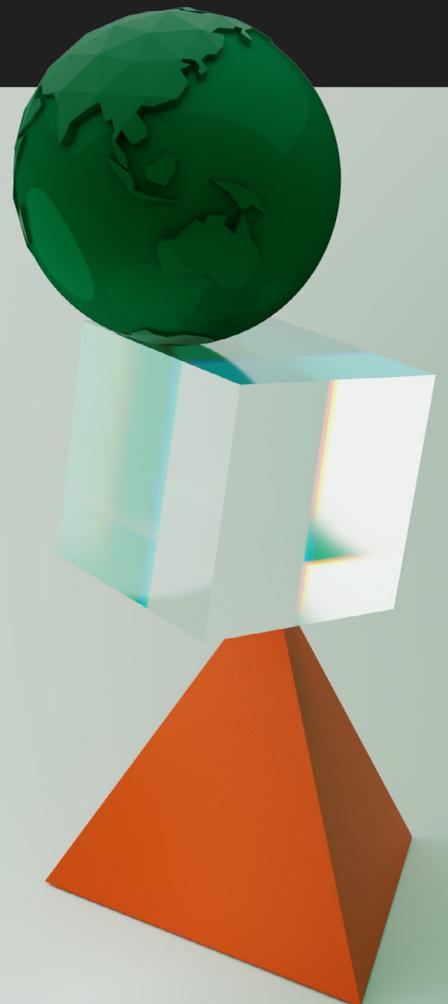


ETHI

# Index Rebalance Summary 2024



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 2024. The process included a full screening of eligible constituents in accordance with the Index methodology.

## Index additions

Forty-five new companies were added to the Index. A few noteworthy examples are outlined below:

Company	Ticker	Rationale for addition
Airbnb Inc.	ABNB	The company's carbon efficiency improved over the course of the year, which resulted in its classification as a carbon leader.
Global Payments Inc.	GPN	Sold off a part of its business that provided services to gambling companies.
Moderna Inc.	MRNA	The company's carbon efficiency improved over the course of the year, which resulted in its classification as a carbon leader.
Suzuki Motor Rg	7269	The company's board composition improved over the course of the year, which resulted in it passing the board gender diversity screen.
Amadeus IT Group	AMS	The company's carbon efficiency improved over the course of the year, which resulted in its classification as a carbon leader.
Array Technologies Inc.	ARRY	See Scope 4 Inclusions below.

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):

- **Array Technologies Inc. (Ticker: ARRY):** Array Technologies is a global provider of utility-scale solar tracker technology. Array's high-quality solar trackers and sophisticated software maximise energy production, accelerating the adoption of cost-effective and sustainable energy

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

Forty-five companies were removed from the Index:

- Thirty-five 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.
- Three companies did not meet market capitalisation requirements.
- One company was replaced with a higher market capitalisation Scope 4 company.
- Six 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
D.R. Horton, Inc.	DHI	United States	Fossil fuels	The company was excluded under the fossil fuels screen, as new data showed that it had direct ownership of fossil fuel assets.
Take-Two Interactive Software, Inc.	TTWO	United States	Human rights	The company was excluded under the gambling screen, as new data showed that its exposure to loot boxes (gambling) revenues had increased.
Mercedes-Benz Group	MBG	Germany	Armaments and Militarism	The company was excluded under the armaments and militarism screen, as new data showed it manufactured armour-protected trucks.
Roblox Corporation	RBLX	United States	Controversy	The company was excluded under the controversy screen following allegations that related to harmful content and predatory behaviour targeting children on its platform.

A full list of the Index Deletions is included in [Appendix B](#).

## Index additions

Company	Ticker	Country	Reason for inclusion
Airbnb Inc.	ABNB	United States	Now a carbon leader
Align Technology, Inc.	ALGN	United States	Now a carbon leader
Alnylam Pharmaceuticals Inc.	ALNY	United States	Now a carbon leader
Amadeus IT Group, S.A.	AMS	Spain	Now a carbon leader
Arch Capital Group Limited	ACGL	Bermuda	Now a carbon leader
Array Technologies Inc	ARRY	United States	New Scope 4 inclusion
Avery Dennison Corporation	AVY	United States	Now a carbon leader
BE Semiconductor Industries N.V.	BESI	Netherlands	Now passed market cap threshold
Bio-Techne	TECH	United States	Now passed market cap threshold
CME Group Inc.	CME	United States	Now a carbon leader
Dell Technologies Inc.	DELL	United States	Now passed market cap threshold
DexCom, Inc.	DXCM	United States	Now a carbon leader
Dynatrace Inc.	DT	United States	Now passed market cap threshold
Exact Sciences Corp	EXAS	United States	Now passed market cap threshold
First Citizens BancShares, Inc.	FCNCA	United States	Now passed market cap threshold
Gen Digital Inc.	GEN	United States	Now passed market cap threshold
Genuine Parts Company	GPC	United States	Now passed market cap threshold
Global Payments Inc.	GPN	United States	Sold off a part of its business that provided services to gambling companies
The Hartford Financial Services Group, Inc.	HIG	United States	Now a carbon leader
Hologic Inc.	HOLX	United States	Now a carbon leader
IDEXX Laboratories, Inc.	IDXX	United States	Now a carbon leader
Julius Baer Group	BAER	Switzerland	Now passed controversy screen

