



Stewardship report

2024





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Awards/ratings are only one factor to be taken into account when deciding whether to invest in a financial product. You should make your own assessment of the suitability of this information.

This document is dated May 2025.



Acknowledgement of Country

In the spirit of reconciliation, Betashares acknowledges the Traditional Custodians of country throughout Australia, and their connections to land, sea, and community. We pay our respect to Elders past and present, and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

On Ancient Ground, 2023
Brett Groves, acrylic on cotton, framed canvas



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1 Introduction

Welcome to the 2024 Betashares Stewardship Report. As an investment manager, we embrace our role as guardians of our clients' investments. We're excited to share the advances we've achieved in enhancing our responsible investment practices.

This report is designed to offer a clear view of our stewardship efforts, showcasing our engagement with portfolio companies to champion sustainable business practices in an evolving responsible investing landscape.

About us

Betashares is a leading Australian fund manager specialising in exchange traded funds (ETFs) and other funds traded on the Australian Securities Exchange (ASX). Since launching our first ETF more than a decade ago, Betashares has grown to become one of Australia's largest managers of ETFs. Trusted by hundreds of thousands of Australian investors, Betashares offers cost-effective, simple and liquid access to the broadest range of ETF investment solutions available on the ASX, covering almost every asset class and investment strategy. As of April 2025, Betashares has more than \$50 billion in funds under management in over 90 funds.

Betashares' range of ethical ETFs were the first ETFs in Australia to combine strict fossil fuel screens with a broad set of responsible investing screens, offering investors 'true-to-label' ethical investment options.

In April 2021, Betashares became a signatory to the United Nations (UN) Principles of Responsible Investment (PRI, the Principles). As a signatory to the Principles, Betashares is committed to implementing the six principles of responsible investment into our business practices.

In 2024, Betashares launched the Betashares NZ Sustainability Leaders Fund (NZSL) which seeks to provide exposure to a diversified portfolio of sustainable and ethical companies from New Zealand, providing New Zealand investors access to a cost efficient, tax- effective, true-to-label, values-based investment solution.

Betashares is a member of the Responsible Investment Association Australasia (RIAA). With over 500 members, RIAA is the largest and most active network of people and organisations engaged in responsible, ethical and impact investing across Australia and New Zealand. Betashares is committed to RIAA's goal of ensuring capital is aligned to achieving a healthy society, environment, and economy. In 2024, Betashares was recognised by RIAA as a Responsible Investment Leader, demonstrating a commitment to responsible investing, stewardship, and transparency.

Our approach to Responsible Investment

The Betashares Responsible Investment Policy outlines our commitment to responsible investment and stewardship, emphasising our fiduciary duty to prioritise investors' needs while being mindful of the future. In today's dynamic financial landscape, we believe the approach to Responsible Investment should be specifically tailored to each product, its target themes and exposures, and values of its investors.

Our approach to Environmental, Social, and Governance (ESG) issues in our ethical ETFs is rigorous. From shaping the investment goals and strategies to proxy voting and corporate engagements, we are dedicated to integrity. We implement comprehensive ethical screens and to maintain alignment, we complement our screening with monitoring of all investee companies on ESG-related issues via our established Responsible Investment Committee (RIC).



Our commitment to stewardship

Betashares is deeply committed to stewardship, embracing its responsibility as custodian of client assets. Investors in our ethical ETFs have a right to expect that our stewardship activities are consistent with the ethical values embedded in the ETF's index rules.

We are convinced that a company's governance, along with its approach to environmental and social challenges, directly influences long-term shareholder returns.

At its core, our stewardship approach is driven by the conviction that by responsibly managing our clients' assets, we can enable meaningful change by aligning financial success with better societal and environmental outcomes.

Key progress in 2024

In 2024, Betashares made notable advancements in responsible investing through several key initiatives:

Expansion of Ethical Investment offerings

- Betashares launched the Ethical Australian Composite Bond ETF (ASX: AEBD). AEBD offers exposure to a diversified portfolio of Australian corporate and government bonds, screened to exclude issuers with material fossil fuel exposure or other activities inconsistent with responsible investment principles.
- Betashares launched the Betashares NZ Sustainability Leaders Fund (NZSL) which seeks to provide exposure to a diversified portfolio of sustainable and ethical companies from New Zealand, providing New Zealand investors access to cost efficient, tax- effective, true-to-label, and values-based investment solutions.

Proxy Voting and Engagement

- Throughout 2024, Betashares participated in proxy voting and engagement. Engagement activities focused on remuneration concerns, biodiversity risks, human rights, animal cruelty, climate chain and supply chain sustainability.
- During the year, we undertook a review of our Responsible Investment Policy and decided to carve out our approach to stewardship by publishing a dedicated Stewardship Policy. For more information, [click here](#) to view our Stewardship Policy.

Investor outreach

- We participated in a number of conferences, advisor events and planner days and published a number of thematic ethical and responsible investing articles and papers.

Industry recognition and certifications

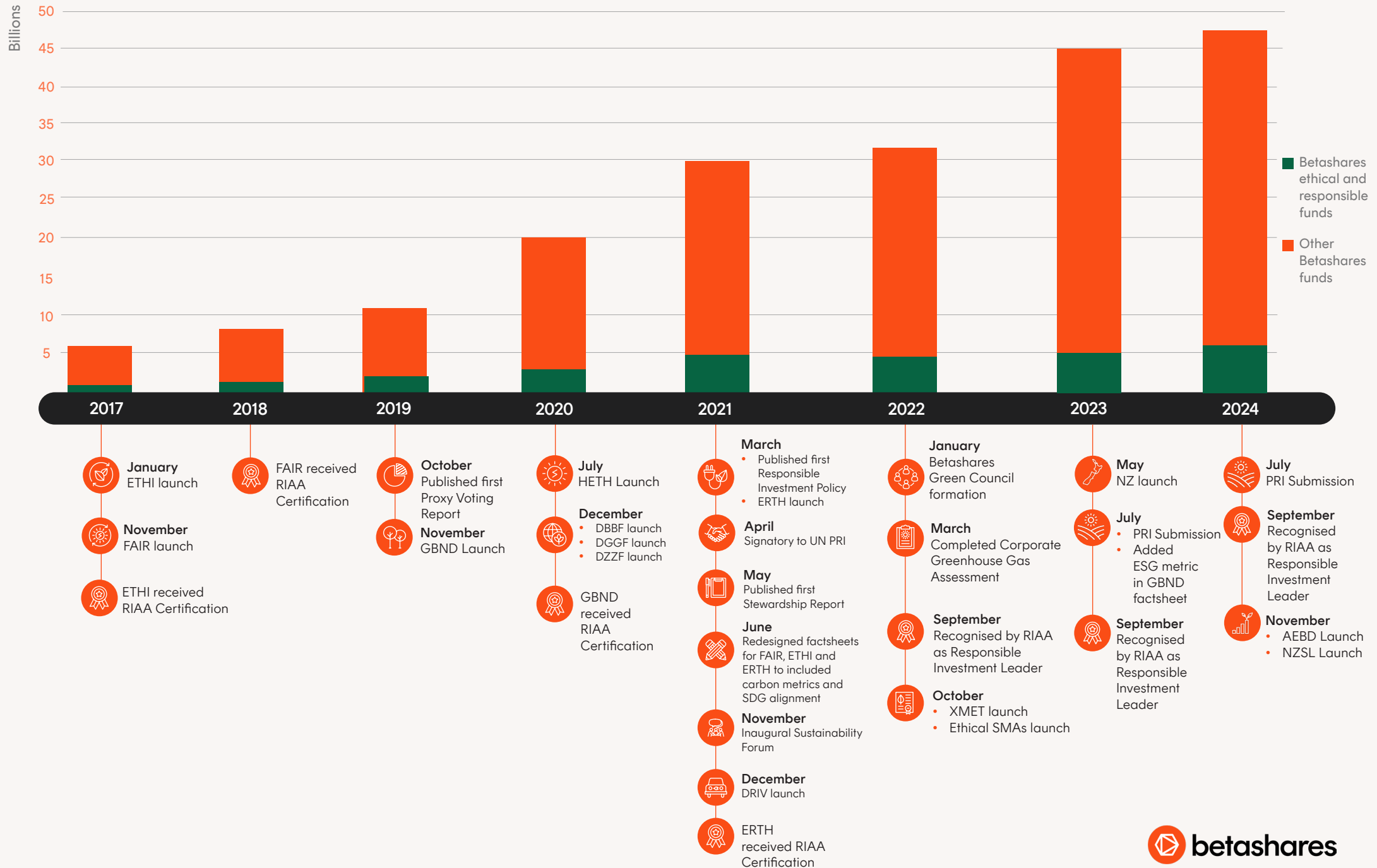
- Betashares continued its leadership role by maintaining certification from the Responsible Investment Association Australasia (RIAA) for multiple ETFs including ETHI, FAIR, ERTH, GBND, and Ethical Diversified ETFs. This certification acknowledges adherence to strict operational and disclosure standards required under the Responsible Investment Certification Program.
- The firm was again recognised as a Responsible Investment Leader by RIAA in 2024 for its robust commitment to responsible investing practices.

