



Betashares Global Sustainability Leaders ETF

ASX: ETHI

Quarterly Report - September 2025

E: info@betashares.com.au

T: 1300 487 577 (within Australia)

T: +61 2 9290 6888 (outside Australia)



Performance ¹	1 month %	3 month %	6 month %	1 year %	3 years % p.a.	Inception % p.a. ²
Fund Return (net)	0.94%	4.06%	6.99%	14.25%	20.30%	16.85%
Growth Return	0.94%	2.06%	4.93%	11.76%	16.48%	12.11%
Income Return	0.00%	2.00%	2.06%	2.49%	3.82%	4.74%
Index	0.97%	4.17%	7.20%	14.67%	20.76%	17.31%

Past performance is not a reliable indicator of future performance.

¹As at 30 September 2025. Returns are calculated after fees & expenses have been deducted and distributions have been reinvested.

²Inception date for the Fund is 5 Jan 2017.

Investment objective

The Fund aims to track the performance of an index (before fees and expenses) that provides exposure to 200 large global stocks (excluding Australia) which are "Climate Leaders" (as measured by their relative carbon efficiency) and which are not materially engaged in activities deemed inconsistent with responsible investment considerations.

Responsible entity

Betashares Capital Ltd

Distribution frequency

Semi-annual

Suggested minimum investment timeframe

At least five years

Fund facts	
Inception Date	5-Jan-17
Fund Size	\$3730.68m
Historical Tracking Error (annualised)	0.12%
ASX Code	ETHI
Bloomberg Code	ETHI.AU
IRESS Code	ETHI.ASW

Fees	% p.a.
Management fee	0.49
Recoverable expenses	0.10

Investment strategy

The Fund generally invests in a portfolio of global equity securities that comprise the Index in proportion to the weightings of the securities in the Index.

The Index includes 200 large global stocks from developed market countries (excluding Australia) that have been identified as "Climate Leaders" and that have also passed certain eligibility screens designed to exclude companies with direct or significant exposure to the fossil fuel industry or that are engaged in other activities deemed inconsistent with responsible investment considerations.

Climate Leaders are companies that have carbon efficiency that places them in the top one-third of companies in their respective industry or are otherwise superior performers in relation to "Scope 4" carbon emissions (also known as "avoided emissions").

- **Carbon impact:** calculated based on the total greenhouse gas emissions from a company's operations, fuel use, supply chain and business activities, divided by its annual revenue.
- **Avoided emissions:** superior performers are those companies involved in commercialising technologies that have net positive climate benefits through substantial greenhouse gas emission reductions (e.g. primary business activities in renewable energy, energy efficiency, sustainable agriculture and land use, and carbon sequestration).
- **Fossil fuel screen:** is applied to the universe of Climate Leaders which removes companies with any direct involvement in the fossil fuel industry, as well as companies with material indirect exposure (including, without limitation, those with particularly high use of fossil fuels).

Eligibility screens are applied to remove companies which have exposure to other activities deemed inconsistent with responsible investment considerations (subject to certain materiality thresholds):

- Gambling
- Alcohol
- Tobacco
- Junk foods
- Armaments and militarism
- Pornography
- Uranium and nuclear energy
- Human and labour rights
- Destruction of valuable environments
- Chemicals of concern
- Animal cruelty
- Lack of board diversity i.e. no women on the board of directors
- Payday lending
- ESG related reputational risk or controversy
- Mandatory detention of asylum seekers and for-profit prisons

The Index is weighted by market capitalisation, with a maximum weight per security of 4% at each annual rebalance date. Industry weights cannot exceed the corresponding industry weights of the Nasdaq Developed Markets Index (a traditional broad global equities benchmark) by more than 3%.

For more information on the Index, see the Index methodology document available on our website.

Top 10 positions ¹	%
Broadcom Inc	6.9
NVIDIA Corp	6.0
Apple Inc	4.0
Home Depot	3.8
Mastercard Inc	3.6
Visa Inc	3.4
Toyota Motor Corp	2.7
ASML Holding NV	2.1
Booking Holdings	1.6
AbbVie Inc	1.5

¹As at 30 September 2025

Industry exposure	Fund Weight % ¹
Information Technology	35.9
Financials	23.9
Consumer Discretionary	14.1
Health Care	12.1
Industrials	7.0
Real Estate	3.3
Communication Services	2.8
Materials	0.4
Utilities	0.2
Consumer Staples	0.1
TOTAL	100.00

¹As at 30 September 2025

Country allocation ¹	%
United States	75.5
Japan	7.1
Netherlands	2.9
Canada	2.7
Germany	2.2
Britain	1.7
Switzerland	1.6
France	1.6
Denmark	1.3
Other	3.3

¹As at 30 September 2025

Fund performance summary

The Fund returned 4.06% (in AUD) during the quarter. Assets increased from \$3558.13m to \$3730.68m over this period.

Information Technology and Consumer Discretionary were the largest sector contributors to total return, with returns of 9.95% and 6.99% in AUD; their contributions were 3.37% and 0.99%, respectively. Communication Services was the largest sector detractor with a return of -7.01%, and a contribution of -0.22%.

