



28 September 2023

Market Announcements Office  
ASX Limited

To be released for each of the ASX codes listed below

## ANNUAL FINANCIAL REPORT 2023

Betashares Capital Ltd, the issuer of each of the following Funds, is pleased to provide the Annual Financial Report in respect of the Funds for the period ending 30 June 2023.

ASX Code	Fund
QPON	Betashares Australian Bank Senior Floating Rate Bond ETF
OZBD	Betashares Australian Composite Bond ETF
AGVT	Betashares Australian Government Bond ETF
AAA	Betashares Australian High Interest Cash ETF
CRED	Betashares Australian Investment Grade Corporate Bond ETF
BHYB	Betashares Australian Major Bank Hybrids Index ETF
GGOV	Betashares U.S. Treasury Bond 20+ Year ETF – Currency Hedged
HCRD	Betashares Interest Rate Hedged Australian Grade Corporate Bond ETF
GBND	Betashares Sustainability Leaders Diversified Bond ETF – Currency Hedged

Further information about the Funds can be obtained at [www.betashares.com.au](http://www.betashares.com.au) or by contacting Betashares Client Services on 1300 487 577.

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IMPORTANT INFORMATION: This information has been prepared by Betashares Capital Ltd (ACN 139 566 868 AFS Licence 341181) ("Betashares") the issuer of the Funds. It is general information only and does not take into account any person's objectives, financial situation or needs. The information does not constitute an offer of, or an invitation to purchase or subscribe for securities. You should read the relevant PDS, Target Market Determination ("TMD") and ASX announcements and seek professional legal, financial, taxation, and/or other professional advice before making an investment decision regarding any Betashares Funds. For a copy of the PDS and more information about Betashares Funds go to [www.betashares.com.au](http://www.betashares.com.au) or call 1300 487 577.

Units in Betashares Funds trade on the ASX at market prices, not at NAV. An investment in any Betashares Fund is subject to investment risk including possible delays in repayment and loss of income and principal invested. Neither Betashares Capital Ltd nor Betashares Holdings Pty Ltd guarantees the performance of any Fund or the repayment of capital or any particular rate of return. Past performance is not an indication of future performance. Betashares® and Back Your View® are registered trademarks of Betashares Holdings Pty Ltd.

**Booklet 1**

**Betashares Australian Bank Senior Floating Rate Bond ETF - ASX Code: QPON (ARSN 613 694 385)**

**Betashares Australian Composite Bond ETF - ASX Code: OZBD (ARSN 652 043 920)**

**Betashares Australian Government Bond ETF - ASX Code: AGVT (ARSN 631 805 153)**

**Betashares Australian High Interest Cash ETF - ASX Code: AAA (ARSN 143 219 961)**

**Betashares Australian Investment Grade Corporate Bond ETF - ASX Code: CRED (ARSN 623 815 752)**

**Betashares Australian Major Bank Hybrids Index ETF - ASX Code: BHYB (ARSN 643 693 403)**

**Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged - ASX Code: GGOV (ARSN 636 987 730)**

**Betashares Interest Rate Hedged Australian Investment Grade Corporate Bond ETF - ASX Code: HCRD (ARSN 656 267 408)**

**Betashares Sustainability Leaders Diversified Bond ETF - Currency Hedged - ASX Code: GBND (ARSN 631 805 484)**

**Annual Financial Report**

**30 June 2023**

**Booklet 1**  
**Annual Financial Report**  
**30 June 2023**

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## Directors' report

The directors of Betashares Capital Ltd, the Responsible Entity of the following managed investment funds (the "Funds") present their report together with the annual financial report of the Funds for the period ended 30 June 2023 and the auditor's report thereon.

Fund name	Referred to in this document as	Financial reporting period	ARSN
Betashares Australian Bank Senior Floating Rate Bond ETF	Australian Bank Senior Floating Rate Bond ETF	1 July 2022 to 30 June 2023	613 694 385
Betashares Australian Composite Bond ETF	Australian Composite Bond ETF	1 July 2022 to 30 June 2023	652 043 920
Betashares Australian Government Bond ETF	Australian Government Bond ETF	1 July 2022 to 30 June 2023	631 805 153
Betashares Australian High Interest Cash ETF	Australian High Interest Cash ETF	1 July 2022 to 30 June 2023	143 219 961
Betashares Australian Investment Grade Corporate Bond ETF	Australian Investment Grade Corporate Bond ETF	1 July 2022 to 30 June 2023	623 815 752
Betashares Australian Major Bank Hybrids Index ETF	Australian Major Bank Hybrids Index ETF	1 July 2022 to 30 June 2023	643 693 403
Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged	U.S. Treasury Bond 20+ Year ETF - Currency Hedged	1 July 2022 to 30 June 2023	636 987 730
(Formerly known as Betashares Global Government Bond 20+ Year ETF - Currency Hedged) <sup>1</sup>			
Betashares Interest Rate Hedged Australian Investment Grade Corporate Bond ETF	Interest Rate Hedged Australian Investment Grade Corporate Bond ETF	1 July 2022 to 30 June 2023	656 267 408
Betashares Sustainability Leaders Diversified Bond ETF	Sustainability Leaders Diversified Bond ETF - Currency Hedged	1 July 2022 to 30 June 2023	631 805 484

<sup>1</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

### Responsible Entity

The Responsible Entity of the Funds is Betashares Capital Ltd (ABN 78 139 566 868). The Responsible Entity's registered office and principal place of business is Level 11, 50 Margaret Street, Sydney, NSW 2000.

### Principal activities

The principal activity of each Fund is to invest in accordance with the investment objective and guidelines as set out in the Fund's current Product Disclosure Statement and its Constitution.

Betashares Interest Rate Hedged Australian Investment Grade Corporate Bond ETF commenced operations on 14 November 2022.

## Directors' report (continued)

### Principal activities (continued)

The Funds did not have any employees during the period.

There were no significant changes in the nature of the Funds' activities during the period.

### Directors

The following persons held office as directors of Betashares Capital Ltd during the period or since the end of the period up to the date of this report:

Mr Alex Vynokur (appointed 21 September 2009)

Mr Jason Gellert (appointed 5 March 2021)

Mr Edward Sippel (appointed 5 March 2021)

### Review and results of operations

During the period, the Funds continued to invest in accordance with target asset allocations as set out in their governing documents and in accordance with the provisions of the Funds' Constitutions.

The results of operations of the Funds are disclosed in the statements of comprehensive income. The income distributions payable by each of the Funds are disclosed in the statements of financial position. The income distributions paid and payable by each of the Funds are disclosed in Note 4 to the financial statements.

### Significant changes in state of affairs

The Responsible Entity changed the investment objective of U.S. Treasury Bond 20+ Year ETF - Currency Hedged effective following the close of ASX trading on 22 August 2022 (the Effective Date). Following the close of trading on the Effective Date, the Fund aims to track the performance of the S&P U.S. Treasury 20+ Year AUD Hedged Bond Index, before fees and expenses. The Fund's name also changed to Betashares U.S. Treasury Bond 20+ Year ETF – Currency Hedged.

There have been continuous challenging economic conditions such as Covid-19 pandemic supply chain constraints, inflation, increasing interest rates, the Russia - Ukraine war, or other events that may impact the Funds' future performance.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Funds that occurred during the financial period.

## **Directors' report (continued)**

### **Matters subsequent to the end of the financial period**

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect:

- (i) the operations of the Funds in future financial periods; or
- (ii) the results of those operations in future financial periods; or
- (iii) the state of affairs of the Funds in future financial periods.

### **Likely developments and expected results of operations**

The results of the Funds' operations will be affected by a number of factors, including the performance of investment markets in which the Funds invest. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Further information on likely developments in the operation of the Funds and the expected results of those operations have not been included in this report because the Responsible Entity believes it would be likely to result in unreasonable prejudice to the Funds.

### **Indemnification and insurance of officers and auditors**

No insurance premiums are paid out of the assets of the Funds in regard to insurance cover provided to either the officers of Betashares Capital Ltd or the auditor of the Funds. So long as the officers of Betashares Capital Ltd act in accordance with the Funds' Constitutions and the law, the officers remain indemnified out of the assets of the Funds against losses incurred while acting on behalf of the Funds. The auditor of the Funds is in no way indemnified out of the assets of the Funds.

### **Fees paid to and interests held in the Funds by the Responsible Entity or its associates**

Fees paid to the Responsible Entity and its associates out of the Funds' property during the period are disclosed in Note 14 to the financial statements.

No fees were paid out of the Funds' property to the directors of the Responsible Entity during the period.

The number of interests in the Funds held by the Responsible Entity or its associates as at the end of the financial period are disclosed in Note 14 to the financial statements.

### **Interests in the Funds**

The movement in units on issue in the Funds during the period is disclosed in Note 3 to the financial statements.

The value of the Funds' assets and liabilities is disclosed on the statements of financial position and derived using the basis set out in Note 2 to the financial statements.

**Directors' report (continued)**

**Environmental regulation**

The operations of the Funds are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.

**Rounding of amounts to the nearest thousand dollars**

The Funds are entities of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* and in accordance with that instrument, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

**Compensation (ASIC Regulatory Guide 94 Unit pricing: Guide to good practice)**

The Responsible Entity may apply a \$20 minimum to compensation amounts in respect of any unit pricing errors for exited investors.

**Auditor's independence declaration**

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

This report is made in accordance with a resolution of the directors.



Alex Vynokur  
Director

Sydney  
22 September 2023



# Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Betashares Capital Limited, as Responsible Entity for the Schemes:

Betashares Australian Bank Senior Floating Rate Bond ETF

Betashares Australian Composite Bond ETF

Betashares Australian Government Bond ETF

Betashares Australian High Interest Cash ETF

Betashares Australian Investment Grade Corporate Bond ETF

Betashares Australian Major Bank Hybrids Index ETF

Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged

Betashares Interest Rate Hedged Australian Investment Grade Corporate Bond ETF

Betashares Sustainability Leaders Diversified Bond ETF - Currency Hedged

I declare that, to the best of my knowledge and belief, in relation to the audit of the Schemes for the financial period ended 30 June 2023 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Nicholas Buchanan  
Partner  
Sydney

22 September 2023

Booklet 1  
Statements of comprehensive income  
For the period ended 30 June 2023

Statements of comprehensive income	Notes	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF <sup>1</sup>		Australian Government Bond ETF	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>							
Interest income		28,049	5,786	5,762	77	9,060	5,524
Dividend/distribution income		170	24	-	-	-	-
Net gains/(losses) on financial instruments at fair value through profit or loss		6,527	(12,233)	(3,669)	(662)	(1,450)	(52,874)
Other operating income		660	175	102	13	182	151
<b>Total net investment income/(loss)</b>		<b>35,406</b>	<b>(6,248)</b>	<b>2,195</b>	<b>(572)</b>	<b>7,792</b>	<b>(47,199)</b>
<b>Expenses</b>							
Management fees	14	1,372	1,254	352	5	763	467
Expense recoveries	14	219	199	-	-	121	74
Transaction costs		-	-	1	-	1	1
Interest expenses		-	1	-	-	-	-
Other operating expenses		1	1	1	-	1	1
<b>Total operating expenses</b>		<b>1,592</b>	<b>1,455</b>	<b>354</b>	<b>5</b>	<b>886</b>	<b>543</b>
<b>Profit/(loss) for the period</b>		<b>33,814</b>	<b>(7,703)</b>	<b>1,841</b>	<b>(577)</b>	<b>6,906</b>	<b>(47,742)</b>
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>		<b>33,814</b>	<b>(7,703)</b>	<b>1,841</b>	<b>(577)</b>	<b>6,906</b>	<b>(47,742)</b>

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

<sup>1</sup> The comparative amount for Australian Composite Bond ETF was from 4 February 2022 to 30 June 2022.

