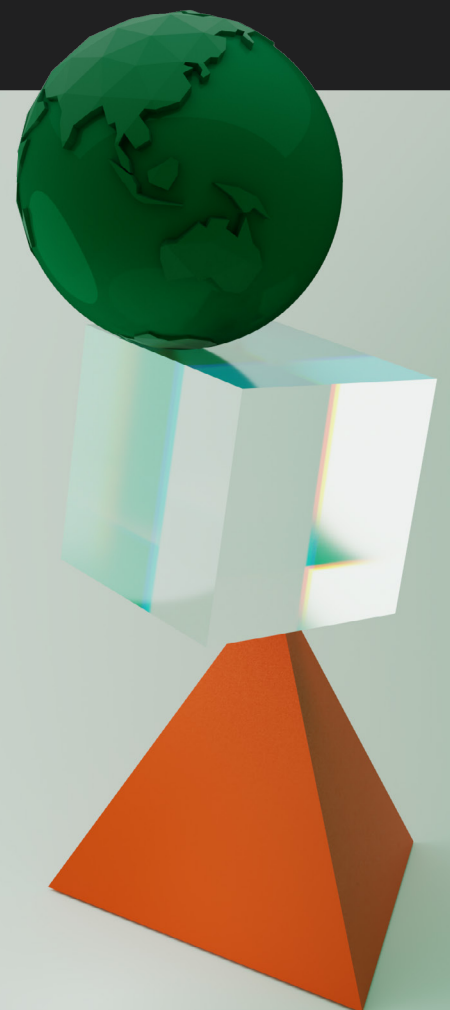


ETHI

Index Rebalance Summary 2023



The Betashares Global Sustainability Leaders ETF (ASX: ETHI) aims to track the Nasdaq Future Global Sustainability Leaders Index (Index) before fees and expenses.

This report describes the changes made to the Index constituents as part of the annual index rebalance and reconstitution in May 2023. The process included a full screening of eligible constituents in accordance with the Index methodology.

Index additions

Thirty-five new companies were added to the Index, with a few noteworthy examples outlined below:

Company	Ticker	Rationale for addition
Pfizer Inc.	PFE	The company's carbon efficiency improved over the course of the year, resulting in its classification as a carbon leader
Shoals Technologies Group Inc.	SHLS	See Scope 4 inclusions below
Salesforce Inc.	CRM	The company's carbon efficiency improved over the course of the year, resulting in its classification as a carbon leader
Verisk Analytics, Inc.	VRSK	Sold off a part of its business which provided services to fossil fuel companies
Comcast Corporation	CMCSA	The company's carbon efficiency improved over the course of the year, which resulted in its classification as a carbon leader
Keysight Technologies	KEYS	New data showed services to armaments and militarism related matters accounted for less than 5% of revenue

A full list of the Index Additions for Green Bonds is included in Appendix A.

Scope 4 Inclusions

One new company met the Index criteria for a 'Scope 4' company (a company whose products or services are leaders in avoiding emissions):

- **Shoals Technologies Group Inc. (Ticker: SHLS):** Based in Portland, Tennessee, Shoals is a leading provider of electrical balance of systems solutions for renewable energy projects that substantially increase installation efficiency and safety while improving system performance and reliability.

Four of the previous Scope 4 companies remained in the Index – Infineon Technologies AG (Ticker: IFX), First Solar, Inc. (Ticker: FSLR), Enphase Energy (Ticker: ENPH) and Vestas Wind (Ticker: VWS).

Index deletions

Thirty-five companies were removed from the Index:

- Eighteen companies no longer qualified as Carbon Leaders i.e., the companies did not meet the criteria to be in the top third most carbon efficient companies within their industry
- Five companies did not meet market capitalisation requirements.
- Three companies were not included in the starting universe.
- Nine companies did not pass the ethical negative screens (as per the Index methodology) at this rebalance.