Ethical and Responsible Investments

Ethical investing	Impact investing	Sustainability-themed
Description		
Characterised by the use of negative screening to exclude sectors and companies involved in activities with negative environmental or social impacts, and norms-based screening to exclude companies that do not meet minimum standards of business practice based on international norms and conventions such as the UN Global Compact. Can be combined with positive screens to preference companies with positive ESG factor exposures.	Investing with the intention of achieving positive environmental or social impacts.	Investing in companies specifically related to improving environmental or social sustainability.
Betashares ETF		
Global Equities ETHI HETH Australian Equities FAIR Fixed Income GBND AEBD Ethical Diversified Funds DBBF DGGF DZZF Ethical Model Portfolio Solutions	Decarbonisation ERTH	Energy Transition Metals XMET Electric Vehicles and Future Mobility DRIV

Betashares FUM (Responsible Investment Timeline)

Source: Betashares. As at 31 December 2024



Ratings and awards

2024

Mindful Money

- Best New Ethical Investment Fund 2024 (Highly Commended) Betashares Global Sustainability Leaders Fund - NZ offering

RIAA Responsible Investment Leader 2024 recognition



Money Magazine Best ETF Manager 2024



2023

Finder Green ETF 2023

- Best International Shares ESG Fund (ASX:ETHI)

Responsible Investment Association Australasia - Responsible Investment Leader 2023



Money Magazine Best International Equities ESG Fund 2023



2022

Finder Green Awards 2022

- Green ETF of the Year: Betashares Global Sustainability Leaders ETF (ASX:ETHI)



Responsible Investment Association Australasia - Responsible Investment Leader 2022



2 Our purpose

At Betashares, we believe that investing is the key to wealth creation and securing superior financial outcomes. The money we manage is not our own. It belongs to our clients – Australians and New Zealanders investing over the long term to meet their financial goals.

Clients are at the heart of our business, and our purpose is to help as many clients as possible to achieve their financial objectives.

Betashares has a history of innovation and a reputation as a pioneer in the Australian ETF industry. Since our inception, our aim has been to make investing a positive force. We are privileged to serve an inspiring group of individuals, families, not-for-profits, institutions, and financial advisers across Australia.

We make investing accessible and affordable, and offer the broadest range of ETFs on the ASX – guided by our core principles: simplicity, cost-effectiveness, and transparency. Whether clients are looking to grow their savings, invest in super, or are just getting started on reaching their financial goals,

Betashares strives to enable every Australian to financially progress.

We recognise the role that investment managers can play in promoting responsible investment practices, and our position in being able to positively influence the way business is conducted, for the greater good of all stakeholders.

Betashares aims to conduct its operations with respect for the environment, to be socially minded and community focused, and to adhere to a transparent governance framework. We believe we can pursue the dual mandate of delivering financial well-being for our stakeholders as well as thriving as a business. This approach guides us through our partnerships with clients and suppliers, as investors in financial markets, our business practices, as employers, and as members of the community.

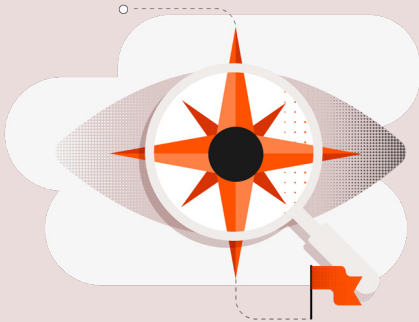
Our mission is to be the leading independent, customer-focused financial services brand in Australia.

3 Our culture and values

Betashares was launched with the vision to create intelligent and accessible investment solutions for Australian investors. Our dedication to helping Australian investors achieve their financial goals has seen Betashares grow from being a challenger to a market leader. Our core values are integrity, humility, care, and innovation.

Our people are the heart of our business and leveraging our diverse life experiences, distinct capabilities and skillsets is the key to our success. We value these differences but are cognisant that we must create the right environment to flourish. We are proud of the culture we have built, and we continue to focus on maintaining an inclusive outcomes-focused environment underpinned by trust, that encourages innovation, values collaboration, and rewards hard work.

A strong moral compass



Ambition, combined with humility



Care



Innovation



4

Betashares in the community



Reconciliation Action Plan

Betashares completed its Reflect Reconciliation Action Plan (RAP) in March 2024. Beginning our journey with a Reflect RAP, Betashares dedicated time to engage with Aboriginal and Torres Strait Islander stakeholders, define our vision for reconciliation, and explore actionable steps to promote it. Central to this process was the establishment of a dedicated RAP Working Group (RWG), comprising representatives from all areas of our business. Our Reflect RAP is available on our [website](#).

Betashares has signalled its intention to Reconciliation Australia to develop an Innovate RAP over the course of 2025/26.

In 2024 Brett Groves, the artist behind Bilingarra, Indigenous Art & Culture Centre, based on Dharug and Gundungurra land hosted a Connect to Country Art Workshop in Betashares' Sydney office, sharing his profound connection to his heritage. Betashares staff created their own artwork and engaged with the rich Aboriginal cultural that Brett brought to life.

5 Our range of ethical and responsible investment products

Ethical Products

Single asset class funds

Fund	ASX Ticker	Investment Exposure	Index
Betashares Global Sustainability Leaders ETF	ETHI	Large global companies (currency hedged or unhedged) ¹	Nasdaq Future Global Sustainability Leaders Index
Betashares Global Sustainability Leaders Currency Hedged ETF	HETH		Nasdaq Future Global Sustainability Leaders Currency Hedged AUD Index
Betashares Australian Sustainability Leaders ETF	FAIR	ASX-listed companies	Nasdaq Future Australian Sustainability Leaders Index
Betashares Global Green Bond Currency Hedged ETF	GBND	Global Green bonds	Solactive Global IG Fixed Rate Green Bond Index - AUD Hedged
Betashares Ethical Australian Composite Bond ETF	AEBD	Diversified ethically-screened portfolio of Australian bonds	Bloomberg Australian Enhanced Yield Ethically Screened Composite Bond Index

Each of the single asset class funds is an 'index fund'. This means the objective of the fund is to track the performance of a specific index, before fees and expenses. An index measures the performance of a portfolio of securities that has been constructed in accordance with specific rules (the index rules). Well-known indices include the S&P/ASX 200 and the Nasdaq 100. The index that each of our single asset class ethical funds aims to track is set out in the table above.

¹HETH currently obtains its investment exposure by investing in ETHI.

Diversified Funds

Fund	ASX Ticker	Investment Exposure
Betashares Ethical Diversified Balanced ETF	DBBF	These ethical multi asset funds provide exposure to a passive blending of asset classes, including Australian and global shares and bonds, according to their strategic asset allocations.
Betashares Ethical Diversified Growth ETF	DGGF	
Betashares Ethical Diversified High Growth ETF	DZZF	

The Diversified funds provide all-in-one exposure to a range of asset classes and are built using differing combinations of the single asset Class ethical funds.