Booklet 1  
Statements of comprehensive income  
For the period ended 30 June 2023  
(continued)

Statements of comprehensive income

	Notes	Australian High Interest Cash ETF		Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>							
Interest income		85,078	11,294	17,208	15,771	33	1
Dividend/distribution income		-	-	-	9	9,749	2,313
Net gains/(losses) on financial instruments at fair value through profit or loss		-	-	3,024	(104,125)	1,092	(6,008)
Other operating income		-	-	465	264	50	76
<b>Total net investment income/(loss)</b>		<b>85,078</b>	<b>11,294</b>	<b>20,697</b>	<b>(88,081)</b>	<b>10,924</b>	<b>(3,618)</b>
<b>Expenses</b>							
Management fees	14	4,578	4,180	1,039	1,113	780	306
Expense recoveries	14	-	-	142	152	-	-
Transaction costs		-	-	4	3	52	38
Interest expenses		-	-	-	1	-	-
Other operating expenses		-	-	1	2	1	1
<b>Total operating expenses</b>		<b>4,578</b>	<b>4,180</b>	<b>1,186</b>	<b>1,271</b>	<b>833</b>	<b>345</b>
<b>Profit/(loss) for the period</b>		<b>80,500</b>	<b>7,114</b>	<b>19,511</b>	<b>(89,352)</b>	<b>10,091</b>	<b>(3,963)</b>
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>		<b>80,500</b>	<b>7,114</b>	<b>19,511</b>	<b>(89,352)</b>	<b>10,091</b>	<b>(3,963)</b>

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

Booklet 1  
Statements of comprehensive income  
For the period ended 30 June 2023  
(continued)

Statements of comprehensive income	Notes	U.S. Treasury Bond 20+ Year ETF - Currency Hedged <sup>2</sup>		Interest Rate Hedged Australian Investment Grade Corporate Bond ETF <sup>3</sup>		Sustainability Leaders Diversified Bond ETF - Currency Hedged	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
		\$'000	\$'000	\$ <sup>4</sup>	\$ <sup>4</sup>	\$'000	\$'000
<b>Investment income</b>							
Interest income		2,077	85	4,210	-	4,648	3,315
Dividend/distribution income		-	-	120,856	-	-	-
Net gains/(losses) on financial instruments at fair value through profit or loss		(3,751)	(1,716)	88,372	-	(2,261)	(35,503)
Net foreign exchange gains/(losses)		(773)	343	-	-	(4,793)	7,615
Other operating income		58	7	-	-	151	95
<b>Total net investment income/(loss)</b>		<b>(2,389)</b>	<b>(1,281)</b>	<b>213,438</b>	<b>-</b>	<b>(2,255)</b>	<b>(24,478)</b>
<b>Expenses</b>							
Management fees	14	123	8	1,302	-	817	669
Expense recoveries	14	19	1	-	-	209	172
Transaction costs		-	-	552	-	1	1
Interest expenses		-	-	-	-	-	11
Other operating expenses		4	1	50	-	2	5
<b>Total operating expenses</b>		<b>146</b>	<b>10</b>	<b>1,904</b>	<b>-</b>	<b>1,029</b>	<b>858</b>
<b>Profit/(loss) for the period</b>		<b>(2,535)</b>	<b>(1,291)</b>	<b>211,534</b>	<b>-</b>	<b>(3,284)</b>	<b>(25,336)</b>
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>		<b>(2,535)</b>	<b>(1,291)</b>	<b>211,534</b>	<b>-</b>	<b>(3,284)</b>	<b>(25,336)</b>

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

<sup>2</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

<sup>3</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

<sup>4</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

Booklet 1  
Statements of financial position  
As at 30 June 2023

**Statements of financial position**

	Notes	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF		Australian Government Bond ETF	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>							
Cash and cash equivalents		3,269	566	1,269	223	2,056	5,639
Financial assets at fair value through profit or loss	5	1,082,300	558,943	220,106	19,190	434,166	420,607
Other receivables	6	10,774	1,217	1,614	1,891	5,309	1,673
Due from brokers - receivable for securities sold		-	-	3,981	-	-	-
<b>Total assets</b>		<b>1,096,343</b>	<b>560,726</b>	<b>226,970</b>	<b>21,304</b>	<b>441,531</b>	<b>427,919</b>
<b>Liabilities</b>							
Financial liabilities at fair value through profit and loss	5	-	-	-	-	-	36
Distributions payable	4	3,319	999	677	42	1,157	708
Due to brokers - payables for securities purchased		-	-	4,027	1,916	3,342	-
Other payables	7	188	106	36	2	89	78
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>3,507</b>	<b>1,105</b>	<b>4,740</b>	<b>1,960</b>	<b>4,588</b>	<b>822</b>
<b>Net assets attributable to unitholders - equity</b>	3	<b>1,092,836</b>	<b>559,621</b>	<b>222,230</b>	<b>19,344</b>	<b>436,943</b>	<b>427,097</b>

*The above statements of financial position should be read in conjunction with the accompanying notes.*

Booklet 1  
Statements of financial position  
As at 30 June 2023  
(continued)

**Statements of financial position**

	Notes	Australian High Interest Cash ETF		Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>							
Cash and cash equivalents		3,171,784	1,774,497	3,991	7,544	262	512
Financial assets at fair value through profit or loss	5	-	-	505,178	453,669	263,950	158,149
Other receivables	6	36,880	1,612	5,825	3,722	997	8
Due from brokers - receivable for securities sold		-	-	-	696	-	-
<b>Total assets</b>		<b>3,208,664</b>	<b>1,776,109</b>	<b>514,994</b>	<b>465,631</b>	<b>265,209</b>	<b>158,669</b>
<b>Liabilities</b>							
Financial liabilities at fair value through profit and loss	5	-	-	13	-	-	-
Distributions payable	4	10,742	1,309	1,959	1,150	1,064	382
Due to brokers - payables for securities purchased		-	-	1,810	-	-	-
Other payables	7	493	286	112	111	85	48
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>11,235</b>	<b>1,595</b>	<b>3,894</b>	<b>1,261</b>	<b>1,149</b>	<b>430</b>
<b>Net assets attributable to unitholders - equity</b>	3	<b>3,197,429</b>	<b>1,774,514</b>	<b>511,100</b>	<b>464,370</b>	<b>264,060</b>	<b>158,239</b>

The above statements of financial position should be read in conjunction with the accompanying notes.

Booklet 1  
Statements of financial position  
As at 30 June 2023  
(continued)

Statements of financial position	Notes	U.S. Treasury Bond 20+ Year ETF - Currency Hedged <sup>1</sup>		Interest Rate Hedged Australian Investment Grade Corporate Bond ETF <sup>2</sup>		Sustainability Leaders Diversified Bond ETF - Currency Hedged	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
		\$'000	\$'000	\$ <sup>3</sup>	\$ <sup>3</sup>	\$'000	\$'000
<b>Assets</b>							
Cash and cash equivalents		35	29	182,931	-	2,294	2,425
Cash held on collateral		-	-	225,539	-	-	-
Financial assets at fair value through profit or loss	5	139,815	7,136	5,994,920	-	264,036	171,498
Other receivables	6	1,148	46	951,949	-	1,863	947
Due from brokers - receivable for securities sold		2	-	-	-	2,524	-
<b>Total assets</b>		<b>141,000</b>	<b>7,211</b>	<b>7,355,339</b>	<b>-</b>	<b>270,717</b>	<b>174,870</b>
<b>Liabilities</b>							
Financial liabilities at fair value through profit and loss	5	112	180	-	-	51	1,975
Distributions payable	4	775	18	25,076	-	1,800	2,242
Due to brokers - payables for securities purchased		1,991	-	841,314	-	1,865	-
Other payables	7	25	2	468	-	107	71
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>2,903</b>	<b>200</b>	<b>866,858</b>	<b>-</b>	<b>3,823</b>	<b>4,288</b>
<b>Net assets attributable to unitholders - equity</b>	3	<b>138,097</b>	<b>7,011</b>	<b>6,488,481</b>	<b>-</b>	<b>266,894</b>	<b>170,582</b>

The above statements of financial position should be read in conjunction with the accompanying notes.

<sup>1</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

<sup>2</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

<sup>3</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

**Booklet 1**  
**Statements of changes in equity**  
**For the period ended 30 June 2023**

<b>Statements of changes in equity</b>	Notes	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF <sup>1</sup>		Australian Government Bond ETF	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the period</b>	3	559,621	672,458	19,344	-	427,097	180,540
<b>Comprehensive income for the period</b>							
Profit/(loss) for the period		33,814	(7,703)	1,841	(577)	6,906	(47,742)
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>		<u>33,814</u>	<u>(7,703)</u>	<u>1,841</u>	<u>(577)</u>	<u>6,906</u>	<u>(47,742)</u>
<b>Transactions with unitholders</b>							
Applications	3	532,730	41,526	211,485	20,016	209,109	312,506
Redemptions	3	(8,186)	(141,703)	(3,532)	-	(193,894)	(14,096)
Units issued upon reinvestment of distributions	3	510	95	29	-	397	70
Distributions to unitholders	3,4	(25,653)	(5,052)	(6,937)	(95)	(12,672)	(4,181)
<b>Total transactions with unitholders</b>		<u>499,401</u>	<u>(105,134)</u>	<u>201,045</u>	<u>19,921</u>	<u>2,940</u>	<u>294,299</u>
<b>Total equity at the end of the period</b>	3	<u>1,092,836</u>	<u>559,621</u>	<u>222,230</u>	<u>19,344</u>	<u>436,943</u>	<u>427,097</u>

The above statements of changes in equity should be read in conjunction with the accompanying notes.

<sup>1</sup> The comparative amount for Australian Composite Bond ETF was from 4 February 2022 to 30 June 2022.

Booklet 1  
Statements of changes in equity  
For the period ended 30 June 2023  
(continued)

Statements of changes in equity	Notes	Australian High Interest Cash ETF		Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the period</b>	3	1,774,514	2,118,281	464,370	485,670	158,239	13,070
<b>Comprehensive income for the period</b>							
Profit/(loss) for the period		80,500	7,114	19,511	(89,352)	10,091	(3,963)
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>		80,500	7,114	19,511	(89,352)	10,091	(3,963)
<b>Transactions with unitholders</b>							
Applications	3	2,237,181	1,440,653	84,712	141,905	105,313	151,369
Redemptions	3	(819,468)	(1,785,678)	(36,968)	(59,397)	-	-
Units issued upon reinvestment of distributions	3	6,938	1,229	1,313	886	298	83
Distributions to unitholders	3,4	(82,236)	(7,085)	(21,838)	(15,342)	(9,881)	(2,320)
<b>Total transactions with unitholders</b>		1,342,415	(350,881)	27,219	68,052	95,730	149,132
<b>Total equity at the end of the period</b>	3	3,197,429	1,774,514	511,100	464,370	264,060	158,239

The above statements of changes in equity should be read in conjunction with the accompanying notes.

Booklet 1  
Statements of changes in equity  
For the period ended 30 June 2023  
(continued)

Statements of changes in equity	Notes	U.S. Treasury Bond 20+ Year ETF - Currency Hedged <sup>2</sup>		Interest Rate Hedged Australian Investment Grade Corporate Bond ETF <sup>3</sup>		Sustainability Leaders Diversified Bond ETF - Currency Hedged	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
		\$'000	\$'000	\$ <sup>4</sup>	\$ <sup>4</sup>	\$'000	\$'000
<b>Total equity at the beginning of the period</b>	3	7,011	3,554	-	-	170,582	144,926
<b>Comprehensive income for the period</b>							
Profit/(loss) for the period		(2,535)	(1,291)	211,534	-	(3,284)	(25,336)
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>		<b>(2,535)</b>	<b>(1,291)</b>	<b>211,534</b>	<b>-</b>	<b>(3,284)</b>	<b>(25,336)</b>
<b>Transactions with unitholders</b>							
Applications	3	153,509	6,179	6,381,216	-	101,797	55,364
Redemptions	3	(17,917)	(1,393)	-	-	-	(3,819)
Units issued upon reinvestment of distributions	3	18	10	11,877	-	3,720	2,279
Distributions to unitholders	3,4	(1,989)	(48)	(116,146)	-	(5,921)	(2,832)
<b>Total transactions with unitholders</b>		<b>133,621</b>	<b>4,748</b>	<b>6,276,947</b>	<b>-</b>	<b>99,596</b>	<b>50,992</b>
<b>Total equity at the end of the period</b>	3	<b>138,097</b>	<b>7,011</b>	<b>6,488,481</b>	<b>-</b>	<b>266,894</b>	<b>170,582</b>

The above statements of changes in equity should be read in conjunction with the accompanying notes.

<sup>2</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

<sup>3</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

<sup>4</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

Booklet 1  
Statements of cash flows  
For the period ended 30 June 2023

Statements of cash flows

	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF <sup>1</sup>		Australian Government Bond ETF	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Notes \$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>						
Proceeds from sale of financial instruments at fair value through profit or loss	739,350	764,276	60,288	180	318,211	133,391
Payments for purchase of financial instruments at fair value through profit or loss	(1,256,180)	(663,588)	(266,743)	(18,117)	(329,914)	(427,413)
Dividends/distributions received	170	24	-	-	-	-
Interest income received	22,645	5,417	4,286	-	8,744	4,673
Other operating income received	660	174	103	13	191	151
Management fees paid	(1,312)	(1,266)	(320)	(3)	(762)	(432)
Interest expenses paid	-	-	-	(54)	-	-
Expense recoveries paid	(196)	(199)	-	-	(121)	(69)
Transaction costs paid	-	-	(1)	-	(1)	(1)
Other operating expenses paid	(10)	(8)	(7)	-	(4)	(3)
<b>Net cash inflow/(outflow) from operating activities</b>	8(a) <b>(494,873)</b>	104,830	<b>(202,394)</b>	(17,981)	<b>(3,656)</b>	(289,703)
<b>Cash flows from financing activities</b>						
Proceeds from applications by unitholders	528,585	41,526	213,245	18,256	205,793	312,505
Payments for redemptions by unitholders	(8,186)	(141,703)	(3,532)	-	(193,894)	(14,096)
Distributions paid	(22,823)	(5,096)	(6,273)	(52)	(11,826)	(3,543)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>497,576</b>	(105,273)	<b>203,440</b>	18,204	<b>73</b>	294,866
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,703</b>	(443)	<b>1,046</b>	223	<b>(3,583)</b>	5,163
Cash and cash equivalents at the beginning of the financial period	566	1,009	223	-	5,639	476
Effects of foreign currency exchange rate changes on cash and cash equivalents	-	-	-	-	-	-
<b>Cash and cash equivalents at the end of the financial period</b>	8(b) <b>3,269</b>	566	<b>1,269</b>	223	<b>2,056</b>	5,639
<b>Non-cash financing activities</b>						
Units issued upon reinvestment of distributions	510	95	29	-	397	70

The above statements of cash flows should be read in conjunction with the accompanying notes.

