Betashares Australian Major Bank Subordinated Debt ETF

ASX: BSUB

30 September 2026

Objective

BSUB aims to track the performance of an index (before fees and expenses) that provides exposure to a portfolio of floating rate subordinated bonds issued by the four major Australian banks.

Strategy

The Fund's strategy is to invest in Tier-2 floating rate subordinated bonds denominated in Australian dollars, issued by the 'big 4' Australian banks. Eligible bonds must have amounts outstanding of at least $500 million and a remaining maximum term to maturity 10 years.

The Fund can hold a maximum of 16 securities. If there are 10 or more securities, market value weighting is applied with an issuer cap of 35% per issuer. If there are fewer than 10 securities, equal weighting is applied

Benefits

Attractive income, paid monthly

Subordinated debt offers the opportunity for attractive income typically above that of senior bank floating rate notes.

High quality issuers

The "big 4" Australian banks (CBA, ANZ, NAB and Westpac) are generally considered some of the best capitalised major financial institutions in the world. BSUB allows investors to obtain exposure to investment grade subordinated bonds from all four banks in a single trade.

Diversification benefits, protection against rising interest rates

Historically, major bank tier 2 floating rate bonds have generally exhibited low correlation to equities and a high degree of capital stability, providing potential portfolio diversification benefits. In addition, the income paid by floating rate bonds varies in line with a benchmark interest rate. If the benchmark rate increases, so too does the income you receive, and vice versa.

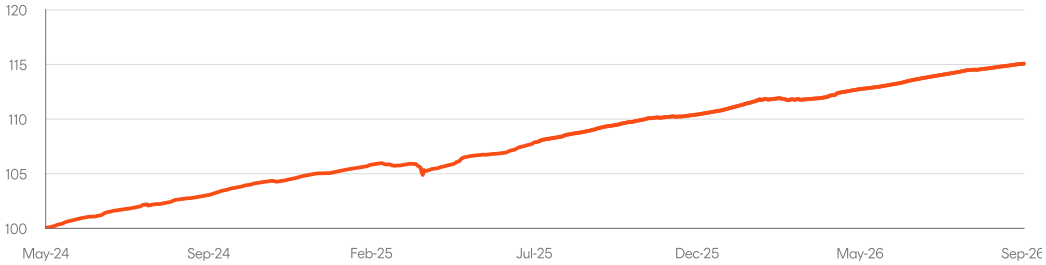
Performance

PERIOD	1 mth	3 mth	6 mth	1 yr	3 yr (p.a.)	5 yr (p.a.)	10 yr (p.a.)	Inception (p.a.)
FUND	0.34%	1.18%	2.86%	5.12%	-	-	-	6.02%
INDEX	0.35%	1.19%	2.92%	5.30%	6.44%	5.11%	-	6.20%

Calendar year performance

PERIOD	YTD	2025	2024	2023	2022	2021	2020	2019
FUND	3.89%	5.54%	-	-	-	-	-	-
INDEX	4.01%	5.82%	7.53%	7.60%	0.58%	2.17%	3.28%	-

Value of $100 invested since inception



Source: Betashares, Bloomberg. **Past performance is not indicative of future performance.**
Fund returns are calculated in A$ using net asset value per unit at the start and end of the specified period and do not reflect the brokerage or bid-ask spread that investors may incur when buying and selling units on the ASX. Returns are after fund management costs, assume reinvestment of any distributions and do not take into account income tax.

Fund information

Betashares Funds can be bought or sold during the trading day on the ASX, and trade like shares.

ASX CODE BSUB
BLOOMBERG CODE BSUB AU
IRESS CODE BSUB.AXW
DISTRIBUTIONS MONTHLY
MGT FEE* 0.29% P.A.
FUND INCEPTION 6 MAY 24

About the index

INDEX
SOLACTIVE AUSTRALIAN MAJOR BANK SUBORDINATED FRN INDEX
BLOOMBERG CODE
SOLAMBBI
NO OF COMPONENTS 13

*Other costs, such as transaction costs may apply. Please refer to the PDS for more information.

Categorisation

FIXED INCOME

REGULAR INCOME

There are risks associated with an investment in BSUB, including interest rate risk, credit risk, subordinated ranking risk, subordinated bond risk and concentration risk. Investment value can go up and down. For more information on risks and other features of BSUB, please see the Product Disclosure Statement.

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Credit quality

Top 10 exposures

Bond	Weighting
ANZ FRN Jan-34	10.0%
ANZ FRN Jan-35	9.5%
WBC FRN Aug-36	9.3%
CBA FRN Nov-32	8.3%
NAB FRN Feb-34	8.3%
CBA FRN Sep-35	8.2%
NAB FRN Nov-35	8.2%
WBC FRN Jul-34	7.6%
CBA FRN Mar-36	7.1%
ANZ FRN May-33	6.7%

Distributions

12 mth distribution yield (%)	4.8%

Yield is calculated by summing the prior 12-month per unit distributions divided by the closing NAV per unit at the end of the relevant period. Yield will vary and may be lower at time of investment. **Past performance is not indicative of future performance.**

Yield and portfolio characteristics

Running yield (% p.a.)[1]	6.20%
All in yield (% p.a.)[2]	5.88%
Estimated yield to worst (% p.a.)[3]	6.06%
Discount margin (bps)[4]	110.74
Average time to call (yrs)[5]	3.03
Modified duration (yrs)[6]	0.19
Spread duration (yrs)[7]	2.83
Average credit rating[8]	A-

1 Average coupon yield of the bonds in the portfolio (weighted by market value). Subject to change over time as interest rates and constituents change.
2 The sum of a floating-rate bond's Discount Margin and its reference benchmark rate. Subject to change over time.
3 The estimated annualised total expected return of a bond if it is held to maturity or is called, the bond does not default, and the coupons are reinvested at the Yield To Worst (YTW). The YTW is the lower of either YTM or Yield to Call (YTC), where YTC is calculated in the same way as YTM but replacing the maturity date with the call date. For floating rate securities, the estimated YTW is calculated assuming forward BBSW projections based on market pricing of the swap curve, these projections are expected to change constantly along with market pricing. The fund's YTW is the weighted average of its underlying bonds' YTWs.
4 The difference or spread between the expected return of a floating-rate bond and that of its underlying index, expressed as a margin above the underlying reference benchmark rate. Subject to change over time.
5 Average (weighted by market value) length of time until the first call date of the current bonds in the portfolio.
6 A measure of the sensitivity of the portfolio's value to a change in interest rates, e.g. modified duration of 0.15 years implies a 1% rise in the reference interest rate will reduce portfolio value by 0.15%.
7 A measure of the sensitivity of the portfolio's value to a change in the credit spread margin or discount margin (DM). For example, a Spread Duration of 2 years implies that a 1%, or 100 basis points rise in the DM will reduce the value of the portfolio by 2%.
8 Average credit rating for the bonds in the portfolio. Credit ratings are opinions only and are not to be used as a basis for assessing investment merit. Ratings are subject to change.
Source: Bloomberg. Yields do not take into account fund fees and costs.

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