Company	Ticker	Country	Reason for inclusion
Kinsale Capital Group	KNSL	United States	Now a carbon leader
LPL Financial Holdings Inc.	LPLA	United States	Now a carbon leader
MetLife, Inc.	MET	United States	Now a carbon leader
Moderna, Inc.	MRNA	United States	Now a carbon leader
Monolithic Power Systems Inc.	MPWR	United States	Now a carbon leader
MSCI Inc.	MSCI	United States	Now a carbon leader
Natera, Inc.	NTRA	United States	Now passed market cap threshold
Nutanix, Inc.	NTNX	United States	Now a carbon leader
Pinterest Inc.	PINS	United States	Now a carbon leader
PTC Inc.	PTC	United States	Now a carbon leader
Pure Storage, Inc.	PSTG	United States	Now passed market cap threshold
RenaissanceRe Holdings Ltd.	RNR	Bermuda	Now a carbon leader
Renault SA	RNO	France	Now a carbon leader
The Sage Group plc	SGE	United Kingdom	Now passed market cap threshold
Skandinaviska Enskilda Banken	SEB A	Sweden	Now a carbon leader
Shionogi & Co., Ltd.	4507	Japan	Now a carbon leader
Sun Life Financial Inc.	SLF	Canada	Now a carbon leader
Suzuki Motor Corp	7269	Japan	Now passed board gender diversity screen
Synopsys Inc.	SNPS	United States	Now a carbon leader
Tradeweb Markets Inc.	TW	United States	Now a carbon leader
Vertiv Holdings Co	VRT	United States	Now passed market cap threshold
Watsco, Inc.	WSO	United States	Now passed market cap threshold
Williams-Sonoma, Inc.	WSM	United States	Now passed market cap threshold

## Index deletions

Company	Ticker	Country	Reason for inclusion
Adyen N.V.	ADYEN	Netherlands	Not a carbon leader
AIA Group	1299	Hong Kong	Not a carbon leader
Allegion plc	ALLE	Ireland	Not a carbon leader
Allianz SE	ALV	Germany	Not a carbon leader
Aviva plc	AV	United Kingdom	Not a carbon leader
Burlington Stores	BURL	United States	Not a carbon leader
Cisco Systems, Inc.	CSCO	United States	Not a carbon leader
D.R. Horton, Inc.	DHI	United States	Fossil fuels
Daiichi Sankyo Company, Limited	4568	Japan	Not a carbon leader
Etsy, Inc.	ETSY	United States	Below minimum market cap
Extra Space Storage Inc.	EXR	United States	Not a carbon leader
Fisher & Paykel Healthcare Corporation Limited	FPH	New Zealand	Not a carbon leader
Hannover Rueck SE	HNR1	Germany	Not a carbon leader
Kerry Group plc	KRZ	Ireland	Not a carbon leader
Keyence Corporation	6861	Japan	Not a carbon leader
Legal & General Group Plc	LGEN	United Kingdom	Not a carbon leader
Liberty Broadband Corporation	LBRDK	United States	Below minimum market cap
M3, Inc.	2413	Japan	Not a carbon leader
Mercedes Benz Group	MBG	Germany	Armaments and Militarism
Munich Re AG	MUV2	Germany	Not a carbon leader
NN Group N.V.	NN	Netherlands	Not a carbon leader
Novartis AG	NOVN	Switzerland	Not a carbon leader
Power Corp of Canada	POW	Canada	Not a carbon leader
Prudential Financial, Inc.	PRU	United States	Not a carbon leader

Company	Ticker	Country	Reason for inclusion
Prudential Plc	PRU	Hong Kong	Not a carbon leader
Roblox Corporation	RBLX	United States	Controversy
Salesforce	CRM	United States	Not a carbon leader
SAP	SAP	Germany	Not a carbon leader
Shoals Technologies Group Inc	SHLS UQ	United States	Replaced with a higher market cap Scope 4 company
SoftBank Corp	9434	Japan	Not a carbon leader
Sonova Holding AG	SOON	Switzerland	Not a carbon leader
Splunk Inc.	SPLK	United States	Not a carbon leader
Sun Communities, Inc.	SUI	United States	Not a carbon leader
Svenska Handelsbanken AB	SHB A	Sweden	Not a carbon leader
Swedbank AB	SWED A	Sweden	Not a carbon leader
Sysco Corporation	SYN	United States	Animal cruelty
Takeda Pharmaceutical Company Limited	4502	Japan	Not a carbon leader
Take-Two Interactive Software, Inc.	TTWO	United States	Gambling
Terna SpA	TRN	Italy	Not a carbon leader
The Allstate Corporation	ALL	United States	Not a carbon leader
Tokio Marine Holdings, Inc.	8766	Japan	Not a carbon leader
Twilio Inc.	TWLO	United States	Not a carbon leader
UniCredit SPA	UCG	Italy	Not a carbon leader
Worldline	WLN	France	Below minimum market cap
Yaskawa Electric	6506	Japan	Fossil fuels

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](http://www.betashares.com.au).

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