Managed Accounts

Fund	Investment Exposure
Betashares Australian Sustainability Leaders model	<p>The Australian Sustainability Leaders portfolio comprises the largest and most liquid names from the FAIR portfolio.</p> <p>The ethical multi-asset managed accounts comprise the Australian Sustainability Leaders portfolio and allocations to ETHI and GBND.</p>
Betashares Ethical Diversified – Balanced model	
Betashares Ethical Diversified – Growth model	
Betashares Ethical Diversified – High Growth model	

Impact Investing Products

Fund	ASX Ticker	Investment Exposure	Index
Betashares Climate Change Innovation ETF	ERTH	Global companies	Solactive Climate Change and Environmental Opportunities Index



NZ Investment Exposure

Fund	Investment Exposure
Betashares Australian Sustainability Leaders Fund	ASX-listed companies
Betashares Global Sustainability Leaders Fund	Large global companies (currency unhedged)
Betashares Global Sustainability Leaders Fund (NZD Hedged)	Large global companies (currency hedged)
Betashares NZ Sustainability Leaders Fund	NZX or ASX-listed companies headquartered in New Zealand



Sustainability-themed Products

Fund	ASX Ticker	Investment Exposure	Index
Betashares Electric Vehicle and Future Mobility ETF	DRIV	Global companies	Solactive Future Mobility Index
Betashares Energy Transition Metals ETF	XMET	Global companies	Nasdaq Sprott Energy Transition Materials Select Index

6 Investment process

Betashare's suite of funds offer a broad range of investment strategies designed to give investors access to investment markets, sectors, or themes in an efficient and cost-effective manner. Some of these strategies specifically target ESG-related themes or employ negative and norms-based screens. In all instances, we seek to be transparent as to the extent to which ESG considerations are incorporated into product design, portfolio construction and security selection processes.

In our Ethical & Responsible Investment funds, the rules and guidelines that govern how each of the single asset class funds invests are described in detail in the index methodology associated with the fund. You can find the index methodology for each fund on the Betashares website. Because our diversified funds invest solely in the single asset class funds, the ESG characteristics of the diversified funds match the characteristics of these underlying funds.

Negative, Norms-based and Positive Screening

The index rules for our Ethical & Responsible funds incorporate 'negative screening', 'norms-based screening' and 'positive screening'. Negative screens are applied to the activities that the fund 'screens out', meaning that companies or issuers engaging in these activities are excluded from the index, and therefore consideration for investment by the funds. The use of comprehensive negative screens has the objective of excluding companies involved in activities with negative environmental or social impacts (noting dependent on the activity, materiality thresholds may be applied).

In 2024, we continued to work with our index providers to refine the negative screens for our ethical products. A list of the negative screens applied to our ethical products is included in Appendix A.

Norms-based screening aims to exclude companies that do not meet minimum standards of business practice based on international norms and conventions. These are documented in treaties and conventions such as the 10 principles of the UN Global Compact, the UN Declaration of Human Rights, the International Bill of Human Rights, and the OECD Guidelines for Multinational Enterprises. Norms-based screening is usually, although not always, done on a reactionary basis following a controversy that has come to light. In our ethical suite of products, the RIC continually monitors portfolios for controversy.

Negative screening can be combined with positive screens to preference companies with positive ESG factor exposures.

In our ethical suite of products, while positive screening varies between funds, the purpose and philosophy is the same: to weight the portfolios towards companies and issuers that are contributing to a more sustainable future. In ETHI, we favour climate leaders, being those companies operating with a carbon intensity (measured as tons of CO2 emitted per US million dollars of revenue) that is superior to their industry peers.

In FAIR, preference is given to companies that have been identified as 'Sustainability Leaders'. The criteria for classifying companies as Sustainability Leaders have been determined with reference to the United Nations Sustainable Development Goals (UN SDGs) and their underlying targets. GBND consists of ethically screened 'green bonds', being bonds that have been issued specifically to fund projects with environmental or climate benefits. GBND uses the Climate Bond Initiative Climate Bonds Taxonomy in determining which green bonds are eligible for index inclusion.

The negative and positive screens, as set out in the index rules, are what drive the additions to, and deletions from, our ethical funds.

Set out on the next page is a sample of companies selected for investment, or screened out, during 2024, as a result of the investment process described above.

Sample of companies

Screened out	Included
Roblox Corp (RBLX): The company was excluded under the controversy screen following allegations that related to harmful content and predatory behaviour targeting children on its platform.	Macquarie Technology Group (MAQ): Macquarie Technology Group is an Australian data center, cloud, cyber security and telecom company for mid-large business and government customers
Mercedes-Benz Group (MBG): The company was excluded under the armaments and militarism screen as new data revealed that the business was involved in the manufacture of armour-protected trucks.	Infratil Ltd (IFT): Infratil Limited is a New Zealand-based infrastructure investment company. It owns renewable energy, digital infrastructure, airports, and healthcare assets with operations in New Zealand, Australia, Asia, the US and Europe.
Intuitive Surgical (ISRG): The company was excluded under the controversy screen as its faces ongoing product liability lawsuits relating to the risk of death and injury to patients.	Enphase Energy (ENPH): Enphase Energy, Inc. is an American energy technology company headquartered in Fremont, California, that develops and manufactures solar micro-inverters, battery energy storage, and EV charging stations primarily for residential customers.
Dexus (DXS): The company was excluded under the fossil fuel screen due to its ownership of a gas distribution company following the acquisition of AMP Capital's real estate and infrastructure assets.	Global Payments Inc. (GPN): Global Payments Inc. is an American multinational financial technology company that provides payment technology and services to merchants, issuers and consumers. The company divested the part of its business which provided services to gambling companies.
IGO Ltd (IGO): The company was excluded under the chemicals of concern screen for its use of hazardous chemicals including cyanide in its operations as a gold mining company.	Suzuki Motor (7269): Suzuki Motor Corporation is a Japanese multinational mobility manufacturer known for producing automobiles, motorcycles, all-terrain vehicles (ATVs), outboard marine engines, and other small internal combustion engines. The company's board composition improved over the course of the year, which resulted in it passing the board gender diversity screen.



Responsible Investment Committee (RIC)






Under the index rules for our ethical funds (FAIR, ETHI, GBND), the responsibility for applying negative and norms-based screening rests with the RIC. The RIC also determines the proxy voting policies of the funds and drives corporate engagement efforts.

The RIC comprises one Betashares representative and two external representatives with experience and expertise in responsible investing. As at 31 March 2025 the membership of the RIC is:

- **Greg Liddell (Chair)**
Director – Responsible Investment, Betashares
- **Kylie Charlton**
Managing Director, Australian Impact Investments
- **Jackie Radisich**
Head of Sustainable Investments, Future Group
(Replacement for Emily Flood, Chief Impact Officer while on parental leave)

Under the index rules for our newly launched ethical funds (AEBD and NZSL), the responsibility of applying negative and norms-based screening rests with an internal RIC. The internal RIC, which is appointed by Betashares, consists of individuals with the necessary skills and expertise that is consistent with the roles and responsibilities for a member of the RIC as per the Responsible Investment Committee Charter.

7 Key relationships

Index providers		Solactive is a German-based index provider that develops tailor-made index solutions for leading global asset managers and investment banks. It is a key provider for our ethical suite of products.
		Nasdaq Inc is an American multinational business which operates an index provider business and owns and operates three stock exchanges in the US and seven European stock exchanges. It is a key index provider for our ethical suite of products.
ESG research partners		Holon IQ is the world-leading research and analytics platform for the global impact economy.
		Institutional Shareholder Services (ISS) is a leading provider of corporate governance, proxy voting, and responsible investment solutions.
Data partners		Bloomberg is one of the world's largest financial software and data companies.



8 Modern Slavery

Betashares is committed to identifying, monitoring and mitigating modern slavery risks within our business and supply chains.

Modern slavery involves serious forms of exploitation such as trafficking in persons, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services, and the worst forms of child labour.

We understand modern slavery can occur in many forms, including human trafficking and forced labour. Betashares takes a risk-based approach to identifying, mitigating and managing modern slavery risks that may be present within our supply chain.

Our approach to reducing the risk of modern slavery within our supply chains and our operations is guided by the UN Guiding Principles on Business and Human Rights and the United Nations Global Compact.

More information on how we approach modern slavery as outlined in our modern slavery statement can be found under the [Modern Slavery Statements Register](#).



9 Conflicts of interest

Betashares is aware of its fiduciary duty to clients, and in this context the importance of managing Conflicts of Interest (COI) and ensuring investors maintain confidence in us.

We have developed a COI framework that seeks to identify, assess and manage all COI identified within our business operations. For example, we have implemented ongoing COI staff training, and each identified COI is assessed on its own merit with appropriate controls implemented that are reviewed on an ongoing basis.

In the interest of independence, the COI framework is overseen by our compliance function.

10 Engagement

The Betashares investment process is designed to ensure that funds invest in a manner which is transparent and rules-based*. In our ethical suite of products, we endeavour to ensure we only invest in companies whose business operations meet the strict ethical rules and guidelines described in the index methodology.