<sup>1</sup> The comparative amount for Australian Composite Bond ETF was from 4 February 2022 to 30 June 2022.

Booklet 1  
Statements of cash flows  
For the period ended 30 June 2023  
(continued)

Statements of cash flows

	Australian High Interest Cash ETF		Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Notes \$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>						
Proceeds from sale of financial instruments at fair value through profit or loss	-	-	197,374	276,515	65,242	34,386
Payments for purchase of financial instruments at fair value through profit or loss	-	-	(243,340)	(347,641)	(169,950)	(185,500)
Dividends/distributions received	-	-	-	9	9,749	2,320
Interest income received	71,933	10,694	16,856	15,366	30	1
Other operating income received	3	30	465	271	56	76
Management fees paid	(4,374)	(4,254)	(1,031)	(1,124)	(750)	(265)
Expense recoveries paid	-	-	(140)	(154)	-	-
Transaction costs paid	-	-	(4)	(3)	(52)	(38)
Other operating expenses paid	(21)	-	(11)	(43)	(8)	(6)
<b>Net cash inflow/(outflow) from operating activities</b>	8(a) <b>67,541</b>	6,470	<b>(29,831)</b>	(56,804)	<b>(95,683)</b>	(149,026)
<b>Cash flows from financing activities</b>						
Proceeds from applications by unitholders	2,215,079	1,470,703	82,962	141,905	104,335	151,369
Payments for redemptions by unitholders	(819,468)	(1,785,678)	(36,968)	(59,397)	-	-
Distributions paid	(65,865)	(5,163)	(19,716)	(18,753)	(8,902)	(1,881)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>1,329,746</b>	(320,138)	<b>26,278</b>	63,755	<b>95,433</b>	149,488
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,397,287</b>	(313,668)	<b>(3,553)</b>	6,951	<b>(250)</b>	462
Cash and cash equivalents at the beginning of the financial period	1,774,497	2,088,165	7,544	593	512	50
Effects of foreign currency exchange rate changes on cash and cash equivalents	-	-	-	-	-	-
<b>Cash and cash equivalents at the end of the financial period</b>	8(b) <b>3,171,784</b>	1,774,497	<b>3,991</b>	7,544	<b>262</b>	512
<b>Non-cash financing activities</b>						
Units issued upon reinvestment of distributions	6,938	1,229	1,313	886	298	83

The above statements of cash flows should be read in conjunction with the accompanying notes.

Booklet 1  
Statements of cash flows  
For the period ended 30 June 2023  
(continued)

Statements of cash flows	U.S. Treasury Bond 20+ Year ETF - Currency Hedged <sup>2</sup>		Interest Rate Hedged Australian Investment Grade Corporate Bond ETF <sup>3</sup>		Sustainability Leaders Diversified Bond ETF - Currency Hedged	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Notes \$'000	\$'000	\$ <sup>4</sup>	\$ <sup>4</sup>	\$'000	\$'000
<b>Cash flows from operating activities</b>						
Proceeds from sale of financial instruments at fair value through profit or loss	42,193	33,883	271,862	-	51,203	46,782
Payments for purchase of financial instruments at fair value through profit or loss	(177,476)	(38,620)	(5,337,096)	-	(153,362)	(103,210)
Movements in cash held on collateral	-	-	(225,539)	-	-	-
Dividends/distributions received	-	-	97,909	-	-	-
Interest income received	980	58	3,690	-	3,738	3,167
Other operating income received	58	7	168	-	151	95
Management fees paid	(103)	(8)	(1,052)	-	(788)	(662)
Expense recoveries paid	(16)	(1)	-	-	(201)	(170)
Transaction costs paid	-	-	(552)	-	(1)	(1)
Other operating expenses paid	(9)	-	(191)	-	(9)	(14)
<b>Net cash inflow/(outflow) from operating activities</b>	8(a) (134,373)	(4,681)	(5,190,801)	-	(99,269)	(54,013)
<b>Cash flows from financing activities</b>						
Proceeds from applications by unitholders	153,509	6,179	5,452,925	-	101,797	55,364
Payments for redemptions by unitholders	(17,917)	(1,393)	-	-	-	(3,820)
Distributions paid	(1,215)	(92)	(79,193)	-	(2,643)	(1,166)
<b>Net cash inflow/(outflow) from financing activities</b>	134,377	4,694	5,373,732	-	99,154	50,378
<b>Net increase/(decrease) in cash and cash equivalents</b>	4	13	182,931	-	(115)	(3,635)
Cash and cash equivalents at the beginning of the financial period	29	16	-	-	2,425	6,019
Effects of foreign currency exchange rate changes on cash and cash equivalents	2	-	-	-	(16)	41
<b>Cash and cash equivalents at the end of the financial period</b>	8(b) 35	29	182,931	-	2,294	2,425
<b>Non-cash financing activities</b>						
Units issued upon reinvestment of distributions	18	10	11,877	-	3,720	2,279

The above statements of cash flows should be read in conjunction with the accompanying notes.

<sup>2</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

<sup>3</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

<sup>4</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

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## 1 General information

These financial statements cover the following managed investment funds (the "Funds"). The Funds are registered managed investment schemes under the *Corporations Act 2001*. The Responsible Entity cannot issue or redeem any units from the 80th anniversary of the day before the day the Funds commenced if that issue or redemption would cause a contravention of the rule against perpetuities or any other rule of law or equity. The Funds may be terminated in accordance with the provisions of their Constitutions. The Funds are domiciled in Australia.

Abbreviated Fund name	Registered date	Commenced date	Financial reporting period
Australian Bank Senior Floating Rate Bond ETF	26 July 2016	1 June 2017	1 July 2022 to 30 June 2023
Australian Composite Bond ETF	29 July 2021	2 February 2022	1 July 2022 to 30 June 2023
Australian Government Bond ETF	4 March 2019	9 July 2019	1 July 2022 to 30 June 2023
Australian High Interest Cash ETF	3 May 2010	6 March 2012	1 July 2022 to 30 June 2023
Australian Investment Grade Corporate Bond ETF	22 January 2018	31 May 2018	1 July 2022 to 30 June 2023
Australian Major Bank Hybrids Index ETF	1 September 2020	21 April 2021	1 July 2022 to 30 June 2023
U.S. Treasury Bond 20+ Year ETF - Currency Hedged (Formerly known as Global Government Bond 20+ Year ETF - Currency Hedged) <sup>1</sup>	1 November 2019	7 May 2020	1 July 2022 to 30 June 2023
Interest Rate Hedged Australian Investment Grade Corporate Bond ETF	6 January 2022	14 November 2022	1 July 2022 to 30 June 2023
Sustainability Leaders Diversified Bond ETF - Currency Hedged	4 March 2019	26 November 2019	1 July 2022 to 30 June 2023

<sup>1</sup>On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

The Responsible Entity of the Funds is Betashares Capital Ltd (the "Responsible Entity"). The Responsible Entity's registered office is Level 11, 50 Margaret Street, Sydney, NSW 2000.

The financial statements were authorised for issue by the directors of the Responsible Entity on 22 September 2023. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

## 2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented unless otherwise stated.

## 2 Summary of significant accounting policies (continued)

### (a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001* in Australia.

The Funds operated solely in one segment which is the business of investment management within Australia.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

The statement of financial position are presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be recovered or settled within twelve months, except for investments in financial assets and liabilities at fair value through profit or loss and net assets attributable to unitholders.

The financial statements are presented in Australian dollars, which is the Funds' functional currency.

#### *Compliance with International Financial Reporting Standards*

The financial statements of the Funds also comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

#### *Use of estimates and judgement*

Management makes estimates and assumptions that affect the reported amounts in the financial statements. These estimates and assumptions are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

For the majority of the Funds' financial instruments, quoted market prices are readily available. However, certain financial instruments are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and regularly reviewed by experienced personnel of the Responsible Entity, independent of the area that created them.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

For certain other financial instruments, including amounts due from/to brokers and payables, the carrying amounts approximate fair value due to the short-term nature of these financial

#### *Investment entity exception*

The Funds meet the definition of an investment entity and therefore apply the investment entity amendments to AASB 10 *Consolidated Financial Statements* ("AASB 10"), AASB 12 *Disclosure of Interests in Other Entities* and AASB 127 *Separate Financial Statements*. AASB 10 is applicable to all investees; among other things, it requires the consolidation of an investee if the Funds control the investee on the basis of de facto circumstances. An exception however exists where an entity meets the definition of an investment entity.

## 2 Summary of significant accounting policies (continued)

### (a) Basis of preparation (continued)

The Funds meet the definition of investment entity due to the following factors:

- (a) the Funds obtain funds from one or more unitholders for the purpose of providing the unitholders with investment management services;
- (b) the Funds commit to their unitholders that their business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- (c) the Funds measure and evaluate the performance of substantially all of their investments on a fair value basis.

In making the above assessments, the Funds have multiple investments and multiple investors. Their investors are generally unrelated parties of the Funds. Unitholders invest for returns from capital appreciation, investment income, or both. Directors of the Responsible Entity have concluded that the Funds meet the definition of investment entity.

#### *Assessment of the Funds' investments as structured entities*

The Funds have assessed whether the securities in which they invest are structured entities. The Funds have considered the voting rights and other similar rights afforded to investors in any managed investment funds in which they invest, including the rights to remove the fund manager or redeem holdings. The Funds have assessed whether these rights are the dominant factor in controlling the relevant funds, or whether the contractual agreement with the fund manager is the dominant factor in controlling such funds. The Funds have concluded that any managed investment funds in which they invest are not structured entities.

### (b) Australian accounting standards and interpretations

There are no new accounting standards, interpretations or amendments to existing standards that are effective for the period beginning 1 July 2022 that had a material impact on the Funds.

### (c) Financial instruments

#### *(i) Classification*

The Funds classify their investments based on their business model for managing those financial assets and their contractual cash flow characteristics. The Funds' portfolios of financial assets are managed and their performance is evaluated on a fair value basis in accordance with the Funds' documented investment strategy. The Funds evaluate the information about their investments on a fair value basis together with other related financial information.

Equity securities and derivatives are measured at fair value through profit or loss. The Interest Rate Hedged Australian Investment Grade Corporate Bond ETF designates derivatives as hedges in a hedging relationship.

For debt securities, the contractual cash flows are solely payments of principal and interest, however, they are neither held for collecting contractual cash flows nor held for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Funds' business model objective. Consequently, the debt securities are measured at fair value through profit or loss.

## 2 Summary of significant accounting policies (continued)

### (c) Financial instruments (continued)

#### *(ii) Recognition/derecognition*

The Funds recognise financial assets and financial liabilities on the date they become party to the contractual agreement (trade date) and recognise changes in fair value of the financial assets or financial liabilities from this date.

Investments are derecognised when the right to receive cash flows from the investments have expired or the Funds have transferred substantially all risks and rewards of ownership.

#### *(iii) Measurement*

At initial recognition, the Funds measure a financial asset or liability at its fair value. Transaction costs are expensed in the statements of comprehensive income as incurred.

Subsequent to initial recognition, all financial assets and liabilities are measured at fair value. Gains and losses arising from changes in the fair value measurement are presented in the statements of comprehensive income within net gains/(losses) on financial instruments at fair value through profit or loss during the financial period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

For further details on how the fair value of the financial instruments is determined are disclosed in Note 11.

#### *(iv) Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

#### *(v) Derivative financial instrument and hedge accounting*

The Interest Rate Hedged Australian Investment Grade Corporate Bond ETF uses derivative instruments in the form of index futures to hedge price risk exposure in fair value movements of listed securities held. Derivatives are initially recognised at fair value with any directly attributable transaction costs recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value and changes are recognised in the statement of comprehensive income in the year in which they occur. The Fund determines that economic relationship exists between the hedged item (being listed securities) and the hedging instrument (being index futures), as the listed securities are either components of or inherently closely track an index used. The hedging ratio is determined in accordance with the Product Disclosure Statement and sources of ineffectiveness may arise when the portfolio of listed security returns differ from the total index return during the hedge period.