Broadcom, Nvidia, and Apple were the three largest stock contributors to total return, and with returns of 18.55%, 16.78% and 22.86% in AUD; their contributions were 1.13%, 0.90% and 0.77% respectively. Salesforce, Intuit and Novo Nordisk were the largest detractors, returning -13.91%, -14.14% and -21.52% in AUD; they contributed -0.25%, -0.21% and -0.21% respectively.

Other commentary

The latest UN plastics treaty negotiations, held in Geneva in August, collapsed without agreement after delegates failed to resolve fundamental differences over scope and ambition. The crux of the deadlock lay in diverging positions – with over 70 nations pressing for binding limits on plastic production and controls on chemical additives, while a bloc of oil-producing states, backed by the United States, resisted production caps and insisted the treaty focus narrowly on waste management, recycling and design. The deadlock left a draft treaty riddled with unresolved options and was ultimately rejected. Observers say the consensus-based process allowed a small group of countries to stall progress, and many are now calling for alternative approaches such as forming a coalition of willing nations, to keep the momentum alive. The collapse marks a serious setback in efforts to curb the 400 million tonnes of plastic produced globally each year¹.

On 24 July 2025, proxy adviser Glass Lewis filed a legal challenge against the state of Texas over a recently enacted law that limits the provision of proxy advice on certain environmental, social and governance (ESG) and diversity, equity and inclusion (DEI) matters. The legislation restricts advisers from making recommendations on shareholder resolutions deemed to advance “non-pecuniary” interests. Glass Lewis contends the measure places undue constraints on proxy advisory services and raises constitutional concerns, arguing it violates their protections under the First Amendment. The case is notable as it could influence how institutional investors access research and recommendations to inform their voting during proxy season. A ruling in favour of the law may narrow the scope of advice available to shareholders, while a decision against it could reaffirm broader discretion for proxy advisers².

¹<https://plasticfree.org.uk/2025/08/26/why-the-2025-global-plastics-treaty-collapsed-in-geneva/>

²<https://www.reuters.com/legal/government/glass-lewis-iss-sue-texas-over-law-limiting-dei-esg-proxy-advice-2025-07-24/>

Proxy voting & engagement

During the quarter, the Responsible Investment Committee (RIC) actively engaged in Proxy Voting on Environmental, Social, and Governance (ESG) resolutions for index constituents.

Voting activities in Q3 2025

	Number	Proportion of total
Votes lodged	108	100%
Votes against management	27	25%

Votes against management by topic

	Number	Proportion of total
Governance	27	100%
Social	0	0%
Environmental	0	0%

The RIC engaged with Roche Holding following reports that the company had withdrawn its diversity targets in response to recent US Executive Orders relating to DEI³. The engagement aimed to understand the nature and implications of these changes, including their impact on Roche's DEI policies and employee engagement practices.

Roche advised that it is reviewing and adjusting its global and US DEI programs to ensure compliance with the relevant Executive Orders. The company reaffirmed its ongoing commitment to DEI but did not provide specific details regarding amendments to its policies. Roche indicated that further information may be disclosed in its FY2025 Sustainability Report, expected in early 2026, which the RIC will review as part of its continued monitoring.

³<https://www.swissinfo.ch/eng/roche-scaps-global-dei-leadership-targets-on-trump-pressure/89032102>

There are risks associated with an investment in ETHI, including market risk, international investment risk, non-traditional index methodology risk and foreign exchange risk. For more information on risks and other features of ETHI, please see the Product Disclosure Statement.



CERTIFIED BY RIAA

The Betashares Global Sustainability Leaders ETF (ASX: ETHI) has 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.responsiblereturns.com.au for details*.

Important

*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.

This information is for the use of licensed financial advisers and other wholesale clients only. It must not be distributed to retail clients.

The information contained in this document is general information only and does not constitute personal financial advice. It does not take into account any person's financial objectives, situation or needs. It has been prepared by Betashares Capital Limited (ABN 78 139 566 868, Australian Financial Services Licence No. 341181) ("Betashares").

The information is provided for information purposes only and is not a recommendation to make any investment or adopt any investment strategy. Betashares assumes no responsibility for any reliance on the information in this document. Past performance is not indicative of future performance. Investments in BetaShares Funds are subject to investment risk and the value of units may go down as well as up.

Future results are inherently uncertain. This information may include opinions, views, estimates, projections, assumptions and other forward-looking statements which are, by their very nature, subject to various risks and uncertainties. Actual events or results may differ materially, positively or negatively, from those reflected or contemplated in such forward-looking statements. Forward-looking statements are based on certain assumptions which may not be correct. You should therefore not place undue reliance on such statements.

Any person wishing to invest in Betashares Funds should obtain a copy of the relevant PDS from www.betashares.com.au and obtain financial advice in light of their individual circumstances. You may also wish to consider the relevant Target Market Determination (TMD) which sets out the class of consumers that comprise the target market for the Betashares Fund and is available at www.betashares.com.au/target-market-determinations.

Betashares

T: 1300 487 577 (within Australia)

T: +61 2 9290 6888 (outside Australia)

E: info@betashares.com.au

W: betashares.com.au

@betashares

/betashares