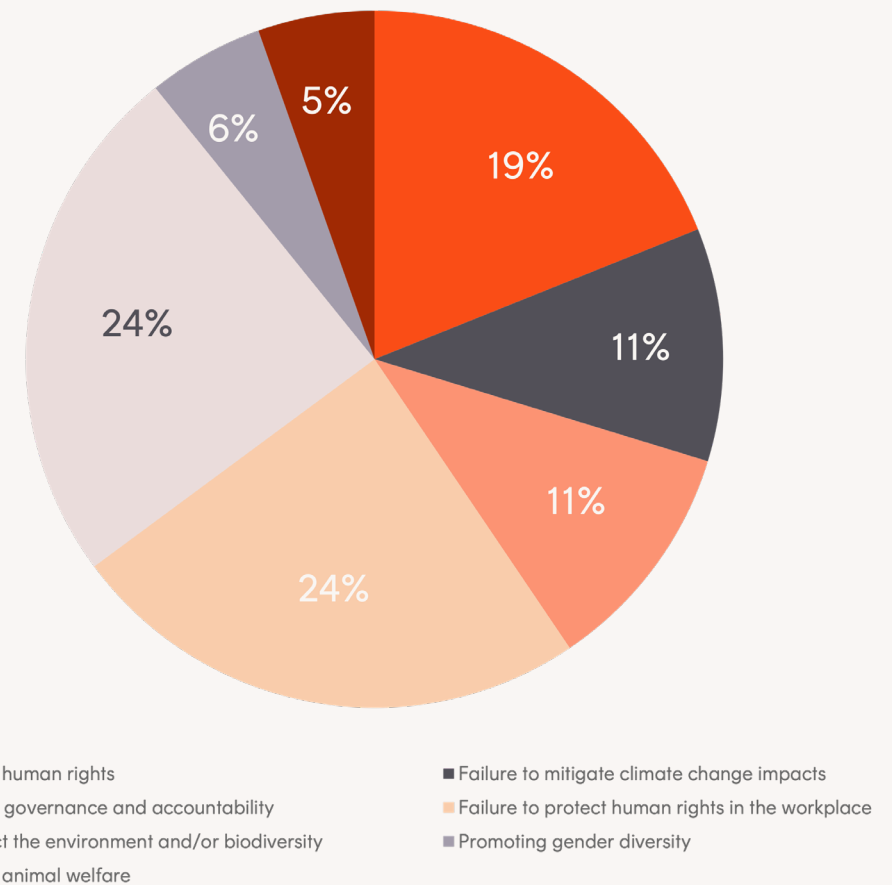
With particular regard to our ethical products, we tailor our approach to engagement to ensure alignment with the values implicit in the index construction methodology and the expectations of our investors.

In 2024, we continued to have a high level of engagement with the companies in our ethical product suite. We also increased the level of engagement with companies held outside that suite of products.

Our approach to engagement depends in each case on the unique situation that has prompted the interaction. Our strategy takes into account the company's track record, how proactive it has been in response to the issue, and how willing it is to engage with us.

Some examples of our engagement efforts in 2024 are set out in the case studies on the next page.

Betashares engagement 2024



*Excluding our active ETFs where management is outsourced to active managers.

Case studies

Tesla, Inc.

In 2024, ahead of Tesla's Annual General Meeting we conducted a comprehensive review of Tesla's remuneration report with a focus on the structure, size and performance metrics tied to Elon Musk's executive compensation package. We engaged with Tesla's legal counsel and investor relations team to express our concerns and gain a better understanding of the rationale behind this remuneration package. During our call, Tesla focused on highlighting that the package had been approved in 2018, and Elon had delivered on all his performance metrics over the past five years. We were not satisfied with the response as Tesla failed to address the size of the package and the large (~9%) shareholder dilution that would occur if the proposal were passed. We decided to vote against Elon Musk's remuneration package.

The Home Depot, Inc.

We engaged with The Home Depot, Inc. in relation to its updated 2024 Forestry Policy and Sustainable Forestry Report. This was released following previous shareholder action through proxy voting, demonstrating the demand among shareholders for further transparency on these topics. While releasing this report was a step in the right direction, the report did not address concerns around supply chain traceability and protection of Canadian boreal forests. The engagement sought to better understand how Home Depot planned on managing these risks within its supply chain.

In its response, Home Depot indicated that it was taking a number of steps to improve the overall traceability of its wood supply chain, including enhancing wood survey processes and additional due diligence measures to verify sourcing, including audits. We were satisfied with this response and will continue to monitor and engage with Home Depot to ensure that it continues to improve its responsible sourcing practices.

Woolworths Group

We engaged with Woolworths Group relating to concerns about its sourcing of farmed salmon from Macquarie Harbour in Tasmania, and its seafood sustainability commitments. We expressed concern about the "Responsibly Sourced" label on salmon products from Macquarie Harbour, citing potential environmental and biodiversity impacts, particularly on the endangered Maugean Skate, and urged Woolworths to cease sourcing farmed salmon from Macquarie Harbour, review its reliance on third-party certification schemes, and enhance due diligence by engaging independent sustainability experts.

In its response, Woolworths said that it continues to evaluate its seafood sustainability practices and is conducting continuous ongoing assessment of its due diligence practices. We were not satisfied with the response and decided to support the 'Save the Skate' campaign and support a shareholder resolution calling on Woolworths to cease sourcing farmed salmon from Macquarie Harbour.

WiseTech Global

We engaged with WiseTech Global following media reports relating to the alleged actions and behaviours of CEO Richard White in his personal capacity, and that the company had failed to disclose the salary of a key management personnel between 2017 and 2020. We met with the Chair to understand the steps being taken to address shareholder concerns relating to the media reports. The company subsequently released an initial report into the findings of a review that was conducted following the media reports. Following the release of the initial findings, we wrote to the company requesting further information and detail relating to the findings and review. We will continue to monitor and engage with WiseTech to ensure that it addresses shareholder concerns relating to board and corporate governance.

Woodside Energy

We met with Woodside Director and Chair of the Human Resources and Compensation Committee Arnaud Breuillac to discuss a range of issues. These included remuneration arrangements for senior executives and whether it was in the interest of shareholders for fossil fuel companies facing climate change transition risks to incorporate production volume metrics in bonus structures. We advocated for incentive structures to be primarily based on total shareholder return (absolute or relative) subject to positive gating. We also discussed the rejection by shareholders of the company's second Climate Transition Action Plan. Mr Breuillac said the company had no plans to put a third 'Say on Climate' vote to shareholders in the near term. We will continue to engage with Woodside on its climate transition plans.



11 Voting

We have undertaken proxy voting across a number of our equity funds, with the exception of those products where their small size makes it uneconomical to do so. We vote proxies in accordance with a policy specifically designed to align with UN PRI stewardship frameworks.

In relation to the ETHI, FAIR and ERTH ETFs, our policy is to vote on ESG-related shareholder resolutions in a way that is consistent with the values embodied in the index rules for each fund. We apply a somewhat more progressive proxy voting policy in these products.

The table below provides details of our voting on shareholder and ESG related resolution for FAIR, ETHI and ERTH. We voted in favour of shareholder resolutions across a range of issues, including seeking to require companies to adopt or improve climate-related or sustainability-related disclosure, increase gender pay transparency, report on political donations and lobbying, and report on animal welfare.

In the year to December 2024, we voted on more than 100 shareholder-initiated ESG-related resolutions, of which we supported 67% of the resolutions. The table below provides additional information for all the ESG-related resolutions we voted on, including the rationale for our voting decisions*.

Note that Betashares publishes a full listing of all proxies voted at the end of each financial year.

* There is no direct voting activity within HETH or the Diversified funds since these funds do not hold equities directly, rather they invest in FAIR, ETHI and GBND as relevant. Similarly, voting is a right that attaches to equity ownership, so GBND (which holds bonds) does not participate in shareholder voting activities.

Betashares ESG-Related Proxy Voting Report – year ending December 2024

Betashares Global Sustainability Leaders ETF (ASX: ETHI)

Betashares Australian Sustainability Leaders ETF (ASX: FAIR)

Betashares Climate Change Innovation ETF (ASX: ERTH)

This report summarises the proxy voting record for the named funds in relation to ESG-related resolutions only.