## 2 Summary of significant accounting policies (continued)

### (d) Net assets attributable to unitholders

The Funds consider their net assets attributable to unitholders as equity as each Fund had made an irrevocable choice to be an Attribution Managed Investment Trust ("AMIT"). Units are normally redeemable only by unitholders being Authorised Participants at the unitholders' option (other unitholders only have a right to redeem units in special circumstances). The units can be put back to the Funds at any time (subject to the *Corporations Act 2001* and the Funds' Constitutions) for cash based on the redemption price. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) at the end of the reporting period if unitholders exercised their right to redeem units in the Funds.

Income not distributed is included in net assets attributable to unitholders. Where the Funds' units are classified as liabilities, movements in net assets attributable to unitholders are recognised in the statement of comprehensive income as finance costs.

### (e) Cash and cash equivalents

For the purpose of presentation in the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. The carrying amount of cash approximates fair value.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as movements in the fair value of these securities represent the Funds' main income generating activity.

### (f) Cash held on collateral

Margin accounts comprise cash held for derivative transactions. The cash is held by the broker and is only available to meet margin calls. Unrestricted margin account balances and restricted margin accounts balances, where the derivative transactions' original maturities are within three months, are classified as cash and cash equivalents. Restricted margin accounts where the derivative transactions' original maturities are not within three months are classified as cash held on collateral.

### (g) Investment income

Interest income earned on cash balances is recognised on an accrual basis in the statements of comprehensive income using the nominated interest rates available on the bank accounts held. Interest income earned from financial assets at amortised cost is recognised using the effective interest method and includes interest from cash and cash equivalents. Interest from financial assets at fair value through profit or loss is determined based on the contractual coupon interest rate and includes interest from debt securities. Other changes in fair value for such instruments are recorded in accordance with the accounting policies described in Note 2(c).

Dividend and distribution income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income within dividend income and distribution income when the Funds' right to receive payments is established.

Trust distributions are recognised on an entitlements basis and stated net of foreign withholding tax.

## 2 Summary of significant accounting policies (continued)

### (h) Expenses

All expenses are recognised in the statements of comprehensive income on an accruals basis.

### (i) Income tax

The Funds are not subject to income tax as all taxable income and other relevant amounts are attributed to unitholders in each financial period under the AMIT tax regime. Such amounts form part of unitholders' assessable incomes for the relevant financial period. The benefits of imputation credits and foreign tax paid are passed onto unitholders.

### (j) Distributions

Distributions are payable, either by cash or reinvestment, as set out in the Funds' product disclosure statements and/or Funds' Constitutions.

The distributions are recognised in the statements of changes in equity as transactions with unitholders.

### (k) Foreign currency translation

#### (i) Functional and presentation currency

Items included in the Funds' financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Funds compete for funds and are regulated. The Australian dollar is also the Funds' presentation currency.

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statements of comprehensive income.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined. Translation differences on assets and liabilities carried at fair value are reported in the statements of comprehensive income on a net basis within net gains/(losses) on financial instruments at fair value through profit or loss.

### (l) Due from/to brokers

Amounts due from/to brokers (if applicable) represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the period. Trades are recorded on trade date, and for equities normally settled within two business days. These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on amounts due from broker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance.

## 2 Summary of significant accounting policies (continued)

### (m) Other receivables

Other receivables may include amounts for dividends, interest and trust distributions. Dividends and trust distributions are accrued when the right to receive payment is established. Interest is accrued at the end of each reporting period from the time of last payment in accordance with the policy set out in Note 2(f) above. The Funds' receivables are measured at amortised cost under AASB 9 *Financial Instruments* and the impact of any expected credit losses (ECL) is not material as amounts are generally received within 30 days of being recorded as receivables. The carrying amount of receivables approximates fair value.

### (n) Other payables

Other payables include liabilities and accrued expenses owing by the Funds which are unpaid as at the end of the reporting period.

The distribution amount payable to unitholders as at the end of each reporting period is recognised separately in the statements of financial position when unitholders are presently entitled to the distributable income.

### (o) Applications and redemptions

Applications received for units in the Funds are recorded net of any entry fees payable (if applicable) prior to the issue of units in the Funds. Redemptions from the Funds are recorded gross of any exit fees payable (if applicable) after the cancellation of units redeemed.

### (p) Goods and Services Tax (GST)

The GST incurred on the costs of various services provided to the Funds by third parties such as custodial services and investment management fees have been passed onto the Funds. The Funds qualify for Reduced Input Tax Credits (RITC) at a rate of 55% to 85%; hence investment management fees, custodial fees and other expenses have been recognised in the statements of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Accounts payable are inclusive of GST. The net of the amount of goods and services tax (GST) recoverable from the Australian Taxation Office (ATO) as a reduced input tax credit (RITC) is included in the payables in the statement of financial position. This change does not have a material impact on prior periods and no restatement was made to the comparative period.

### (q) Rounding of amounts

The Funds are entities of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise stated.

### 3 Net assets attributable to unitholders

Units are redeemable at the unitholders' option, however, applications and redemptions may be suspended by the Responsible Entity if it is in the best interests of the unitholders. The units can be put back to the Funds at any time for cash based on the redemption price, which is equal to a proportionate share of the Funds' net asset value attributable to the unitholders.

Under AASB 132 *Financial Instruments: Presentation*, puttable financial instruments meet the definition of a financial liability to be classified as equity where certain strict criteria are met. The Funds shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions.

Movements in the number of units and net assets attributable to unitholders during the period were as follows:

	Australian Bank Senior Floating Rate Bond ETF				Australian Composite Bond ETF <sup>1</sup>			
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000
<b>Net assets attributable to unitholders</b>								
Opening balance	21,954	25,870	559,621	672,458	440	-	19,344	-
Applications	20,720	1,600	532,730	41,526	4,772	440	211,485	20,016
Redemptions	(320)	(5,520)	(8,186)	(141,703)	(80)	-	(3,532)	-
Units issued upon reinvestment of distributions	20	4	510	95	1	-	29	-
Distributions to unitholders	-	-	(25,653)	(5,052)	-	-	(6,937)	(95)
Profit/(loss) for the period	-	-	33,814	(7,703)	-	-	1,841	(577)
<b>Closing balance</b>	<b>42,374</b>	<b>21,954</b>	<b>1,092,836</b>	<b>559,621</b>	<b>5,133</b>	<b>440</b>	<b>222,230</b>	<b>19,344</b>
	Australian Government Bond ETF				Australian High Interest Cash ETF			
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000
<b>Net assets attributable to unitholders</b>								
Opening balance	10,146	3,565	427,097	180,540	35,443	42,308	1,774,514	2,118,281
Applications	4,960	6,860	209,109	312,506	44,625	28,770	2,237,181	1,440,653
Redemptions	(4,540)	(280)	(193,894)	(14,096)	(16,345)	(35,660)	(819,468)	(1,785,678)
Units issued upon reinvestment of distributions	10	1	397	70	138	25	6,938	1,229
Distributions to unitholders	-	-	(12,672)	(4,181)	-	-	(82,236)	(7,085)
Profit/(loss) for the period	-	-	6,906	(47,742)	-	-	80,500	7,114
<b>Closing balance</b>	<b>10,576</b>	<b>10,146</b>	<b>436,943</b>	<b>427,097</b>	<b>63,861</b>	<b>35,443</b>	<b>3,197,429</b>	<b>1,774,514</b>

<sup>1</sup> The comparative amount for Australian Composite Bond ETF was from 4 February 2022 to 30 June 2022.

**3 Net assets attributable to unitholders (continued)**

	Australian Investment Grade Corporate Bond ETF				Australian Major Bank Hybrids Index ETF			
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000
<b>Net assets attributable to unitholders</b>								
Opening balance	21,342	18,107	464,370	485,670	16,408	1,300	158,239	13,070
Applications	3,860	5,600	84,712	141,905	10,700	15,100	105,313	151,369
Redemptions	(1,680)	(2,400)	(36,968)	(59,397)	-	-	-	-
Units issued upon reinvestment of distributions	60	35	1,313	886	31	8	298	83
Distributions to unitholders	-	-	(21,838)	(15,342)	-	-	(9,881)	(2,320)
Profit/(loss) for the period	-	-	19,511	(89,352)	-	-	10,091	(3,963)
<b>Closing balance</b>	<b>23,582</b>	<b>21,342</b>	<b>511,100</b>	<b>464,370</b>	<b>27,139</b>	<b>16,408</b>	<b>264,060</b>	<b>158,239</b>

  

	U.S. Treasury Bond 20+ Year ETF - Currency Hedged <sup>2</sup>				Interest Rate Hedged Australian Investment Grade Corporate Bond ETF <sup>3</sup>			
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Units '000	Units '000	\$'000	\$'000	Units <sup>4</sup>	Units <sup>4</sup>	\$ <sup>4</sup>	\$ <sup>4</sup>
<b>Net assets attributable to unitholders</b>								
Opening balance	401	160	7,011	3,554	-	-	-	-
Applications	9,600	320	153,509	6,179	280,000	-	6,381,216	-
Redemptions	(1,120)	(80)	(17,917)	(1,393)	-	-	-	-
Units issued upon reinvestment of distributions	1	1	18	10	515	-	11,877	-
Distributions to unitholders	-	-	(1,989)	(48)	-	-	(116,146)	-
Profit/(loss) for the period	-	-	(2,535)	(1,291)	-	-	211,534	-
<b>Closing balance</b>	<b>8,882</b>	<b>401</b>	<b>138,097</b>	<b>7,011</b>	<b>280,515</b>	<b>-</b>	<b>6,488,481</b>	<b>-</b>

<sup>2</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

<sup>3</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

<sup>4</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

**3 Net assets attributable to unitholders (continued)**

	Sustainability Leaders Diversified Bond ETF - Currency Hedged			
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Units '000	Units '000	\$'000	\$'000
<b>Net assets attributable to unitholders</b>				
Opening balance	8,062	5,850	170,582	144,926
Applications	4,920	2,280	101,797	55,364
Redemptions	-	(160)	-	(3,819)
Units issued upon reinvestment of distributions	181	92	3,720	2,279
Distributions to unitholders	-	-	(5,921)	(2,832)
Profit/(loss) for the period	-	-	(3,284)	(25,336)
<b>Closing balance</b>	<b>13,163</b>	<b>8,062</b>	<b>266,894</b>	<b>170,582</b>

**Capital risk management**

The Funds consider their net assets attributable to unitholders as equity. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Funds are subject to daily applications and redemptions at the discretion of eligible unitholders.

Under the terms of the Funds' Constitutions, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

#### 4 Distributions to unitholders

Distributions are payable as set out in the Funds' Product Disclosure Statement and/or Funds' Constitution. Such distributions are recognised as payable when they are determined by the Responsible Entity.

The distributions for the period were as follows:

	Australian Bank Senior Floating Rate Bond ETF				Australian Composite Bond ETF <sup>1</sup>			
	30 June 2023 \$'000	30 June 2023 CPU	30 June 2022 \$'000	30 June 2022 CPU	30 June 2023 \$'000	30 June 2023 CPU	30 June 2022 \$'000	30 June 2022 CPU
Distributions paid - July	1,100	5.03	300	1.14	390	12.19	-	-
Distributions paid - August	1,276	5.73	404	1.51	491	13.79	-	-
Distributions paid - September	1,637	6.23	400	1.49	463	12.18	-	-
Distributions paid - October	1,997	7.49	400	1.49	540	13.50	-	-
Distributions paid - November	2,035	7.26	400	1.52	564	13.42	-	-
Distributions paid - December	2,100	7.26	380	1.43	572	13.23	-	-
Distributions paid - January	2,292	7.75	380	1.42	641	14.43	-	-
Distributions paid - February	2,081	6.80	330	1.31	575	12.36	-	-
Distributions paid - March	2,543	8.06	360	1.43	664	14.15	24	19.42
Distributions paid - April	2,381	7.30	350	1.39	626	12.80	12	10.04
Distributions paid - May	2,892	8.61	349	1.59	734	14.76	17	10.66
Distributions payable - June	3,319	7.83	999	4.55	677	13.19	42	9.58
<b>Total distributions</b>	<b>25,653</b>	<b>85.35</b>	<b>5,052</b>	<b>20.27</b>	<b>6,937</b>	<b>160.00</b>	<b>95</b>	<b>49.70</b>

<sup>1</sup> The comparative amount for Australian Composite Bond ETF was from 4 February 2022 to 30 June 2022.