Some noteworthy examples are outlined below:

Company	Ticker	Country	Failed Screen	Rationale
UBS Group	UBSG	Switzerland	Fossil fuels	The company was excluded under the fossil fuels screen due to its recent acquisition of Credit Suisse, which is a top financier of the fossil fuel industry
RELX	REL	United Kingdom	Human rights	The company was excluded under the human rights screen as new data showed that it is providing services to U.S. Immigration and Customs Enforcement in respect of undocumented immigrants
Bandai Namco	7832	Japan	Gambling	The company was excluded under the gambling screen, as new data showed that it produces gambling products
Nice Ltd	NICE	United States	Mandatory detention of asylum seekers and for-profit prisons	The company was excluded for providing services to for-profit prisons
Plug Power Inc.	PLUG	United States	Controversy	The company was excluded under the controversy screen as its directors are facing allegations of corporate governance failures, such as insider trading
Hennes & Mauritz AB	HMB	Sweden	Controversy	The company was excluded under the controversy screen as it faces several allegations of human rights abuses within its supply chain

A full list of the Index Deletions is included in Appendix B.

Index additions

Company	Ticker	Country	Reason for inclusion
Allianz SE	ALV	Germany	Now a carbon leader
BCE Inc.	BCE	Canada	Now a carbon leader
Comcast Corporation	CMCSA	United States	Now a carbon leader
CrowdStrike Holdings Inc.	CRWD	United States	Now a carbon leader
D.R. Horton, Inc.	DHI	United States	Now a carbon leader
Dai-ichi Life Holdings, Inc.	8750	Japan	Now a carbon leader
Extra Space Storage Inc.	EXR	United States	Now a carbon leader
Insulet Corp	PODD	United States	Now a carbon leader
Keyence Corporation	6861	Japan	Now a carbon leader
Keysight Technologies, Inc.	KEYS	United States	Now passes armaments and militarism screen
KONE Oyj	KNEBV	Finland	Now a carbon leader
Lowe's Companies, Inc.	LOW	United States	Now a carbon leader
Marvell Technology Group Ltd.	MRVL	United States	Now a carbon leader
Mercedes Benz Group	MBG	Germany	Now a carbon leader
MongoDB Inc.	MDB	United States	Now a carbon leader
Nasdaq Inc.	NDAQ	United States	Now a carbon leader
Otis Worldwide Corp	OTIS	United States	Now a carbon leader
Pfizer Inc.	PFE	United States	Now a carbon leader
Prudential Plc	PRU	United Kingdom	Now a carbon leader
Salesforce	CRM	United States	Now a carbon leader
Shoals Technologies Group Inc	SHLS	United States	New Scope 4 Inclusion

Company	Ticker	Country	Reason for inclusion
Snowflake Inc.	SNOW	United States	Now a carbon leader
SoftBank Corp	9434	Japan	Now a carbon leader
Sonova Holding AG	SOON	Switzerland	Now a carbon leader
Splunk Inc.	SPLK	United States	Now a carbon leader
STERIS plc	STE	United States	Now a carbon leader
Svenska Handelsbanken AB	SHB A	Sweden	Now a carbon leader
Swedbank AB	SWED A	Sweden	Now a carbon leader
TELUS Corporation	T	Canada	Now a carbon leader
The Allstate Corporation	ALL	United States	Now a carbon leader
The Progressive Corporation	PGR	United States	Now a carbon leader
UniCredit SPA	UCG	Italy	Now a carbon leader
Verisk Analytics, Inc.	VRSK	United States	Now passes fossil fuels screen
Vertex Pharmaceuticals	VRTX	United States	Now a carbon leader
Zoom Video Communications Inc.	ZM	United States	Now a carbon leader