Company Name	Ticker	Meeting Date	Proposal Text	Management Recommendation	Vote Instruction	Voting Rationale
AbbVie Inc.	ABBV	03-May-24	Adopt Simple Majority Vote	Against	For	A vote 'FOR' this proposal was warranted as the elimination of supermajority vote requirements would improve shareholder rights.
AbbVie Inc.	ABBV	03-May-24	Report on Lobbying Payments and Policy	Against	For	A vote 'FOR' this proposal' was warranted, as more comprehensive information comparing the company's public policy statements and its political contributions and lobbying efforts would benefit shareholders in assessing its management of related risks.
AbbVie Inc.	ABBV	03-May-24	Report on Impact of Extended Patent Exclusivities on Product Access	Against	For	A vote 'FOR' this proposal was warranted, as shareholders would benefit from increased disclosure of the company's processes and oversight mechanisms for managing risks related to anti-competitive practices.
Adobe Inc.	ADBE	17-Apr-24	Require a Majority Vote Standard for the Election of Directors with Mandatory Resignation Policy	Against	Against	A vote 'AGAINST' this proposal was warranted, as there are no recurring issues regarding failed director elections at the company.
Adobe Inc.	ADBE	17-Apr-24	Report on Hiring of Persons with Arrest or Incarceration Records	Against	For	A vote 'FOR' this proposal was warranted as it would enable shareholders to understand how the company is assessing and managing the progress of its various diversity and inclusion initiatives.
American Express Company	AXP	06-May-24	Submit Severance Agreement to Shareholder Vote	Against	For	A vote 'FOR' this proposal was warranted as increased transparency would enable improved shareholder rights and oversight.
American Express Company	AXP	06-May-24	Report on Climate Lobbying	Against	For	A vote 'FOR' this proposal was warranted as increased disclosure would enable shareholders to assess how the company is addressing any misalignments between its direct and indirect lobbying activities and its public commitment to achieve net zero emissions.

Company Name	Ticker	Meeting Date	Proposal Text	Management Recommendation	Vote Instruction	Voting Rationale
American Express Company	AXP	06-May-24	Report on Company's Policy on Merchant Category Codes	Against	Against	A vote 'AGAINST' this proposal was warranted as the company is taking appropriate action to mitigate risks associated with the potential implementation of a merchant category code for standalone gun and ammunition stores.
Apple Inc.	AAPL	28-Feb-24	Report on Risks of Omitting Viewpoint and Ideological Diversity from EEO Policy	Against	Against	A vote 'AGAINST' this proposal was warranted, as the company is providing shareholders with sufficient disclosure around its diversity and inclusion efforts.
Apple Inc.	AAPL	28-Feb-24	Report on Standards and Procedures to Curate App Content	Against	Against	A vote 'AGAINST' this proposal was warranted as Apple has improved its disclosure around its management of government information requests and now provides sufficient information and has established clear developer guidelines for shareholders to evaluate its performance.
Apple Inc.	AAPL	28-Feb-24	Report on Median Gender/Racial Pay Gap	Against	For	A vote 'FOR' this proposal was warranted, as median pay gap statistics would allow shareholders to compare and measure the progress of the company's diversity and inclusion initiatives.
Apple Inc.	AAPL	28-Feb-24	Report on Use of Artificial Intelligence	Against	For	A vote 'FOR' this proposal was warranted as increased transparency and disclosure of the company's use and policies regarding artificial intelligence will address shareholder concerns around the use of artificial intelligence.
Apple Inc.	AAPL	28-Feb-24	Report on Congruency of Company's Privacy and Human Rights Policies with its Actions	Against	Against	A vote 'AGAINST' this proposal was warranted as the company provides shareholders with sufficient disclosure to assess its management of human rights risks related to its operations in high-risk markets.
Applied Materials, Inc.	AMAT	07-Mar-24	Report on Lobbying Payments and Policy	Against	For	A vote 'FOR' this proposal' was warranted, as more comprehensive information comparing the company's public policy statements and its political contributions and lobbying efforts would benefit shareholders in assessing its management of related risks.
Applied Materials, Inc.	AMAT	07-Mar-24	Report on Median and Adjusted Gender/Racial Pay Gaps	Against	For	A vote 'FOR' this proposal was warranted, as median pay gap statistics would allow shareholders to compare and measure the progress of the company's diversity and inclusion initiatives.
Autodesk, Inc.	ADSK	16-Jul-24	Provide Right to Call a Special Meeting	Against	For	A vote 'FOR' this proposal was warranted as the right to call special meetings at a 15 percent ownership threshold would enhance shareholders rights.
AutoZone, Inc.	AZO	18-Dec-24	Provide Right to Call a Special Meeting at a 10 Percent Ownership Threshold	Against	For	A vote 'FOR' this proposal was warranted as the right to call special meetings at a 10 percent ownership threshold would enhance shareholders rights.

Company Name	Ticker	Meeting Date	Proposal Text	Management Recommendation	Vote Instruction	Voting Rationale
Badger Meter, Inc.	BMI	26-Apr-24	Report on Hiring of Persons with Arrest or Incarceration Records	Against	For	A vote 'FOR' this proposal was warranted as additional information could help shareholders better understand how the company is assessing and managing the progress of its various diversity and inclusion initiatives.
Booking Holdings Inc.	BKNG	04-Jun-24	Amend Clawback Policy	Against	For	A vote 'FOR' this proposal was warranted as the company's current clawback policy does not provide for the disclosure of the amounts and circumstances surrounding all recoupments. Such disclosure would benefit shareholders.
Booking Holdings Inc.	BKNG	04-Jun-24	Report on Risks Related to Fulfilling Information Requests for Enforcing Laws Criminalising Abortion Access	Against	For	A vote 'FOR' this proposal was warranted, as additional disclosure on the potential risks and costs associated with the fulfilment of information requests for the enforcement of state laws related to reproductive rights would allow shareholders to assess how the company is managing such risks.
Bristol-Myers Squibb Company	BMJ	07-May-24	Require Independent Board Chair	Against	For	A vote 'FOR' this proposal was warranted given the importance of having an independent chairman of the board.
Bristol-Myers Squibb Company	BMJ	07-May-24	Adopt Share Retention Policy For Senior Executives	Against	For	A vote 'FOR' this proposal was warranted as the adoption of more stringent stock ownership requirements would more meaningfully align executives' interests with long-term shareholder value.
Capital One Financial Corporation	COF	02-May-24	Adopt GHG Emissions Reduction Targets Associated with Lending and Investment Activities	Against	For	A vote 'FOR' this proposal was warranted. Shareholders would benefit from the company's adoption of absolute reduction targets, as it would help evaluate how the company is managing decarbonisation risks.
Capital One Financial Corporation	COF	02-May-24	Report on Civil Rights and Non-Discrimination Audit	Against	Against	A vote 'AGAINST' this resolution was warranted as Capital One appears to be taking appropriate measures to address the risk of reverse discrimination against "non-diverse" populations.
CDW Corporation	CDW	21-May-24	Report on Political Contributions	Against	For	A vote 'FOR' this resolution was warranted, as additional reporting on the company's political contributions and policies would benefit shareholders in assessing its management of related risks.
Centene Corporation	CNC	14-May-24	Adopt Near and Long-Term Science-Based GHG Emissions Reduction Targets Aligned with Paris Agreement Goal	Against	For	A vote 'FOR' this resolution was warranted. Additional disclosure about the company's GHG emission reduction targets and climate transition plan would help shareholders better evaluate the company's strategy around the transition to a low-carbon economy and its management of related risks and opportunities.

Company Name	Ticker	Meeting Date	Proposal Text	Management Recommendation	Vote Instruction	Voting Rationale
Cognizant Technology Solutions Corporation	CTSH	04-Jun-24	Adopt Policy on Fair Treatment of Shareholder Nominees	Against	Against	A vote 'AGAINST' this proposal was warranted as the proponent has not provided a compelling argument that the proposed policy would materially protect or improve shareholders' rights.
Comcast Corporation	CMCSA	10-Jun-24	Report on Congruency of Political Spending with Company Stated Values	Against	For	A vote 'FOR' this proposal was warranted, as a report on the company's congruence of political expenditures with stated values would enable shareholders to have a more comprehensive understanding of how the company oversees and manages risks related to its political partnerships.
CVS Health Corporation	CVS	16-May-24	Commission Third Party Assessment on Company's Commitment to Freedom of Association and Collective Bargaining Rights	Against	For	A vote 'FOR' this proposal was warranted. A third-party assessment would help shareholders better evaluate various allegations related to freedom of association and collective bargaining and the company's management of any associated risks.
CVS Health Corporation	CVS	16-May-24	Adopt Director Election Resignation Bylaw	Against	Against	A vote 'AGAINST' this proposal was warranted, as there are no recurring issues regarding failed director elections at the company that would suggest the proposed policy is needed.
CVS Health Corporation	CVS	16-May-24	Submit Severance Agreement (Change-in-Control) to Shareholder Vote	Against	For	A vote 'FOR' this proposal was warranted as increased transparency would enable improved shareholder rights and oversight.
CVS Health Corporation	CVS	16-May-24	Adopt Policy to Require Director Allocation of Hours Disclosure	Against	Against	A vote 'AGAINST' this proposal was warranted given that CVS discloses detailed requirements and procedures that directors must follow in order to join another private or public board, and there are no concerns with overboarding at CVS.
Docusign, Inc.	DOCU	29-May-24	Report on Effectiveness of Diversity, Equity, and Inclusion Efforts	Against	For	A vote 'FOR' this resolution was warranted, as reporting quantitative and comparable diversity statistics would allow shareholders to better assess the effectiveness of the company's diversity initiatives and its management of related risks.
Ecolab Inc.	ECL	02-May-24	Require Independent Board Chair	Against	For	A vote 'FOR' this proposal was warranted given the importance of having an independent chairman of the board.
First Solar, Inc.	FSLR	08-May-24	Provide Right to Call a Special Meeting at a 10 Percent Ownership Threshold	Against	For	A vote 'FOR' this proposal was warranted as the right to call special meetings at a 10 percent ownership threshold would enhance shareholders rights.