4 Distributions to unitholders (continued)

	Australian Government Bond ETF				Australian High Interest Cash ETF			
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2023	2022	2022	2023	2023	2022	2022
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid - July	884	10.18	176	5.14	2,029	5.55	541	1.27
Distributions paid - August	992	11.37	180	5.25	3,297	8.75	550	1.28
Distributions paid - September	830	9.97	190	5.55	4,190	9.92	597	1.19
Distributions paid - October	982	11.20	230	5.60	5,544	11.36	611	1.07
Distributions paid - November	1,110	11.22	218	5.36	5,851	12.21	579	1.15
Distributions paid - December	1,110	10.96	250	6.21	6,949	12.92	586	1.12
Distributions paid - January	1,182	12.00	320	6.69	7,881	14.01	473	0.87
Distributions paid - February	1,023	10.22	310	6.48	7,192	12.99	360	0.74
Distributions paid - March	1,135	11.81	399	6.71	9,072	15.43	371	0.92
Distributions paid - April	1,047	10.72	530	6.38	8,457	14.10	377	0.91
Distributions paid - May	1,220	12.28	670	6.91	11,032	17.48	731	1.94
Distributions payable - June	1,157	10.94	708	6.98	10,742	16.82	1,309	3.69
<b>Total distributions</b>	<b>12,672</b>	<b>132.87</b>	<b>4,181</b>	<b>73.26</b>	<b>82,236</b>	<b>151.54</b>	<b>7,085</b>	<b>16.15</b>

**4 Distributions to unitholders (continued)**

	Australian Investment Grade Corporate Bond ETF				Australian Major Bank Hybrids Index ETF			
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023 \$'000	2023 CPU	2022 \$'000	2022 CPU	2023 \$'000	2023 CPU	2022 \$'000	2022 CPU
Distributions paid - July	1,530	7.78	1,300	7.02	508	2.75	36	2.01
Distributions paid - August	1,760	8.77	1,412	7.43	603	3.07	66	2.06
Distributions paid - September	1,594	7.75	1,305	6.73	616	3.09	103	1.94
Distributions paid - October	1,732	8.39	1,305	6.34	746	3.51	119	1.86
Distributions paid - November	1,759	8.33	1,373	6.80	735	3.35	163	2.00
Distributions paid - December	1,799	8.24	1,320	6.56	795	3.44	175	1.96
Distributions paid - January	1,983	9.07	1,300	6.43	902	3.80	200	2.02
Distributions paid - February	1,731	7.83	1,195	5.69	834	3.37	196	1.80
Distributions paid - March	2,012	8.91	1,267	5.90	998	3.86	271	2.07
Distributions paid - April	1,825	8.05	1,150	5.43	955	3.61	282	1.95
Distributions paid - May	2,154	9.30	1,265	5.93	1,125	4.19	327	2.10
Distributions payable - June	1,959	8.31	1,150	5.39	1,064	3.92	382	2.33
<b>Total distributions</b>	<b>21,838</b>	<b>100.73</b>	<b>15,342</b>	<b>75.65</b>	<b>9,881</b>	<b>41.96</b>	<b>2,320</b>	<b>24.10</b>

4 Distributions to unitholders (continued)

	U.S. Treasury Bond 20+ Year ETF - Currency Hedged <sup>2</sup>				Interest Rate Hedged Australian Investment Grade Corporate Bond ETF <sup>3</sup>			
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2023	2022	2022	2023	2023	2022	2022
	\$'000	CPU	\$'000	CPU	\$ <sup>4</sup>	CPU	\$ <sup>4</sup>	CPU
Distributions paid - September	72	9.99	7	4.36	-	-	-	-
Distributions paid - December	497	9.72	9	5.61	17,750	11.09	-	-
Distributions paid - January	-	-	-	-	12,730	7.96	-	-
Distributions paid - February	-	-	-	-	12,890	8.05	-	-
Distributions paid - March	645	9.82	14	5.82	14,700	9.18	-	-
Distributions paid - April	-	-	-	-	13,300	8.31	-	-
Distributions paid - May	-	-	-	-	19,700	9.84	-	-
Distributions payable - June	775	8.73	18	4.54	25,076	8.94	-	-
<b>Total distributions</b>	<b>1,989</b>	<b>38.26</b>	<b>48</b>	<b>20.33</b>	<b>116,146</b>	<b>63.37</b>	<b>-</b>	<b>-</b>

	Sustainability Leaders Diversified Bond ETF - Currency Hedged			
	30 June	30 June	30 June	30 June
	2023	2023	2022	2022
	\$'000	CPU	\$'000	CPU
Distributions paid - September	1,220	13.79	167	2.48
Distributions paid - December	1,291	13.67	222	3.00
Distributions paid - March	1,610	13.83	201	2.58
Distributions payable - June	1,800	13.67	2,242	27.81
<b>Total distributions</b>	<b>5,921</b>	<b>54.96</b>	<b>2,832</b>	<b>35.87</b>

<sup>2</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

<sup>3</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

<sup>4</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

#### 4 Distributions to unitholders (continued)

The distribution information shown above refers to cash distributions paid by the relevant Fund for the period. Under the AMIT tax rules, a Fund may distribute cash that is different to the taxable income attributed by the Fund to unitholders.

During the period, some distributions were satisfied by the issue of units (reinvestment). See Note 3.

#### 5 Financial assets and liabilities at fair value through profit or loss

The Funds measure and recognise the following assets and liabilities at fair value on a recurring basis:

	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF		Australian Government Bond ETF	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets at fair value through profit or loss</b>						
Floating rate notes	1,082,300	558,943	6,507	-	-	-
Fixed interest securities	-	-	213,599	19,190	434,166	420,607
<b>Total financial assets at fair value through profit or loss</b>	<b>1,082,300</b>	<b>558,943</b>	<b>220,106</b>	<b>19,190</b>	<b>434,166</b>	<b>420,607</b>
<b>Financial liabilities at fair value through profit or loss</b>						
Futures	-	-	-	-	-	36
<b>Total financial liabilities at fair value through profit or loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36</b>

**5 Financial assets and liabilities at fair value through profit or loss (continued)**

	Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF		U.S. Treasury Bond 20+ Year ETF - Currency Hedged <sup>1</sup>	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets at fair value through profit or loss</b>						
Preference shares	-	-	263,950	158,149	-	-
Foreign currency contracts	-	-	-	-	3,520	26
Fixed interest securities	505,178	453,669	-	-	136,295	7,110
<b>Total financial assets at fair value through profit or loss</b>	<b>505,178</b>	<b>453,669</b>	<b>263,950</b>	<b>158,149</b>	<b>139,815</b>	<b>7,136</b>
<b>Financial liabilities at fair value through profit or loss</b>						
Foreign currency contracts	-	-	-	-	112	180
Futures	13	-	-	-	-	-
<b>Total financial liabilities at fair value through profit or loss</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>112</b>	<b>180</b>

<sup>1</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

**5 Financial assets and liabilities at fair value through profit or loss (continued)**

	Interest Rate Hedged Australian Investment Grade Corporate Bond ETF <sup>2</sup>		Sustainability Leaders Diversified Bond ETF - Currency Hedged	
	30 June 2023 \$ <sup>3</sup>	30 June 2022 \$ <sup>3</sup>	30 June 2023 \$'000	30 June 2022 \$'000
<b>Financial assets at fair value through profit or loss</b>				
Foreign currency contracts	-	-	1,221	-
Futures	9,075	-	-	-
Listed securities	5,985,845	-	-	-
Floating rate notes	-	-	9,739	-
Fixed interest securities	-	-	253,076	171,498
<b>Total financial assets at fair value through profit or loss</b>	<b>5,994,920</b>	<b>-</b>	<b>264,036</b>	<b>171,498</b>
<b>Financial liabilities at fair value through profit or loss</b>				
Foreign currency contracts	-	-	51	1,975
<b>Total financial liabilities at fair value through profit or loss</b>	<b>-</b>	<b>-</b>	<b>51</b>	<b>1,975</b>

<sup>2</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

<sup>3</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

An overview of the fair value measurements relating to financial instruments at fair value through profit or loss is included in Note 11 to the financial statements.

**6 Other receivables**

	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF <sup>1</sup>		Australian Government Bond ETF	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
	Applications receivable	4,145	-	-	1,760	3,316
Interest receivable	6,597	1,193	1,607	131	1,977	1,661
GST receivable	32	24	7	-	16	12
<b>Total other receivables</b>	<b>10,774</b>	<b>1,217</b>	<b>1,614</b>	<b>1,891</b>	<b>5,309</b>	<b>1,673</b>

  

	Australian High Interest Cash ETF		Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
	Applications receivable	22,102	-	1,750	-	978
Interest receivable	14,686	1,541	4,053	3,701	3	-
GST receivable	92	71	22	21	16	8
<b>Total other receivables</b>	<b>36,880</b>	<b>1,612</b>	<b>5,825</b>	<b>3,722</b>	<b>997</b>	<b>8</b>

**6 Other receivables (continued)**

	U.S. Treasury Bond 20+ Year ETF - Currency Hedged <sup>1</sup>		Interest Rate Hedged Australian Investment Grade Corporate Bond ETF <sup>2</sup>		Sustainability Leaders Diversified Bond ETF - Currency Hedged	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$ <sup>3</sup>	30 June 2022 \$ <sup>3</sup>	30 June 2023 \$'000	30 June 2022 \$'000
Applications receivable	-	-	928,291	-	-	-
Dividends/distributions receivable	-	-	22,947	-	-	-
Interest receivable	1,143	46	520	-	1,841	931
GST receivable	5	-	191	-	22	16
<b>Total other receivables</b>	<b>1,148</b>	<b>46</b>	<b>951,949</b>	<b>-</b>	<b>1,863</b>	<b>947</b>

<sup>1</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

<sup>2</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

<sup>3</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

**7 Other payables**

	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF <sup>1</sup>		Australian Government Bond ETF	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
Management fees payable	148	88	34	2	66	65
Expense recovery fee payable	23	-	-	-	10	10
Other payables	17	18	2	-	13	3
<b>Total other payables</b>	<b>188</b>	<b>106</b>	<b>36</b>	<b>2</b>	<b>89</b>	<b>78</b>

7 Other payables (continued)

	Australian High Interest Cash ETF		Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
	Management fees payable	473	269	92	84	75
Expense recovery fee payable	-	-	13	11	-	-
Other payables	20	17	7	16	10	3
<b>Total other payables</b>	<b>493</b>	<b>286</b>	<b>112</b>	<b>111</b>	<b>85</b>	<b>48</b>

  

	U.S. Treasury Bond 20+ Year ETF - Currency Hedged <sup>1</sup>		Interest Rate Hedged Australian Investment Grade Corporate Bond ETF <sup>2</sup>		Sustainability Leaders Diversified Bond ETF - Currency Hedged	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$ <sup>3</sup>	30 June 2022 \$ <sup>3</sup>	30 June 2023 \$'000	30 June 2022 \$'000
	Management fees payable	21	1	250	-	84
Expense recovery fee payable	3	-	-	-	22	14
Other payables	1	1	218	-	1	2
<b>Total other payables</b>	<b>25</b>	<b>2</b>	<b>468</b>	<b>-</b>	<b>107</b>	<b>71</b>

<sup>1</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

<sup>2</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

<sup>3</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

## 8 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

### (a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF <sup>1</sup>		Australian Government Bond ETF	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
<b>Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>						
Profit/(loss)	33,814	(7,703)	1,841	(577)	6,906	(47,742)
Proceeds from sale of financial instruments at fair value through profit or loss	739,350	764,276	60,288	180	318,211	133,391
Payments for the purchase of financial instruments at fair value through profit or loss	(1,256,180)	(663,588)	(266,743)	(18,117)	(329,914)	(427,413)
Net (gains)/losses on financial instruments at fair value through profit or loss	(6,527)	12,233	3,669	662	1,450	52,874
Net change in interest receivable	(5,404)	(358)	(1,476)	-	(316)	(851)
Net change in receivables and other assets	(8)	-	(7)	(131)	(4)	(3)
Net change in payables and other liabilities	82	(30)	34	2	11	41
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(494,873)</b>	<b>104,830</b>	<b>(202,394)</b>	<b>(17,981)</b>	<b>(3,656)</b>	<b>(289,703)</b>

### (b) Components of cash and cash equivalents

Cash as at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the Statements of Financial Position as follows:

Cash	3,269	566	1,269	223	2,056	5,382
Margin accounts	-	-	-	-	-	257
	<b>3,269</b>	<b>566</b>	<b>1,269</b>	<b>223</b>	<b>2,056</b>	<b>5,639</b>

<sup>1</sup> The comparative amount for Australian Composite Bond ETF was from 4 February 2022 to 30 June 2022.

