

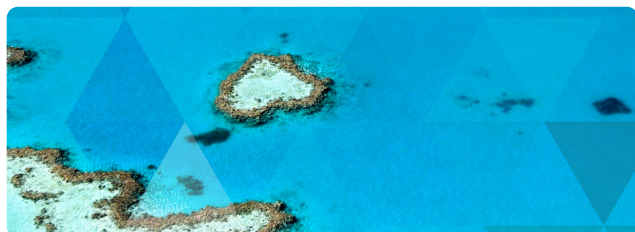
Model overview

For investors whose priority is investing in a way that aligns with their values, Betashares Ethical Managed Accounts are an easy way to access a suite of ethically-screened investments, consisting of an Australian equities portfolio, as well as multi-asset class diversified portfolios.

The focus of these portfolios is making it easier for advisers to access a low cost, scalable investment solution, potentially saving a significant amount of time that may otherwise be spent on investment selection and portfolio management.

Four Betashares Ethical Managed Accounts are available:

Betashares Australian Sustainability Leaders Portfolio	Betashares Ethical Balanced Portfolio	Betashares Ethical Growth Portfolio	Betashares Ethical High Growth Portfolio
35 ethically screened direct stock portfolio	50% Growth 50% Defensive	70% Growth 30% Defensive	90% Growth 10% Defensive



Betashares Australian Sustainability Leaders Portfolio

The Betashares Australian Sustainability Leaders Portfolio holds a portfolio of ASX listed securities that are generally the largest and most liquid stocks from Betashares Australian Sustainability Leaders ETF (ASX: FAIR). This combines some of the most stringent screening criteria in the industry with the advantages to investors of directly owning an Australian equities portfolio.



Betashares Ethical Diversified Portfolios

Three multi-asset ethical portfolios have been specifically developed for different risk profiles – Balanced, Growth and High Growth - designed to suit various financial circumstances and investment goals. In order to provide solutions for different investor risk profiles, the portfolios are built using varying allocations to ethical growth and defensive assets.

International shares are accessed via Betashares Global Sustainability Leaders ETF (ASX: ETHI) and Australian shares through Betashares Australian Sustainability Leaders Portfolio. Defensive assets are made up of international and Australian bonds and are accessed via Betashares Sustainability Leaders Diversified Bond ETF - Currency Hedged (ASX: GBND).

These portfolios are built using strategic asset allocation assumptions that are reviewed and may be adjusted by Betashares annually to take into account prevailing economic and market conditions. The portfolios are rebalanced periodically to remain consistent with target allocations and risk profiles.

How can Betashares Ethical Managed Accounts benefit advisers?

Ethical investing leadership

Betashares is firmly established as a trusted leader in ethical investing. Our market-leading range of ethical and responsible ETFs now has more than \$4 billion in FUM.

Stringent screening criteria

The underlying ETFs and shares held in the Betashares Ethical Managed Accounts meet some of the most stringent screening criteria in the market. Our screening methodology is transparent, enabling your clients to see which companies have been excluded from, or included in, the underlying portfolios, and why.

Direct Australian equities

The Australian equities component of the Betashares Ethical Managed Accounts comprises a direct holding of ASX-listed securities, meaning your clients are beneficial owners of the ethically-screened Australian equities. For investors who prefer direct equity exposure, the Australian Sustainability Leaders Portfolio is also a direct portfolio of 35 stocks that are subject to stringent screening criteria.

Detailed reporting

Our comprehensive stewardship reporting includes details of our proxy voting and the engagement we undertake with companies in the underlying ETFs of our Ethical Managed Accounts. Our stewardship activities reflect our commitment to making a positive impact and influencing change at a corporate level.

RIAA certified

Betashares is a proud member of the Responsible Investment Association Australasia (RIAA), and our suite of Ethical Managed Accounts has been certified by RIAA*.

Betashares Adviser Support

As an Australian-founded and managed firm, all decisions relating to Betashares Managed Account services reside with the local business, and Betashares is able to leverage the full resources of its local team to provide support to advisers.

Examples of support:



SMA product profiles



Client-friendly quarterly email



Monthly factsheets



Access to Betashares senior personnel, including Betashares' Chief Economist



Detailed quarterly reports



Personalised service for your advice practice (if implemented via an SMA)



Videos & webinars

*The Betashares Ethical Model Portfolios have been certified by the Responsible Investment Association Australasia according to the strict operational and disclosure practices required under the Responsible Investment Certification Program. See www.responsibleinvestments.com.au for details.