Company Name	Ticker	Meeting Date	Proposal Text	Management Recommendation	Vote Instruction	Voting Rationale
Ford Motor Company	F	09-May-24	Approve Recapitalization Plan for all Stock to Have One-vote per Share	Against	For	A vote 'FOR' this proposal was warranted, as it would provide shareholders of the company with equal voting rights on all voting items.
Ford Motor Company	F	09-May-24	Report on Reliance on Child Labor in Supply Chain	Against	For	A vote 'FOR' this proposal was warranted, as additional information on the company's efforts to eliminate child labor from its supply chain would allow investors to better understand how the company is managing human rights-related risks in its supply chain.
Ford Motor Company	F	09-May-24	Report on Sustainable Sourcing Policies	Against	For	A vote 'FOR' this proposal was warranted as the additional information would allow shareholders to determine how the company is managing and mitigating the related risks.
Gilead Sciences, Inc.	GILD	08-May-24	Adopt a Policy to Include Non-Management Employees as Prospective Director Candidates	Against	For	A vote 'FOR' this proposal was warranted, as an employee representative director would enable more robust oversight of issues related to the company's employees and their concerns.
Gilead Sciences, Inc.	GILD	08-May-24	Report on Risks of Supporting Abortion	Against	Against	A vote 'AGAINST' this proposal was warranted, as the potential risks of issuing the requested report seem to outweigh the risks associated with the company's current practices and disclosures.
Gilead Sciences, Inc.	GILD	08-May-24	Adopt Share Retention Policy For Senior Executives	Against	For	A vote 'FOR' this proposal was warranted as the more rigorous guidelines recommended by the proponent may address concerns about creating a strong link between the interests of top executives and long-term shareholder value.
Illinois Tool Works Inc.	ITW	03-May-24	Submit Severance Agreement to Shareholder Vote	Against	For	A vote 'FOR' this proposal was warranted as increased transparency would enable improved shareholder rights and oversight.
Intuit Inc.	INTU	18-Jan-24	Report on Climate Risk in Retirement Plan Options	Against	For	A vote 'FOR' this resolution was warranted as it would enable shareholders to evaluate the company's strategy and management of related risks.
Laboratory Corporation of America Holdings	LH	14-May-24	Submit Severance Agreement (Change-in-Control) to Shareholder Vote	Against	For	A vote 'FOR' this proposal was warranted as increased transparency would enable improved shareholder rights and oversight.
Laboratory Corporation of America Holdings	LH	14-May-24	Report on Transport of Nonhuman Primates Within the U.S.	Against	For	A vote 'FOR' this resolution was warranted because shareholders would benefit from additional disclosure about steps the company is taking to mitigate risks related to animal welfare in its transport of non-human primates.

Company Name	Ticker	Meeting Date	Proposal Text	Management Recommendation	Vote Instruction	Voting Rationale
Laboratory Corporation of America Holdings	LH	14-May-24	Report on Risks Related to Fulfilling Information Requests for Enforcing Laws Criminalising Abortion Access	Against	For	A vote 'FOR' this proposal was warranted, as additional disclosure on the potential risks and costs associated with the fulfilment of information requests for the enforcement of state laws related to reproductive rights would allow shareholders to assess how the company is managing such risks.
Mastercard Incorporated	MA	18-Jun-24	Report on Lobbying Payments and Policy	Against	For	A vote 'FOR' this proposal was warranted, as additional disclosure of the company's direct and indirect lobbying related expenditures would help shareholders better assess the risks and benefits associated with the company's participation in the public policy process.
Mastercard Incorporated	MA	18-Jun-24	Amend Director Election Resignation Bylaw	Against	Against	A vote 'AGAINST' this proposal was warranted, as there are no recurring issues regarding failed director elections at the company that suggest a mandatory resignation policy is needed, and there are arguable concerns that the proposal may not be in compliance with Delaware law.
Mastercard Incorporated	MA	18-Jun-24	Report on Congruency of Company's Privacy and Human Rights Policies with its Actions	Against	Against	A vote 'AGAINST' this proposal was warranted, as the company is providing sufficient disclosure regarding its human rights and data privacy efforts.
Mastercard Incorporated	MA	18-Jun-24	Report on Congruency of Company's Human Rights Statement with Charitable Contributions and Voluntary Partnerships	Against	Against	A vote 'AGAINST' this proposal was warranted as the company provides sufficient disclosure regarding its charitable contributions.
Mastercard Incorporated	MA	18-Jun-24	Report on Gender-Based Compensation and Benefits Inequities	Against	Against	A vote 'AGAINST' this resolution was warranted as the company is improving its gender pay gap, appears to provide competitive health benefits, and there is no evidence that the company is offering health care in a discriminatory manner.
Molina Healthcare, Inc.	MOH	01-May-24	Adopt Simple Majority Vote	Against	Against	A vote 'AGAINST' this proposal was warranted since the company's governing documents currently do not contain any supermajority voting requirements.
Nasdaq, Inc.	NDAQ	11-Jun-24	Reduce Ownership Threshold for Shareholders to Call Special Meeting	Against	For	A vote 'FOR' this proposal was warranted as a lower ownership threshold to call a special meeting would improve shareholder rights.
Palo Alto Networks, Inc.	PANW	10-Dec-24	Report on Climate Risk in Retirement Plan Options	Against	For	A vote 'FOR' this resolution was warranted as it would enable shareholders to evaluate the company's strategy and management of related risks.

Company Name	Ticker	Meeting Date	Proposal Text	Management Recommendation	Vote Instruction	Voting Rationale
PayPal Holdings, Inc.	PYPL	22-May-24	Report on Civil Rights and Non-Discrimination Audit	Against	Against	A vote 'AGAINST' this resolution was warranted as the company appears to be taking appropriate measures to address the risk of discrimination against employees based on religion or political, social and/or environmental views.
PayPal Holdings, Inc.	PYPL	22-May-24	Amend Bylaw Regarding Stockholder Approval of Director Compensation	Against	Against	A vote 'AGAINST' this proposal was warranted, as the proponent has not raised a compelling argument for adopting a potentially disruptive binding bylaw amendment pertaining to director compensation. Furthermore, in the absence of director pay magnitude and structure concerns, this proposal seeks a requirement that is considered overly prescriptive.
Pfizer Inc.	PFE	25-Apr-24	Require Independent Board Chair	Against	For	A vote 'FOR' this proposal was warranted given the importance of having an independent chairman of the board.
Pfizer Inc.	PFE	25-Apr-24	Report on Congruency of Political Spending with Company Stated Values and Priorities	Against	For	A vote 'FOR' this proposal was warranted, as a report on the congruence of the company's political expenditures with its stated values would enable shareholders to have a more comprehensive understanding of how the company oversees and manages risks related to its political spending.
Pfizer Inc.	PFE	25-Apr-24	Report on Corporate Contributions	Against	Against	A vote 'AGAINST' this proposal was warranted because the company provides sufficient information regarding its corporate contributions.
Power Corporation of Canada	POW	09-May-24	Disclose the Corporation's Scope 1-3 Financed Emissions Annually	Against	For	A vote 'FOR' this proposal was warranted, as shareholders would benefit from an annual corporate level financed emissions disclosure and plans to mitigate related risks.
Power Corporation of Canada	POW	09-May-24	Advisory Vote on Environmental Policies	Against	For	A vote 'FOR' this proposal was warranted. Additional information on the company's plans to reduce its GHG emissions would allow investors to better understand how the company is managing its climate change related risks and it would allow shareholders to express their opinions on the climate risk management practices of the company.
Prudential Financial, Inc.	PRU	14-May-24	Require Independent Board Chair	Against	For	A vote 'FOR' this proposal was warranted given the importance of having an independent chairman of the board.
Quest Diagnostics Incorporated	DGX	16-May-24	Adopt Near and Long-Term Science-Based GHG Emissions Reduction Targets Aligned with Paris Agreement Goal	Against	For	A vote 'FOR' this proposal was warranted, as setting short-, medium-, and long-term science-based GHG targets would benefit shareholders by providing important information on the company's plans to transition to a low carbon economy.
Regeneron Pharmaceuticals, Inc.	REGN	14-Jun-24	Adopt Simple Majority Vote	Against	For	A vote 'FOR' this proposal was warranted as the elimination of the supermajority vote requirement enhances shareholder rights.