**8 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities (continued)**

(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

	Australian High Interest Cash ETF		Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
<b>Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>						
Profit/(loss)	80,500	7,114	19,511	(89,352)	10,091	(3,963)
Proceeds from sale of financial instruments at fair value through profit or loss	-	-	197,374	276,515	65,242	34,386
Payments for the purchase of financial instruments at fair value through profit or loss	-	-	(243,340)	(347,641)	(169,950)	(185,500)
Net (gains)/losses on financial instruments at fair value through profit or loss	-	-	(3,024)	104,125	(1,092)	6,008
Net change in interest receivable	(13,145)	-	(352)	(405)	(3)	-
Net change in receivables and other assets	(21)	(577)	(1)	7	(8)	(1)
Net change in payables and other liabilities	207	(67)	1	(53)	37	44
<b>Net cash inflow/(outflow) from operating activities</b>	<b>67,541</b>	<b>6,470</b>	<b>(29,831)</b>	<b>(56,804)</b>	<b>(95,683)</b>	<b>(149,026)</b>

(b) Components of cash and cash equivalents

Cash as at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the Statements of Financial Position as follows:

Cash	3,171,784	1,774,497	3,777	7,261	262	512
Margin accounts	-	-	214	283	-	-
	<b>3,171,784</b>	<b>1,774,497</b>	<b>3,991</b>	<b>7,544</b>	<b>262</b>	<b>512</b>

**8 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities (continued)**

**(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities**

	U.S. Treasury Bond 20+ Year ETF - Currency Hedged <sup>2</sup>		Interest Rate Hedged Australian Investment Grade Corporate Bond ETF <sup>3</sup>		Sustainability Leaders Diversified Bond ETF - Currency Hedged	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$ <sup>4</sup>	30 June 2022 \$ <sup>4</sup>	30 June 2023 \$'000	30 June 2022 \$'000
<b>Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>						
Profit/(loss)	(2,535)	(1,291)	211,534	-	(3,284)	(25,336)
Proceeds from sale of financial instruments at fair value through profit or loss	42,193	33,883	271,862	-	51,203	46,782
Payments for the purchase of financial instruments at fair value through profit or loss	(177,476)	(38,620)	(5,337,096)	-	(153,362)	(103,210)
Net (gains)/losses on financial instruments at fair value through profit or loss	3,751	1,716	(88,372)	-	2,261	35,503
Movements in cash held on collateral	-	-	(225,539)	-	-	-
Net change in dividends/distributions receivable	-	-	(22,947)	-	-	-
Net change in interest receivable	(1,097)	(27)	(520)	-	(910)	(148)
Net change in receivables and other assets	(5)	-	(191)	-	(6)	-
Net foreign exchange (gains)/losses	773	(343)	-	-	4,793	(7,615)
Net change in payables and other liabilities	23	1	468	-	36	11
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(134,373)</b>	<b>(4,681)</b>	<b>(5,190,801)</b>	<b>-</b>	<b>(99,269)</b>	<b>(54,013)</b>

**(b) Components of cash and cash equivalents**

Cash as at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the Statements of Financial Position as follows:

Cash	35	29	182,931	-	2,136	2,340
Margin accounts	-	-	-	-	158	85
	<b>35</b>	<b>29</b>	<b>182,931</b>	<b>-</b>	<b>2,294</b>	<b>2,425</b>

<sup>2</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

<sup>3</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

<sup>4</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

## 9 Financial risk management

The Funds are exchange traded managed funds that primarily invest in a portfolio of Australian and foreign cash and cash equivalents and interest bearing securities.

The Funds' activities expose them to a variety of financial risks which may include: market risk (including price risk, foreign exchange risk and interest rate risk), counterparty/credit risk and liquidity risk. The Funds use different methods to measure different types of risk to which they are exposed. Methods include sensitivity analysis in the case of price risk.

The Funds' overall risk management programs focus on ensuring compliance with the Funds' Product Disclosure Statements (PDSs) and seek to maximise the returns derived for the level of risk to which the Funds are exposed. Financial risk management is carried out by an investment manager under policies approved by the Board of Directors of the Responsible Entity (the Board).

The Board of Directors of the Responsible Entity has overall responsibility for the establishment and oversight of the Funds' risk management framework. The Funds' overall risk management programs focus on ensuring compliance with the Funds' PDSs and investment guidelines.

Compliance with the Funds' PDSs, Constitutions and investment guidelines are reported to the Board on a regular basis.

### (a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity market prices will affect the Funds' income or the carrying value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Included in the following analysis are tables that summarise the sensitivity of the operating profit and net assets attributable to unitholders to changes in market prices (e.g. equity prices, foreign exchange rates and interest rates). The analysis is based on reasonably possible movements in the specified risk variable with other variables held constant. Actual movements in the risk variables in any period may be greater or less than indicated. The market price risk information is intended to be a relative estimate of risk rather than a precise and accurate number. It represents a hypothetical outcome and is not intended to be predictive. The analysis is based on historical data and cannot take account of the fact that future market price movements (e.g. in times on market stress) may bear no relation to historical patterns.

#### (i) Price risk

Betashares Australian Major Bank Hybrids Index ETF and Betashares Interest Rate Hedged Australian Investment Grade Corporate Bond ETF are exposed to equity securities and derivatives price risk. This arises from investments held by the Funds for which prices in the future are uncertain. Equity securities and derivatives are classified on the statements of financial position as at fair value through profit or loss. All securities investments present a risk of loss of capital. The Fund's overall market positions are reported to the Board on a regular basis.

## 9 Financial risk management

### (a) Market risk (continued)

#### (i) Price risk (continued)

##### Sensitivity analysis

A 10% movement at the report date of the market prices attributable to financial assets or financial liabilities by the Fund would have the following impact on the Fund's profit/(loss) and net assets attributable to unitholders. The calculations include the impact of any derivatives that may be held by the Fund. It is assumed that the relevant change occurs at the balance date.

	Australian Major Bank Hybrids Index ETF		Interest Rate Hedged Australian Investment Grade Corporate Bond ETF <sup>1</sup>	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$ <sup>2</sup>	30 June 2022 \$ <sup>2</sup>
+10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	26,395	15,815	205,066	-
-10% Price movement - impact on the Funds' profit/(loss) and net assets attributable to unitholders	(26,395)	(15,815)	(205,066)	-

<sup>1</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

<sup>2</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

Other than Betashares Australian Major Bank Hybrids Index ETF and BetaShares Interest Rate Hedged Australian Investment Grade Corporate Bond Fund ETF, due to the nature of the Funds' investments, the Funds are not expected to be exposed to significant direct price risk. The Funds hold cash (including cash denominated in currencies other than the Australian dollar) and interest bearing securities. Certain investments have exposure to interest rate risk, credit risk and/or foreign exchange risk. These market risks are described below.

#### (ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest bearing financial assets are exposed to fluctuations in the prevailing levels of market interest rates on their financial position and cash flows. Financial instruments with variable interest rates expose Funds to cash flow interest rate risk. Financial instruments with fixed interest rates expose Funds to fair value interest rate risk. The risk is measured using sensitivity analysis.

## 9 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Interest rate risk (continued)

The tables below summarises the Funds' exposure to interest rate risks.

	Floating interest rate	Fixed interest rate	Non- interest bearing	Total	Floating interest rate	Fixed interest rate	Non- interest bearing	Total
	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000
<b>Australian Bank Senior Floating Rate Bond ETF</b>								
<b>Assets</b>								
Cash and cash equivalents	3,269	-	-	3,269	566	-	-	566
Financial assets at fair value through profit or loss	1,082,300	-	-	1,082,300	558,943	-	-	558,943
Other receivables	-	-	10,774	10,774	-	-	1,217	1,217
<b>Liabilities</b>								
Distributions payable	-	-	(3,319)	(3,319)	-	-	(999)	(999)
Other payables	-	-	(188)	(188)	-	-	(106)	(106)
<b>Net exposure</b>	<b>1,085,569</b>	<b>-</b>	<b>7,267</b>	<b>1,092,836</b>	<b>559,509</b>	<b>-</b>	<b>112</b>	<b>559,621</b>
<b>Australian Composite Bond ETF</b>								
	Floating interest rate	Fixed interest rate	Non- interest bearing	Total	Floating interest rate	Fixed interest rate	Non- interest bearing	Total
	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000
<b>Assets</b>								
Cash and cash equivalents	1,269	-	-	1,269	223	-	-	223
Financial assets at fair value through profit or loss	6,507	213,599	-	220,106	-	19,190	-	19,190
Due from brokers - receivable for securities sold	-	-	3,981	3,981	-	-	-	-
Other receivables	-	-	1,614	1,614	131	-	1,760	1,891
<b>Liabilities</b>								
Distributions payable	-	-	(677)	(677)	-	-	(42)	(42)
Due to brokers - payable for securities purchased	-	-	(4,027)	(4,027)	-	-	(1,916)	(1,916)
Other payables	-	-	(36)	(36)	-	-	(2)	(2)
<b>Net exposure</b>	<b>7,776</b>	<b>213,599</b>	<b>855</b>	<b>222,230</b>	<b>354</b>	<b>19,190</b>	<b>(200)</b>	<b>19,344</b>

**9 Financial risk management (continued)**

**(a) Market risk (continued)**

*(ii) Interest rate risk (continued)*

Australian Government Bond ETF	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000
<b>Assets</b>								
Cash and cash equivalents	2,056	-	-	2,056	5,639	-	-	5,639
Financial assets at fair value through profit and loss	-	434,166	-	434,166	-	420,607	-	420,607
Other receivables	-	-	5,309	5,309	-	-	1,673	1,673
<b>Liabilities</b>								
Financial liabilities at fair value through profit and loss	-	-	-	-	-	-	(36)	(36)
Distributions payable	-	-	(1,157)	(1,157)	-	-	(708)	(708)
Due to brokers - payable for securities purchased	-	-	(3,342)	(3,342)	-	-	-	-
Other payables	-	-	(89)	(89)	-	-	(78)	(78)
<b>Net exposure</b>	<b>2,056</b>	<b>434,166</b>	<b>721</b>	<b>436,943</b>	<b>5,639</b>	<b>420,607</b>	<b>851</b>	<b>427,097</b>
Australian High Interest Cash ETF	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000
<b>Assets</b>								
Cash and cash equivalents	3,121,784	50,000	-	3,171,784	1,724,497	50,000	-	1,774,497
Other receivables	-	-	36,880	36,880	-	-	1,612	1,612
<b>Liabilities</b>								
Distributions payable	-	-	(10,742)	(10,742)	-	-	(1,309)	(1,309)
Other payables	-	-	(493)	(493)	-	-	(286)	(286)
<b>Net exposure</b>	<b>3,121,784</b>	<b>50,000</b>	<b>25,645</b>	<b>3,197,429</b>	<b>1,724,497</b>	<b>50,000</b>	<b>17</b>	<b>1,774,514</b>

**9 Financial risk management (continued)**

**(a) Market risk (continued)**

*(ii) Interest rate risk (continued)*

Australian Investment Grade Corporate Bond ETF	Floating interest rate	Fixed interest rate	Non- interest bearing	Total	Floating interest rate	Fixed interest rate	Non- interest bearing	Total
	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000
<b>Assets</b>								
Cash and cash equivalents	3,991	-	-	3,991	7,544	-	-	7,544
Financial assets at fair value through profit and loss	-	505,178	-	505,178	-	453,669	-	453,669
Due from brokers - receivable for securities sold	-	-	-	-	-	-	696	696
Other receivables	-	-	5,825	5,825	-	-	3,722	3,722
<b>Liabilities</b>								
Financial liabilities at fair value through profit and loss	-	-	(13)	(13)	-	-	-	-
Distributions payable	-	-	(1,959)	(1,959)	-	-	(1,150)	(1,150)
Due to brokers - payable for securities purchased	-	-	(1,810)	(1,810)	-	-	-	-
Other payables	-	-	(112)	(112)	-	-	(111)	(111)
<b>Net exposure</b>	<b>3,991</b>	<b>505,178</b>	<b>1,931</b>	<b>511,100</b>	<b>7,544</b>	<b>453,669</b>	<b>3,157</b>	<b>464,370</b>

## 9 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Interest rate risk (continued)

	Floating	Fixed	Non-	Total	Floating	Fixed	Non-	Total
	interest	interest	interest		interest	interest	interest	
	rate	rate	bearing		rate	rate	bearing	
U.S. Treasury Bond 20+ Year ETF - Currency Hedged <sup>2</sup>	30 June							
	2023	2023	2023	2023	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>								
Cash and cash equivalents	35	-	-	35	29	-	-	29
Financial assets at fair value through profit and loss	-	136,295	3,520	139,815	-	7,110	26	7,136
Due from brokers - receivable for securities sold	-	-	2	2	-	-	-	-
Other receivables	-	-	1,148	1,148	-	-	46	46
<b>Liabilities</b>								
Financial liabilities at fair value through profit and loss	-	-	(112)	(112)	-	-	(180)	(180)
Distributions payable	-	-	(775)	(775)	-	-	(18)	(18)
Due to brokers - payable for securities purchased	-	-	(1,991)	(1,991)	-	-	-	-
Other payables	-	-	(25)	(25)	-	-	(2)	(2)
<b>Net exposure</b>	<b>35</b>	<b>136,295</b>	<b>1,767</b>	<b>138,097</b>	<b>29</b>	<b>7,110</b>	<b>(128)</b>	<b>7,011</b>
<b>Interest Rate Hedged Australian Investment Grade Corporate Bond ETF<sup>3</sup></b>	<b>Floating</b>	<b>Fixed</b>	<b>Non-</b>	<b>Total</b>	<b>Floating</b>	<b>Fixed</b>	<b>Non-</b>	<b>Total</b>
	<b>interest</b>	<b>interest</b>	<b>interest</b>		<b>interest</b>	<b>interest</b>	<b>interest</b>	
	<b>rate</b>	<b>rate</b>	<b>bearing</b>		<b>rate</b>	<b>rate</b>	<b>bearing</b>	
	<b>30 June</b>							
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<b>\$<sup>3</sup></b>							
<b>Assets</b>								
Cash and cash equivalents	182,931	-	-	182,931	-	-	-	-
Cash held on collateral	225,539	-	-	225,539	-	-	-	-
Financial assets at fair value through profit and loss	-	-	5,994,920	5,994,920	-	-	-	-
Other receivables	-	-	951,949	951,949	-	-	-	-
<b>Liabilities</b>								
Distributions payable	-	-	(25,076)	(25,076)	-	-	-	-
Due to brokers - payable for securities purchased	-	-	(841,314)	(841,314)	-	-	-	-
Other payables	-	-	(468)	(468)	-	-	-	-
<b>Net exposure</b>	<b>408,470</b>	<b>-</b>	<b>6,080,011</b>	<b>6,488,481</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>1</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