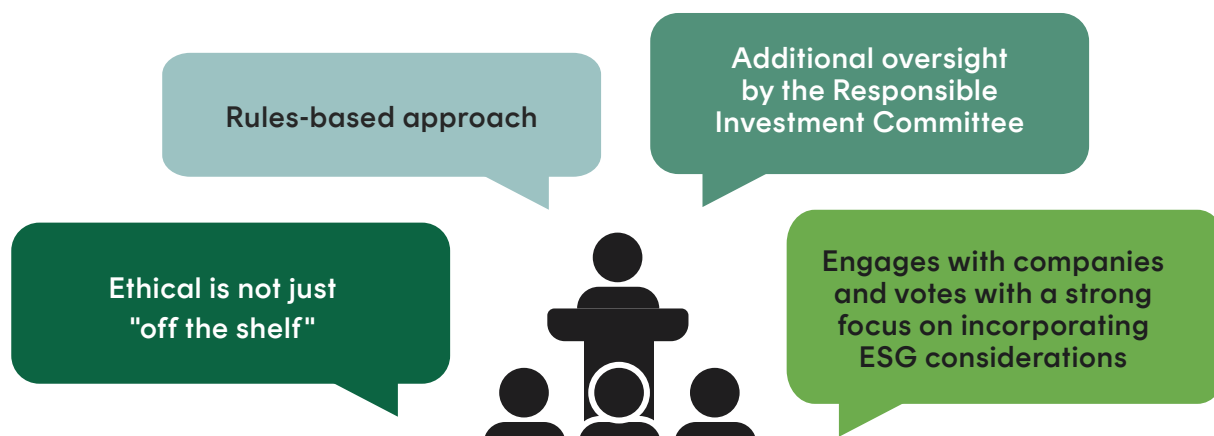
The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold an Australian Financial Services Licence.

Betashares' responsible investment philosophy

We recognise the important role that investment managers can play in promoting responsible investment practices. We are cognisant that large investors have a responsibility beyond managing the financial value of their own investments and have an obligation to try to positively influence the way business is conducted, for the greater good.

We believe that by investing in our ethical ETFs, investors entrust us with the job of managing their capital in a way that aligns with their values. This means that our ETFs invest in companies (or exclude companies) in accordance with clear ethically focused rules and guidelines.

Where we can also make an impact is in ensuring we participate in proxy voting and engagement activities with companies, although at this stage we are unable to vote proxies on direct shares held in our Managed Accounts.



Betashares understands that ethical investing can mean different things to different investors. This is why Betashares is dedicated to ensuring our ethical exposures are true to label, and employ strict screening criteria, in a transparent rules-based process to ensure investors know at any time what company activities are included in and excluded from the Betashares ethical ETFs.

Current exposure limit guidelines for underlying holdings (% of total revenue)

0%	5%	20% or more
Fossil fuels – direct Gambling (casinos and manufacture of products) Mandatory detention of asylum seekers Manufacture of armaments/ weapons Chemicals of concern Uranium mining /nuclear energy production Tobacco production/ manufacture Animal cruelty Production of pornography	Fossil fuels – indirect <small>Excludes the largest global financiers of fossil fuels/significant fossil fuel infrastructure</small> Gambling (distribution) Product/services to nuclear energy Tobacco sales Alcohol production Specific and significant services to military and armaments manufacture Sale of pornography	20% Alcohol sales 33% Junk foods
Other limits		
Payday lending* No women on board of directors Evidence of human rights violations including child labour, forced labour, sweatshops, bribery and corruption. Destruction of valuable environments		

*FAIR screens out predatory lending (which includes payday lending). ETHI screens out payday lending.

Betashares maintains a Responsible Investment Committee (RIC) for our ethical ETFs (ETHI, FAIR and GBND). The purpose of the RIC is to:

- provide Betashares with general input and advice in relation to responsible investment policies and investments
- provide expert assessment of whether the companies and issuers satisfy the negative and positive screens incorporated into the indices that these ETFs aim to track
- provide voting recommendations on all ESG-related shareholder resolutions in these ethical ETFs.

The policy of each fund is to vote on ESG-related shareholder resolutions in a way that is consistent with the values embodied in the index rules for the fund.

Platform availability

	Praemium	Macquarie Wrap	Netwealth	HUB24
Betashares Australian Sustainability Leaders Portfolio	BB0106	SMABET06S	MACC000531	BTA006
Betashares Ethical Balanced Portfolio	BB0107	SMABET07S	MACC000532	BTA007
Betashares Ethical Growth Portfolio	BB0108	SMABET08S	MACC000533	BTA008
Betashares Ethical High Growth Portfolio	BB0109	SMABET09S	MACC000534	BTA009

Contact us

To find out how the Betashares Managed Account range can support your practice, contact our Adviser Services team on 1300 487 577 or your local Betashares account manager.

Betashares Adviser Services

- ☎ 1300 487 577 (within Australia)
- ☎ +61 2 9290 6888 (outside Australia)
- ✉ info@betashares.com.au

This information is for the use of financial advisers. It must not be distributed to retail clients.

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This information is not a recommendation or offer to make any investment or to adopt any particular investment strategy. Betashares Managed Accounts, including investments in underlying investment funds, are subject to investment risk, investment value may go down as well as up, and investors may not get back the full amount originally invested. Actual investment outcomes may differ from those contemplated in the Betashares Managed Accounts.

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