Company Name	Ticker	Meeting Date	Proposal Text	Management Recommendation	Vote Instruction	Voting Rationale
Revvity, Inc.	RVTY	23-Apr-24	Adopt Simple Majority Vote	Against	For	A vote 'FOR' this proposal was warranted as the elimination of the supermajority vote requirement enhances shareholder rights.
Ross Stores, Inc.	ROST	22-May-24	Disclose All Material Value Chain GHG Emissions	Against	For	A vote 'FOR' this proposal was warranted as disclosure of all material value chain GHG emissions would allow shareholders to better evaluate the company's progress toward its net zero ambition.
Salesforce, Inc.	CRM	27-Jun-24	Require Independent Board Chair	Against	For	A vote 'FOR' this proposal was warranted given the importance of having an independent chairman of the board.
Salesforce, Inc.	CRM	27-Jun-24	Report on Viewpoint Discrimination	Against	Against	A vote 'AGAINST' this resolution was warranted, as the company appears to provide sufficient disclosures regarding its commitment to anti-discrimination, terms of service disclosure, and acceptable use of services.
ServiceNow, Inc.	NOW	23-May-24	Adopt Simple Majority Vote	None	For	A vote 'FOR' this proposal was warranted as the elimination of the supermajority vote requirement enhances shareholder rights.
Snowflake Inc.	SNOW	02-Jul-24	Declassify the Board of Directors	Against	For	A vote 'FOR' this proposal was warranted as declassification would enhance board accountability.
Stryker Corporation	SYK	09-May-24	Report on Political Contributions and Expenditures	Against	For	A vote 'FOR' this resolution was warranted, as increased disclosure of the company's indirect political contributions through all trade associations and other tax-exempt organizations could help shareholders more comprehensively evaluate the company's management of any related risks and benefits.
Tesla, Inc.	TSLA	13-Jun-24	Declassify the Board of Directors	Against	For	A vote 'FOR' this proposal was warranted as declassification would enhance board accountability.
Tesla, Inc.	TSLA	13-Jun-24	Adopt Simple Majority Vote	Against	For	A vote 'FOR' this proposal was warranted as the elimination of the supermajority vote requirement enhances shareholder rights.
Tesla, Inc.	TSLA	13-Jun-24	Report on Harassment and Discrimination Prevention Efforts	Against	For	A vote 'FOR' this resolution was warranted, as the company has faced recent attention for allegations of harassment and discrimination in the workplace, and increased transparency would help shareholders assess how the company is managing associated risks.
Tesla, Inc.	TSLA	13-Jun-24	Adopt a Non-Interference Policy Respecting Freedom of Association	Against	For	A vote 'FOR' this proposal was warranted. In light of the numerous controversies around the topic, and the high profile and increasingly contentious nature of the issue, additional clarity regarding the company's freedom of association policies would better position shareholders to evaluate the company's position.

Company Name	Ticker	Meeting Date	Proposal Text	Management Recommendation	Vote Instruction	Voting Rationale
Tesla, Inc.	TSLA	13-Jun-24	Report on Effects and Risks Associated with Electromagnetic Radiation and Wireless Technologies	Against	Against	A vote 'AGAINST' this proposal was warranted as the company is complying with the relevant rules and regulations.
Tesla, Inc.	TSLA	13-Jun-24	Assess Feasibility of Including Sustainability as a Performance Measure for Senior Executive Compensation	Against	For	A vote 'FOR' this proposal was warranted. Incorporating sustainability performance measures as a broader component of executive compensation would serve to further incentivize executives to ensure that company performance on sustainability considerations, alongside financial factors, is appropriately aligned with management's interests, the firm's stated commitments to social responsibility, and long-term corporate strategy.
Tesla, Inc.	TSLA	13-Jun-24	Commit to a Moratorium on Sourcing Minerals from Deep Sea Mining	Against	For	A vote 'FOR' this proposal was warranted, as signing a moratorium on deep sea mining would further strengthen the company's commitment to responsible material sourcing.
The Allstate Corporation	ALL	14-May-24	Require Independent Board Chair	Against	For	A vote 'FOR' this proposal was warranted given the importance of having an independent chairman of the board.
The Charles Schwab Corporation	SCHW	23-May-24	Improve Executive Compensation Program and Policy	Against	For	A vote 'FOR' this resolution was warranted. While the company provides disclosure surrounding its executive compensation setting process, inclusion of CEO pay ratios and other factors to executive compensation programs could allow for more informed and contextual assessments by investors as to whether the company's executive compensation practices are reasonable and fair and aligned with shareholders' long-term interests.
The Charles Schwab Corporation	SCHW	23-May-24	Report on Civil Rights and Non-Discrimination Audit	Against	Against	A vote 'AGAINST' this resolution was warranted as the company provides adequate disclosures related to its commitment to not discriminate against employees.
The Charles Schwab Corporation	SCHW	23-May-24	Report on Median Gender/Racial Pay Gaps	Against	For	A vote 'FOR' this proposal was warranted, as shareholders would benefit from median racial/gender pay gap reporting that would allow them to compare and measure the progress of the company's diversity and inclusion initiatives.
The Cigna Group	CI	24-Apr-24	Report on Risks Created by the Company's Diversity, Equity, and Inclusion Efforts	Against	Against	A vote 'AGAINST' this resolution was warranted as the company provides adequate disclosure related to its diversity, equity and inclusion efforts and its management of related risks.
The Home Depot, Inc.	HD	16-May-24	Adopt Policy to Require Board of Directors Members to Disclose their Political Donations	Against	Against	A vote 'AGAINST' this proposal was warranted. The personal donation decisions made by director nominees are not relevant to their responsibility to exercise their fiduciary duty to the company, and the company discloses sufficient policies, procedures, and oversight to avoid directors making contributions on behalf of the company without approval.

Company Name	Ticker	Meeting Date	Proposal Text	Management Recommendation	Vote Instruction	Voting Rationale
The Home Depot, Inc.	HD	16-May-24	Report on Political Spending Congruency	Against	For	A vote 'FOR' this proposal was warranted, as a report on the congruence of the company's political expenditures with its stated values would enable shareholders to have a more comprehensive understanding of how the company oversees and manages risks related to its political spending
The Home Depot, Inc.	HD	16-May-24	Report on Corporate Contributions	Against	Against	A vote 'AGAINST' this proposal was warranted because the company provides sufficient information regarding its corporate contributions, and absent self-dealing or gross negligence, management should be afforded discretion in determining the company's charitable giving strategy.
The Home Depot, Inc.	HD	16-May-24	Report on Civil Rights and Non-Discrimination Audit	Against	Against	A vote 'AGAINST' this resolution was warranted as the company provides adequate disclosures related to its anti-discrimination policies.
The Home Depot, Inc.	HD	16-May-24	Disclose a Biodiversity Impact and Dependency Assessment	Against	For	A vote 'FOR' this proposal was warranted, as further disclosures would help shareholders assess how the company is managing related risks associated with biodiversity loss as well as adequately track progress on these issues.
The Home Depot, Inc.	HD	16-May-24	Clawback of Incentive Payments	Against	For	A vote 'FOR' this proposal was warranted as the company's current clawback policy does not provide for the disclosure of the amounts and circumstances surrounding all recoupments. Such disclosure would benefit shareholders.
The Interpublic Group of Companies, Inc.	IPG	23-May-24	Require Independent Board Chair	Against	For	A vote 'FOR' this proposal was warranted given the importance of having an independent chairman of the board.
The Progressive Corporation	PGR	10-May-24	Report on Risks Created by the Company's Diversity, Equity, and Inclusion Efforts	Against	Against	A vote 'AGAINST' this resolution was warranted as the company provides adequate disclosure related to its diversity, equity and inclusion efforts and its management of related risks.
Toyota Motor Corp.	7203	18-Jun-24	Amend Articles to Report on Corporate Climate Lobbying Aligned with Paris Agreement	Against	For	A vote 'FOR' this proposal was warranted as it would provide information that would allow shareholders to better evaluate the company's risk related to its lobbying activities.
UnitedHealth Group Incorporated	UNH	03-Jun-24	Report on Congruency of Political Spending with Company Values and Priorities	Against	For	A vote 'FOR' this proposal was warranted, as a report assessing the company's value alignment with political expenditures would enable shareholders to have a greater understanding of how the company oversees and manages risks related to its political affiliations.
Verisk Analytics, Inc.	VRSK	15-May-24	Adopt Simple Majority Vote	None	For	A vote 'FOR' this proposal was warranted as the elimination of the supermajority vote requirement enhances shareholder rights.

