality ETF  
Betashares S&P 500 Equal Weight ETF  
Betashares Global Shares ETF

In the opinion of the directors of Betashares Capital Ltd, the Responsible Entity of the Funds:

- (a) the financial statements and notes set out on pages 7 to 55 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Australian Accounting Standards, and interpretations issued by the Australian Accounting Standards Board and the *Corporations Regulations 2001*; and
  - (ii) giving a true and fair view of the Funds' financial positions as at 30 June 2023 and of their performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable; and
- (c) Note 2(a) confirms that the financial statements comply with International Financial Reporting Standards and Interpretations issued by the International Accounting Standards Board.

Signed in accordance with a resolution of the directors of Betashares Capital Ltd.



Alex Vynokur  
Director

Sydney  
22 September 2023



## Independent Auditor's Report

To the respective unitholders of the following Schemes:

Betashares Climate Change Innovation ETF

Betashares FTSE 100 ETF

Betashares Global Income Leaders ETF

Betashares Global Quality Leaders ETF

Betashares Global Sustainability Leaders ETF

Betashares India Quality ETF

Betashares S&P 500 Equal Weight ETF

Betashares Global Shares ETF

For the purpose of this report, the term Scheme and Schemes denote the individual and distinct entity for which the financial information is prepared and upon which our audit is performed. Each is to be read as a singular subject matter.

### Opinions

We have audited each of the **Financial Reports** of the Schemes.

In our opinion, the accompanying Financial Report of each Scheme is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of that Scheme's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The respective **Financial Reports** of the individual Schemes comprise:

- Statements of financial position as at 30 June 2023;
- Statements of comprehensive income for the year then ended;
- Statements of changes in equity, and Statements of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- Directors' Declaration made by the Directors of Betashares Capital Limited (the Responsible Entity).

### Basis for opinions

We conducted our audits in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audits of the Financial Reports* section of our report.



We are independent of the Schemes and the Responsible Entity in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audits of the Financial Reports in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

## Key Audit Matters

**Key Audit Matters** are those matters that, in our professional judgement, were of most significance in our respective audits of the Financial Reports of each Scheme in the current period.

These matters were addressed in the context of our audits of each of the Financial Reports as a whole, and in forming our opinions thereon, and we do not provide a separate opinion on these matters.

The **Key Audit Matter** we identified for each of the Schemes is:

- Valuation and existence of financial instruments.

**Valuation and existence of financial instruments**  
(Betashares Climate Change Innovation ETF \$167,641,000, Betashares FTSE 100 ETF \$452,438,000, Betashares Global Income Leaders ETF \$25,323,000, Betashares Global Quality Leaders ETF \$371,786,000, Betashares Global Sustainability Leaders ETF \$2,475,919,000, Betashares India Quality ETF \$83,020,000, Betashares S&P 500 Equal Weight ETF \$218,083,000, Betashares Global Shares ETF \$63,747,000)

Refer to Note 5 to the Financial Report

**The key audit matter**

**How the matter was addressed in our audit**

Financial instruments at fair value through profit or loss comprise investments in listed securities and derivatives ("investments").

The Scheme outsources certain processes and controls relevant to:

- Executing transactions as instructed by the Responsible Entity and recording and valuing investments to the Scheme administrator;
- Maintaining custody and underlying records of investments to the custodian;

Valuation and existence of investments is a key audit matter due to the:

- Size of the Scheme's portfolio of investments. These investments represent a significant percentage of the Scheme's total assets at year end; and
- Importance of the performance of these investments in driving the Scheme's

Our procedures included:

- We assessed the appropriateness of the accounting policies applied by the Scheme, including those relevant to the fair value of investments, against the requirements of the accounting standards.
- We obtained and read the Scheme's Service Provider's ASAE 3402 *Assurance Reports on Controls at a Service Organisation* and GS007 *(Guidance Statement 007 Audit Implications of the Use of Service Organisations for Investment Management Services)* assurance reports to understand the processes and assess the controls relevant to the:
  - Scheme administrator – to execute transactions, record and value the Scheme's investments;
  - Custodian – to maintain custody and underlying records of the Scheme's investments;
- We obtained and read the custodians bridging letter over the period not covered by the ASAE 3402 and GS007 assurance reports. We have checked that there were no instances of non-compliance



<p>investment income and capital performance, as reported in the Financial Report.</p> <p>As a result, this was the area with greatest effect on our overall audit strategy and allocation of resources in planning and performing our audit</p>	<p>over controls in place at the service provider.</p> <ul style="list-style-type: none"> <li>• We assessed the reputation, professional competence and independence of the auditors of the ASAE 3402 and GS007 assurance reports.</li> <li>• We checked the existence of investments, being the ownership and quantity held to external sources such as independent confirmations for derivative investments as at 30 June 2023.</li> <li>• We checked the valuation of investments, as recorded in the general ledger, to independently sourced prices as at 30 June 2023.</li> </ul> <p>We evaluated the Scheme's disclosures of investments, using our understanding obtained from our testing, against the requirements of the accounting standards.</p>
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## Other Information

Other Information is financial and non-financial information in the respective Scheme's annual reporting which is provided in addition to the Financial Reports and the Auditor's Report. The Directors of the Responsible Entity are responsible for the Other Information.

Our opinions on the Financial Reports does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audits of the Financial Reports, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Reports or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

## Responsibilities of Directors for the Financial Reports

The Directors of the Responsible Entity are responsible for:

- preparing the Financial Reports that give a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*;
- implementing necessary internal controls to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- assessing each Scheme's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the respective Scheme or to cease operations, or have no realistic alternative but to do so.



## Auditor's responsibilities for the audits of the Financial Reports

Our objective is:

- to obtain reasonable assurance about whether each of the Financial Reports as a whole are free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinions.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Reports.

A further description of our responsibilities for the audits of the Financial Report is located at the Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar2\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf). This description forms part of our Auditor's Report.

  
KPMG



Nicholas Buchanan

Partner

Sydney

22 September 2023

Any Betashares Fund that seeks to track the performance of a particular financial index is not sponsored, endorsed, issued, sold or promoted by the provider of the index. No index provider makes any representation regarding the advisability of buying, selling or holding units in the Betashares Funds or investing in securities generally. No index provider is involved in the operation or distribution of the Betashares Funds and no index provider shall have any liability for the operation or distribution of these Funds or their failure to achieve their investment objectives. An index provider has no obligation to take the needs of the Betashares Fund or the unitholders of the Fund into consideration in determining, composing or calculating the relevant index. Any intellectual property rights in the index name and associated trademarks, index methodology, index values and constituent lists vest in the relevant index provider and/or its affiliates. Betashares has obtained a licence from the relevant index provider to use such intellectual property rights in the creation and operation of the Betashares Funds.



Betashares Capital Ltd (ABN 78 139 566 868 AFSL 341181) is the issuer. Investors should read the relevant fund PDS and TMD (available at [www.betashares.com.au](http://www.betashares.com.au)) and consider whether the fund is appropriate for them. Past performance is not indicative of future returns. Investing involves risk.