<sup>2</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

<sup>3</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

**9 Financial risk management (continued)**

**(a) Market risk (continued)**

*(ii) Interest rate risk (continued)*

Sustainability Leaders Diversified Bond ETF - Currency Hedged	Floating interest rate	Fixed interest rate	Non- interest bearing	Total	Floating interest rate	Fixed interest rate	Non- interest bearing	Total
	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000	30 June 2022 \$'000
<b>Assets</b>								
Cash and cash equivalents	2,294	-	-	2,294	2,425	-	-	2,425
Financial assets at fair value through profit and loss	9,739	253,076	1,221	264,036	3,790	167,708	-	171,498
Due from brokers - receivable for securities sold	-	-	2,524	2,524	-	-	-	-
Other receivables	-	-	1,863	1,863	-	-	947	947
<b>Liabilities</b>								
Financial liabilities at fair value through profit and loss	-	-	(51)	(51)	-	-	(1,975)	(1,975)
Distributions payable	-	-	(1,800)	(1,800)	-	-	(2,242)	(2,242)
Due to brokers - payable for securities purchased	-	-	(1,865)	(1,865)	-	-	-	-
Other payables	-	-	(107)	(107)	-	-	(71)	(71)
<b>Net exposure</b>	<b>12,033</b>	<b>253,076</b>	<b>1,785</b>	<b>266,894</b>	<b>6,215</b>	<b>167,708</b>	<b>(3,341)</b>	<b>170,582</b>

## 9 Financial risk management (continued)

### (a) Market risk (continued)

#### *Sensitivity analysis - Interest rate risk*

The table below summarises the sensitivities of the interest rate risk. The analysis is based on the assumption that interest rates increase or decrease by a "predetermined basis points" from the period end rates with all other variables held constant. The impact mainly arises from changes in the fair value of debt securities. The "predetermined basis points" for 30 June 2023 and 30 June 2022 are noted in the table below. Management have considered the movements for each investment asset type to be reasonable given the Funds' economic environment.

	Impact on net assets attributable to unitholders and profit/(loss)					
	Currencies	Sensitivity rate (basis points)	Increase	Decrease	Increase	Decrease
			30 June 2023	30 June 2023	30 June 2022	30 June 2022
Australian Bank Senior Floating Rate Bond ETF (\$000)	Australian Dollars	100*	9,492	(9,492)	4,976	(4,976)
Australian Composite Bond ETF (\$000)	Australian Dollars	100*	(13,038)	13,038	(1,342)	1,342
Australian Government Bond ETF (\$000)	Australian Dollars	100*	(36,184)	36,184	(39,098)	39,098
Australian High Interest Cash ETF (\$000)	Australian Dollars	100*	31,718	(31,718)	17,745	(17,745)
Australian Investment Grade Corporate Bond ETF (\$000)	Australian Dollars	100*	(30,486)	30,486	(34,097)	34,097
Australian Major Bank Hybrids Index ETF (\$'000)	Australian Dollars	100*	3	(3)	-	-
U.S. Treasury Bond 20+ Year ETF - Currency Hedged (\$000) <sup>1</sup>	Australian Dollars	100*	(28,209)	28,209	(1,531)	1,531
Interest Rate Hedged Australian Investment Grade Corporate Bond ETF (\$) <sup>2,3</sup>	Australian Dollars	100*	4,086	(4,086)	-	-
Sustainability Leaders Diversified Bond ETF - Currency Hedged (\$000)	Australian Dollars	100*	(15,633)	15,633	(12,451)	12,451

<sup>1</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

<sup>2</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

<sup>3</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

\*100 basis points used for 30 June 2022.

## 9 Financial risk management (continued)

### (a) Market risk (continued)

#### (iii) Foreign exchange risk

The Funds may hold both monetary and non-monetary assets denominated in currencies other than the Australian dollar. The foreign exchange risk relating to non-monetary assets and liabilities is a component of price risk not foreign exchange risk. Foreign exchange risk arises as the value of monetary assets denominated in other currencies fluctuates due to changes in exchange rates. The risk is measured using sensitivity analysis.

The tables below summarise the Funds' assets and liabilities, monetary and non-monetary, that are denominated in a currency other than the Australian dollar (calculated after the affect of associated foreign currency derivatives). The disclosures below represent the significant currency exposures of Funds at each respective reporting date.

	U.S. Treasury Bond 20+ Year ETF - Currency Hedged				Sustainability Leaders Diversified Bond ETF - Currency Hedged			
	30 June 2023 Currency	30 June 2023 \$'000	30 June 2022 Currency	30 June 2022 \$'000	30 June 2023 Currency	30 June 2023 \$'000	30 June 2022 Currency	30 June 2022 \$'000
	USD	(1,311)	USD	(162)			USD	(1,803)
	EUR	-	EUR	(117)			EUR	(5,194)
	GBP	-	GBP	(96)	USD	330		
	Others	-	Others	(46)	EUR	372		
<b>Net foreign currency exposure</b>		<b>(1,311)</b>		<b>(421)</b>		<b>702</b>		<b>(6,997)</b>

#### Sensitivity analysis - Foreign exchange risk

The tables below summarise the sensitivities of the Funds' monetary assets and liabilities to foreign exchange risk.

	U.S. Treasury Bond 20+ Year ETF - Currency Hedged		Sustainability Leaders Diversified Bond ETF - Currency Hedged	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
Impact on profit/(loss) from operating activities and net assets attributable to unitholders				
10% AUD appreciation against foreign currency (2022: 10%)	116	(721)	86	(8,681)

10% AUD depreciation against foreign currency would have an equal, but opposite effect to the amounts shown in the table above.

## 9 Financial risk management (continued)

### (b) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Funds.

The main concentration of credit risk to which the Funds are exposed arise from the Funds' investment in cash and cash equivalents, and investment in debt securities.

#### (i) Cash and cash equivalents

The exposure to credit risk for cash and cash equivalents is considered low as the Funds only invest their assets into bank deposit accounts held with banks that are regulated in Australia by the Australian Prudential Regulatory Authority as authorised deposit taking institutions, and all counterparties have a credit rating of at least A.

In accordance with the Funds' policy, the Responsible Entity monitors the Funds' credit position on a regular basis.

#### (ii) Settlement of securities transactions

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered low, as delivery of securities sold is only made once the broker has received payment. Payment is made once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

#### (iii) Debt securities

Certain Funds invest in debt securities. An analysis of debt securities by rating of the issuer is set out in the table below for Funds which have such securities.

Rating	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF		Australian Government Bond ETF	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
	AAA	-	-	123,561	10,818	321,040
AA+ to AA-	875,481	440,290	41,952	3,455	113,126	96,273
A+ to A-	97,218	63,690	18,279	1,935	-	-
BBB+ to BBB-	109,601	54,963	36,314	2,982	-	-
<b>Total</b>	<b>1,082,300</b>	<b>558,943</b>	<b>220,106</b>	<b>19,190</b>	<b>434,166</b>	<b>420,607</b>

## 9 Financial risk management (continued)

### (b) Credit risk (continued)

#### (iii) Debt securities (continued)

Rating	Australian Investment Grade Corporate Bond ETF		U.S. Treasury Bond 20+ Year ETF - Currency Hedged <sup>1</sup>		Sustainability Leaders Diversified Bond ETF - Currency Hedged	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
AAA	4,525	-	85,620	2,880	89,894	60,238
AA+ to AA-	18,770	-	50,675	2,170	114,327	74,844
A+ to A-	165,002	120,418	-	1,519	29,393	18,778
BBB+ to BBB-	316,881	333,251	-	541	29,201	17,638
<b>Total</b>	<b>505,178</b>	<b>453,669</b>	<b>136,295</b>	<b>7,110</b>	<b>262,815</b>	<b>171,498</b>

#### (iv) Other

At 30 June 2023, the custody of the Funds' assets are mainly concentrated with one counterparty, namely Citigroup Pty Ltd. Citigroup Pty Ltd is a subsidiary of a company listed on a major securities exchange, and at 30 June 2023 had a credit rating of A by Standard & Poor's (S&P) (30 June 2022: "A" by S&P). At 30 June 2023, substantially all cash and cash equivalents, balances due from brokers and investments are held in custody by Citigroup Pty Ltd.

### (c) Liquidity risk

Liquidity risk is the risk that the Funds will encounter difficulty in meeting obligations associated with financial liabilities.

The Funds are exposed to daily cash redemptions of redeemable units. The Funds' investments in cash and cash equivalents and debt securities are considered to be readily realisable and the Funds maintain adequate liquidity to pay withdrawals and distributions when required.

Certain Funds may invest in derivative contracts traded over the counter, which are not traded in an organised market and may be illiquid. As a result, the Funds may not be able to quickly liquidate their investments in these instruments at an amount close to their fair value to meet their liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer or counterparty.

<sup>1</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

## 9 Financial risk management (continued)

### (c) Liquidity risk (continued)

The following tables analyse the Funds' non-derivative and derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows.

	Australian Bank Senior Floating Rate Bond ETF							
	On demand	Less than	Greater than	Total	On demand	Less than	Greater than	Total
	30 June	6 months	6 months		30 June	6 months	6 months	
	2023	2023	2023	2023	2022	2022	2022	2022
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Distributions payable	-	3,319	-	3,319	-	999	-	999
Other payables	-	188	-	188	-	106	-	106
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>3,507</b>	<b>-</b>	<b>3,507</b>	<b>-</b>	<b>1,105</b>	<b>-</b>	<b>1,105</b>

	Australian Composite Bond ETF							
	On demand	Less than	Greater than	Total	On demand	Less than	Greater than	Total
	30 June	6 months	6 months		30 June	6 months	6 months	
	2023	2023	2023	2023	2022	2022	2022	2022
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Due to brokers - payable for securities purchased	-	4,027	-	4,027	-	-	-	-
Distributions payable	-	677	-	677	-	42	-	42
Other payables	-	36	-	36	-	1,918	-	1,918
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>4,740</b>	<b>-</b>	<b>4,740</b>	<b>-</b>	<b>1,960</b>	<b>-</b>	<b>1,960</b>

9 Financial risk management (continued)

(c) Liquidity risk (continued)

	Australian Government Bond ETF							
	On demand	Less than	Greater than	Total	On demand	Less than	Greater than	Total
	30 June	6 months	6 months		30 June	6 months	6 months	
	2023	30 June	30 June	30 June	2022	30 June	30 June	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Due to brokers - payable for securities purchased	-	3,342	-	3,342	-	-	-	-
Distributions payable	-	1,157	-	1,157	-	708	-	708
Other payables	-	89	-	89	-	78	-	78
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>4,588</b>	<b>-</b>	<b>4,588</b>	<b>-</b>	<b>786</b>	<b>-</b>	<b>786</b>
Foreign currency contracts	-	-	-	-	-	36	-	36
<b>Net settled derivatives</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36</b>	<b>-</b>	<b>36</b>

  

	Australian High Interest Cash ETF							
	On demand	Less than	Greater than	Total	On demand	Less than	Greater than	Total
	30 June	6 months	6 months		30 June	6 months	6 months	
	2023	30 June	30 June	30 June	2022	30 June	30 June	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Distributions payable	-	10,742	-	10,742	-	1,309	-	1,309
Other payables	-	493	-	493	-	286	-	286
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>11,235</b>	<b>-</b>	<b>11,235</b>	<b>-</b>	<b>1,595</b>	<b>-</b>	<b>1,595</b>

9 Financial risk management (continued)

(c) Liquidity risk (continued)

	Australian Investment Grade Corporate Bond ETF						
	On demand	Less than	Greater than	Total	On demand	Less than	Greater than
	30 June	6 months	6 months		30 June	6 months	6 months
	2023	2023	2023	2023	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Due to brokers - payable for securities purchased	-	1,810	-	1,810	-	-	-
Distributions payable	-	1,959	-	1,959	-	1,150	1,150
Other payables	-	112	-	112	-	111	111
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>3,881</b>	<b>-</b>	<b>3,881</b>	<b>-</b>	<b>1,261</b>	<b>1,261</b>
Futures	-	13	-	13	-	-	-
<b>Net settled derivatives</b>	<b>-</b>	<b>13</b>	<b>-</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>-</b>