Index deletions

Company	Ticker	Country	Reason for inclusion
Adidas AG	ADS	Germany	Not a carbon leader
Advance Auto Parts, Inc.	AAP	United States	Low market cap
Akzo Nobel N.V.	AKZA	Netherlands	Fossil fuels
Ally Financial Inc.	LANSBK	United States	Low market cap
Aptiv plc	APTV	United States	Not a carbon leader
Avery Dennison Corporation	AVY	United States	Not a carbon leader
Bandai Namco Holdings	7832	Japan	Gambling
Bill.Com Holdings	BILL	United States	Low market cap
BioMarin Pharmaceutical Inc.	BMRN	United States	Not a carbon leader
Boston Properties, Inc.	BXP	United States	Low market cap
Boston Scientific Corporation	BSX	United States	Not a carbon leader
Equitable Holdings, Inc.	EQH	United States	Not a carbon leader
F5 Networks, Inc.	FFIV	United States	Not a carbon leader
Fast Retailing Co., Ltd.	9983	Japan	Not a carbon leader
Fiserv, Inc.	FISV	United States	Not a carbon leader
GSK plc (formerly GlaxoSmithKline plc)	GSK	United Kingdom	Not a carbon leader. Demerged business Haleon not included in starting universe due to lack of history of carbon data
The Hartford Financial Services Group, Inc.	HIG	United States	Not a carbon leader
Hennes & Mauritz AB	HMB	Sweden	Controversy
MetLife, Inc.	MET	United States	Not a carbon leader

Company	Ticker	Country	Reason for inclusion
Mid-America Apartment Communities, Inc.	MAA	United States	Not a carbon leader
NICE Ltd.	NICE	United States	For-profit prisons
Paycom Software, Inc.	PAYC	United States	For-profit prisons
Plug Power Inc.	PLUG	United States	Controversy
Raymond James Financial, Inc.	RJF	United States	Fossil fuels
RELX PLC	REL	United Kingdom	Human rights
Robert Half International Inc.	RHI	United States	Low market cap
SBA Communications Corporation	SBAC	United States	Not a carbon leader
Signature Bank	SBNY	United States	Not in starting universe
SS&C Technologies Holdings, Inc.	SSNC	United States	Not a carbon leader
TJX Cos Inc	TJX	United States	Controversy
Tractor Supply Company	TSCO	United States	Not a carbon leader
UBS Group AG	UBSG	Switzerland	Fossil fuels
Zalando SE	ZAL	Germany	Not a carbon leader
Zendesk, Inc.	ZEN	United States	Not in starting universe
Zurich Insurance Group AG	ZURN	Switzerland	Not a carbon leader

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 information on risks and other features of ETHI, please see the Product Disclosure Statement and Target Market Determination, both available at www.betashares.com.au.

This information has been prepared by Betashares Capital Ltd (ABN 78 139 566 868 AFSL 341181) (Betashares), the issuer of the Fund. It does not take into account any person's objectives, financial situation or needs. Investors should consider the appropriateness of the information taking into account such factors and seek financial advice. Before making an investment decision, investors should read the Product Disclosure Statement (PDS), available at www.betashares.com.au, and consider whether the Fund is appropriate for their circumstances. A Target Market Determination (TMD), which sets out the class of consumers in the target market for the fund, is also available at www.betashares.com.au/target-market-determinations. An investment in the Fund is subject to investment risk and the value of units may go down as well as up. Betashares does not guarantee the performance of the Fund, the repayment of capital or any rate of return.

No assurance is given that any of the companies in ETHI's portfolio will be profitable investments.

NASDAQ®, OMX®, NASDAQ OMX®, and Nasdaq Future Global Sustainability Leaders Index™, are registered trademarks of Nasdaq, Inc. (which with its affiliates is referred to as the "Corporations") and are licensed for use by Betashares. The Fund has not been passed on by the Corporations as to their legality or suitability. The Fund is not issued, endorsed, sold, or promoted by the Corporations. THE CORPORATIONS MAKE NO WARRANTIES AND BEAR NO LIABILITY WITH RESPECT TO THE FUND.