Company Name	Ticker	Meeting Date	Proposal Text	Management Recommendation	Vote Instruction	Voting Rationale
Vertex Pharmaceuticals Incorporated	VRTX	15-May-24	Reduce Ownership Threshold for Shareholders to Call Special Meeting	Against	For	A vote 'FOR' this proposal was warranted as a lower ownership threshold would enhance shareholder rights.
Vertex Pharmaceuticals Incorporated	VRTX	15-May-24	Report on Median and Adjusted Gender/Racial Pay Gaps	Against	For	A vote 'FOR' this resolution was warranted, as it would enable shareholders to better evaluate the effectiveness of the company's diversity, equity, and inclusion efforts.
Visa Inc.	V	23-Jan-24	Submit Severance Agreement (Change-in-Control) to Shareholder Vote	Against	Against	A vote 'AGAINST' this proposal was warranted. The company has a policy which limits cash severance to a reasonable basis absent shareholder approval, and no significant concerns are identified with respect to the company's broad-based equity award treatment.
Walgreens Boots Alliance, Inc.	WBA	25-Jan-24	Report on Cigarette Waste	Against	For	A vote 'FOR' this resolution was warranted because shareholders would benefit from additional information regarding the company's policies and practices related to the environmental impact regarding the disposal of tobacco products.
Walgreens Boots Alliance, Inc.	WBA	25-Jan-24	Require Independent Board Chair	Against	For	A vote 'FOR' this proposal was warranted given the importance of having an independent chairman of the board.
Walgreens Boots Alliance, Inc.	WBA	25-Jan-24	Establish a Company Compensation Policy of Paying a Living Wage	Against	For	A vote 'FOR' this proposal was warranted as increased transparency and disclosures on its compensation policies would benefit shareholders.
Walgreens Boots Alliance, Inc.	WBA	25-Jan-24	Report on Risks of Omitting Viewpoint and Ideological Diversity from EEO Policy	Against	Against	A vote 'AGAINST' this proposal was warranted, as the company appears to be providing shareholders with sufficient disclosure around its diversity and inclusion efforts and nondiscrimination policies.
Walgreens Boots Alliance, Inc.	WBA	25-Jan-24	Report on Potential Risks and Costs of Restrictive Reproductive Healthcare Legislation	Against	For	A vote 'FOR' this resolution was warranted, as additional information on the potential risks and costs associated with proposed or enacted policies that restrict reproductive healthcare, would allow shareholders to assess how the company is managing such risks.
Woolworths Group Limited	WOW	31-Oct-24	Approve the Amendments to the Company's Constitution	Against	Against	A vote 'AGAINST' this resolution was warranted, as the request to amend the company's constitution is potentially broad with no regulatory framework to oversee shareholder proposals. The Board has confirmed its willingness to consult with the shareholder proponents with a view to addressing shareholder requirements, and to disclose the proxy's at the AGM and publicly discuss the resolutions at the AGM.
Woolworths Group Limited	WOW	31-Oct-24	Approve Farmed Seafood Reporting	Against	For	A vote 'FOR' this proposal was warranted as it would help address shareholder concerns relating to the company's seafood sourcing practices.

Company Name	Ticker	Meeting Date	Proposal Text	Management Recommendation	Vote Instruction	Voting Rationale
Woolworths Group Limited	WOW	31-Oct-24	Approve Farmed Salmon Sourcing	Against	For	A vote 'FOR' this proposal was warranted as it would help address shareholder concerns relating to the company's seafood sourcing practices.

Note that the table above relates only to ESG-related resolutions. For a full report on all our voting activity during the year, please see the Betashares website.

Appendix A:

Ethical funds – negative screens

The negative screens applied to our ethical funds (ETHI, FAIR, GBND):

Industry/Activity	Exposure Limit Guidelines (% of total revenue)	Explanatory notes
Fossil Fuels - Direct	0%	Companies which have fossil fuel reserves, fossil fuel infrastructure, produce petrochemicals or are involved in the mining, extraction or burning of fossil fuels
Fossil Fuels - High Dependency (FAIR) / Indirect (ETHI)	5% for products and services. Excludes the largest global financiers and insurers of fossil fuel companies, projects and infrastructure.	Industry sectors with very high use of fossil fuels (note: mining companies engaged in the extraction of critical minerals, as defined by Geoscience Australia, and companies with demonstrated use of sustainable business practices are exempt from this exclusion)
Fossil Fuels - Service Providers	5% for products and services	Companies which provide products or services which are specific to and significant for the fossil fuel industry
Fossil Fuels - Finance and Underwriting	Exclude the largest global financiers of fossil fuel companies, projects and infrastructure	Companies which provide lending to fossil fuel companies or otherwise provide significant financing to fossil fuel project or infrastructure
	Exclude the largest global insurers of fossil fuel companies, projects and infrastructure	Companies that provide significant insurance or re-insurance of fossil fuel companies or projects
Gambling	0% for casinos and manufacture of gaming products	
	5% for distribution of gambling products	
Tobacco	0% for production or manufacture	Includes e-cigarettes and other tobacco-based products.
	5% for sale of tobacco products	
Uranium and Nuclear Energy	5% for products and services to nuclear energy	

Industry/Activity	Exposure Limit Guidelines (% of total revenue)	Explanatory notes
Armaments and Militarism	0% for manufacture of armaments and weapons	Includes nuclear weapons and other controversial weapons
	5% for specific and significant services to military and armaments manufacture	
Destruction of Valuable Environments	0%	Companies which have direct negative impact on recognised World Heritage and High Conservation areas
Animal Cruelty	0%	Companies involved in live animal export, animal testing for cosmetic purposes, factory farming, or controversial animal products (ivory, foie gras etc)
Chemicals of Concern	0%	Companies which produce or use chemicals of concern recognised by UN Environmental Program, producers of controversial agricultural chemicals
Mandatory Detention of Asylum Seekers	0%	Companies which operate detention centres or for-profit prisons
Alcohol	5% for production of alcohol	Companies which operate detention centres or for-profit prisons
	20% for sales of alcohol	
Junk Foods	33%	Companies which produce or sell junk foods
Pornography	0% for production of pornography	Companies which produce or sell pornography.
	5% for sale of pornography	
Fines and Convictions	n/a	Fines or convictions equal to or above \$10 Million USD over the last 3 years
Human Rights	n/a	Evidence of human rights violations including child labour, forced labour, sweatshops, bribery and corruption.
Board diversity	n/a	No women on board of directors
Payday Lending (ETHI)/ Predatory lending (FAIR)	0%	Lending practices that impose unfair or abusive terms on borrowers.

Appendix B:

List of company engagements 2024

AGL Energy	Commonwealth Bank of Australia	Lowe's Companies Inc
Airbnb, Inc.	Citigroup Inc.	RenaissanceRe Holdings Ltd
Amazon, Inc.	Comcast	Sanofi Ltd
ANZ Group	Credit Agricole Group	Smurfit Kappa Treasury
Apple, Inc.	DS Smith	SwissRe AG
Asian Development Bank	European Bank for Reconstruction and Development	Tesla, Inc.
Banco Bilbao Vizcaya Argentaria	European Investment Bank	The Home Depot, Inc.
Banco Santander SA	Ford Motor Co	Woolworths Group
BMW AG	Honda Motor Co	Woodside Energy
BYD Co	ING Group	
Canadian Solar	Inter-American Development Bank	