  

	Australian Major Bank Hybrids Index ETF						
	On demand	Less than	Greater than	Total	On demand	Less than	Greater than
	30 June	6 months	6 months		30 June	6 months	6 months
	2023	2023	2023	2023	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Distributions payable	-	1,064	-	1,064	-	382	382
Other payables	-	85	-	85	-	48	48
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>1,149</b>	<b>-</b>	<b>1,149</b>	<b>-</b>	<b>430</b>	<b>430</b>

9 Financial risk management (continued)

(c) Liquidity risk (continued)

	U.S. Treasury Bond 20+ Year ETF - Currency Hedged <sup>1</sup>							
	On demand	Less than	Greater than	Total	On demand	Less than	Greater than	Total
	30 June	6 months	6 months		30 June	6 months	6 months	
	2023	30 June	30 June	30 June	2022	30 June	30 June	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Due to brokers - payable for securities purchased	-	1,991	-	1,991	-	-	-	-
Distributions payable	-	775	-	775	-	18	-	18
Other payables	-	25	-	25	-	2	-	2
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>2,791</b>	<b>-</b>	<b>2,791</b>	<b>-</b>	<b>20</b>	<b>-</b>	<b>20</b>
Foreign currency contracts	-	112	-	112	-	180	-	180
<b>Net settled derivatives</b>	<b>-</b>	<b>112</b>	<b>-</b>	<b>112</b>	<b>-</b>	<b>180</b>	<b>-</b>	<b>180</b>

  

	Interest Rate Hedged Australian Investment Grade Corporate Bond ETF <sup>2</sup>							
	On demand	Less than	Greater than	Total	On demand	Less than	Greater than	Total
	30 June	6 months	6 months		30 June	6 months	6 months	
	2023	30 June	30 June	30 June	2022	30 June	30 June	
\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	
Due to brokers - payable for securities purchased	-	841,314	-	841,314	-	-	-	-
Distributions payable	-	25,076	-	25,076	-	-	-	-
Other payables	-	468	-	468	-	-	-	-
<b>Contractual cash flows (excluding net settled derivatives)</b>	<b>-</b>	<b>866,858</b>	<b>-</b>	<b>866,858</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>1</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

<sup>2</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

<sup>3</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

9 Financial risk management (continued)

(c) Liquidity risk (continued)

	Sustainability Leaders Diversified Bond ETF - Currency Hedged							
	On demand	Less than	Greater than	Total	On demand	Less than	Greater than	Total
	30 June	6 months	6 months	30 June	30 June	6 months	6 months	30 June
	2023	2023	2023	2023	2022	2022	2022	2022
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Due to brokers - payable for securities purchased	-	1,865	-	1,865	-	-	-	-
Distributions payable	-	1,800	-	1,800	-	2,242	-	2,242
Other payables	-	107	-	107	-	71	-	71
<b>Contractual cash flows (excluding net settled derivatives)</b>	-	<b>3,772</b>	-	<b>3,772</b>	-	<b>2,313</b>	-	<b>2,313</b>
Foreign currency contracts	-	51	-	51	-	1,975	-	1,975
<b>Net settled derivatives</b>	-	<b>51</b>	-	<b>51</b>	-	<b>1,975</b>	-	<b>1,975</b>

## 10 Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The gross and net positions of financial assets and liabilities that have been offset in the statements of financial position are disclosed in the first three columns of the tables below.

	Effects of offsetting on the statements of financial position			Related amounts not offset in the statements of financial position		
	Gross amounts of financial assets/ (liabilities)	Gross amounts set off in the financial position	Net amount of financial assets/ (liabilities) presented in the statements of financial position	Financial instruments (including non-cash collateral)	Stock and cash collateral pledged	Net amounts
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Australian Investment Grade Corporate Bond ETF</b>						
As at 30 June 2023						
Financial liabilities						
Futures	(13)	-	(13)	-	13	-
Total	(13)	-	(13)	-	13	-
As at 30 June 2022						
Financial liabilities						
Futures	-	-	-	-	-	-
Total	-	-	-	-	-	-
<b>U.S. Treasury Bond 20+ Year ETF - Currency Hedged<sup>1</sup></b>						
As at 30 June 2023						
Financial assets						
Foreign currency contracts	3,520	-	3,520	-	-	3,520
Total	3,520	-	3,520	-	-	3,520
Financial liabilities						
Foreign currency contracts	(112)	-	(112)	-	-	(112)
Total	(112)	-	(112)	-	-	(112)
As at 30 June 2022						
Financial liabilities						
Foreign currency contracts	(180)	26	(154)	-	-	(154)
Total	(180)	26	(154)	-	-	(154)

<sup>1</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

10 Offsetting financial assets and financial liabilities (continued)

	Effects of offsetting on the statements of financial position			Related amounts not offset in the statements of financial position		
	Gross amounts of financial assets/ (liabilities)	Gross amounts set off in the financial position	Net amount of financial assets/ (liabilities) presented in the statements of financial	Financial instruments (including non-cash collateral)	Stock and cash collateral pledged	Net amounts
Interest Rate Hedged Australian Investment Grade Corporate Bond ETF <sup>2</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>
As at 30 June 2023						
Financial assets						
Futures	9,075	-	9,075	-	-	9,075
Total	9,075	-	9,075	-	-	9,075

<sup>2</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

<sup>3</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

10 Offsetting financial assets and financial liabilities (continued)

	Effects of offsetting on the statements of financial position			Related amounts not offset in the statements of financial position		
	Gross amounts of financial assets/ (liabilities)	Gross amounts set off in the statements of financial position	Net amount of financial assets/ (liabilities) presented in the statements of financial position	Financial instruments (including non-cash collateral)	Stock and cash collateral pledged	Net amounts
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Sustainability Leaders Diversified Bond ETF - Currency Hedged</b>						
<b>As at 30 June 2023</b>						
<b>Financial assets</b>						
Foreign currency contracts	1,221	-	1,221	-	-	1,221
<b>Total</b>	<b>1,221</b>	<b>-</b>	<b>1,221</b>	<b>-</b>	<b>-</b>	<b>1,221</b>
<b>Financial liabilities</b>						
Foreign currency contracts	(51)	-	(51)	-	-	(51)
<b>Total</b>	<b>(51)</b>	<b>-</b>	<b>(51)</b>	<b>-</b>	<b>-</b>	<b>(51)</b>
<b>As at 30 June 2022</b>						
<b>Financial liabilities</b>						
Foreign currency contracts	(1,975)	-	(1,975)	-	-	(1,975)
<b>Total</b>	<b>(1,975)</b>	<b>-</b>	<b>(1,975)</b>	<b>-</b>	<b>-</b>	<b>(1,975)</b>

Agreements with over-the-counter derivative counterparties are based on the International Swaps and Derivatives Association (ISDA) Master Agreement. Under the terms of these arrangements, only when certain credit events occur (such as default), the net position owing/receivable to a single counterparty in the same currency will be taken as owing and all the relevant arrangements terminated. As the Fund does not presently have a legally enforceable right of set-off, these amounts have not been offset in the statements of financial position but have been presented separately in the above table.

## 11 Fair value measurements

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

### Fair value estimation

The carrying amounts of the Funds' assets and liabilities at the end of each reporting period approximate their fair values.

Financial assets and liabilities at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments at fair value through profit or loss are measured at fair value with changes in their fair value recognised in statements of comprehensive income.

#### (i) Fair value in an active market (Level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

The Funds value their investments in accordance with the accounting policies set out in Note 2. For the majority of their investments, the Funds rely on information provided by independent pricing services for the valuation of their investments.

The quoted market price used for financial assets and liabilities is the last traded price. Where the last traded price does not fall within the bid-ask spread, an assessment is performed by management to determine the appropriate valuation price to use that is most representative of fair value.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

#### (ii) Fair value in an inactive or unquoted market (Level 2 and Level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

## 11 Fair value measurements (continued)

### Fair value estimation (continued)

#### (ii) Fair value in an inactive or unquoted market (Level 2 and Level 3) (continued)

For other pricing models, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Funds for similar financial instruments.

#### (iii) Recognised fair value measurements

The tables below set out the Funds financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy:

Australian Bank Senior Floating Rate Bond ETF							
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
2023	2023	2023	2023	2022	2022	2022	2022
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

#### Financial assets

Financial assets at fair value through profit or loss:

Floating rate notes	-	1,082,300	-	1,082,300	-	558,943	-	558,943
<b>Total</b>	<b>-</b>	<b>1,082,300</b>	<b>-</b>	<b>1,082,300</b>	<b>-</b>	<b>558,943</b>	<b>-</b>	<b>558,943</b>

Australian Composite Bond ETF							
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
2023	2023	2023	2023	2022	2022	2022	2022
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

#### Financial assets

Financial assets at fair value through profit or loss:

Floating rate notes	-	6,507	-	6,507	-	-	-	-
Fixed interest securities	-	213,599	-	213,599	-	19,190	-	19,190
<b>Total</b>	<b>-</b>	<b>220,106</b>	<b>-</b>	<b>220,106</b>	<b>-</b>	<b>19,190</b>	<b>-</b>	<b>19,190</b>

## 11 Fair value measurements (continued)

### Fair value estimation (continued)

(iii) Recognised fair value measurements (continued)

Australian Government Bond ETF							
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
2023	2023	2023	2023	2022	2022	2022	2022
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>							
Financial assets at fair value through profit or loss:							
	Fixed interest securities	-	434,166	-	434,166	-	420,607
<b>Total</b>		-	434,166	-	434,166	-	420,607

### Financial liabilities

Financial liabilities at fair value through profit or loss:

	Futures	-	-	-	-	36	-
<b>Total</b>		-	-	-	-	36	-

Australian Investment Grade Corporate Bond ETF							
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
2023	2023	2023	2023	2022	2022	2022	2022
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>							
Financial assets at fair value through profit or loss:							
	Fixed interest securities	-	505,178	-	505,178	-	453,669
<b>Total</b>		-	505,178	-	505,178	-	453,669

### Financial liabilities

Financial liabilities at fair value through profit or loss:

	Futures	13	-	-	13	-	-
<b>Total</b>		13	-	-	13	-	-

## 11 Fair value measurements (continued)

### Fair value estimation (continued)

(iii) Recognised fair value measurements (continued)

		Australian Major Bank Hybrids Index ETF						
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2023	2023	2023	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Preference shares	263,950	-	-	263,950	158,149	-	-	158,149
<b>Total</b>	<b>263,950</b>	<b>-</b>	<b>-</b>	<b>263,950</b>	<b>158,149</b>	<b>-</b>	<b>-</b>	<b>158,149</b>

		U.S. Treasury Bond 20+ Year ETF - Currency Hedged <sup>1</sup>						
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2023	2023	2023	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Foreign currency contracts	-	3,520	-	3,520	-	26	-	26
Fixed interest securities	-	136,295	-	136,295	-	7,110	-	7,110
<b>Total</b>	<b>-</b>	<b>139,815</b>	<b>-</b>	<b>139,815</b>	<b>-</b>	<b>7,136</b>	<b>-</b>	<b>7,136</b>
<b>Financial liabilities</b>								
Financial liabilities at fair value through profit or loss:								
Foreign currency contracts	-	112	-	112	-	180	-	180
<b>Total</b>	<b>-</b>	<b>112</b>	<b>-</b>	<b>112</b>	<b>-</b>	<b>180</b>	<b>-</b>	<b>180</b>

<sup>1</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

## 11 Fair value measurements (continued)

### Fair value estimation (continued)

(iii) Recognised fair value measurements (continued)

	Interest Rate Hedged Australian Investment Grade Corporate Bond ETF <sup>2</sup>							
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2023	2023	2023	2022	2022	2022	2022
	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Futures	9,075	-	-	9,075	-	-	-	-
Listed securities	5,985,845	-	-	5,985,845	-	-	-	-
<b>Total</b>	<b>5,994,920</b>	<b>-</b>	<b>-</b>	<b>5,994,920</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Sustainability Leaders Diversified Bond ETF - Currency Hedged</b>							
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2023	2023	2023	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>								
Financial assets at fair value through profit or loss:								
Foreign currency contracts	-	1,221	-	1,221	-	-	-	-
Floating rate notes	-	9,739	-	9,739	-	3,790	-	3,790
Fixed interest securities	-	253,076	-	253,076	-	167,708	-	167,708
<b>Total</b>	<b>-</b>	<b>264,036</b>	<b>-</b>	<b>264,036</b>	<b>-</b>	<b>171,498</b>	<b>-</b>	<b>171,498</b>
<b>Financial liabilities</b>								
Financial liabilities at fair value through profit or loss:								
Foreign currency contracts	-	51	-	51	-	1,975	-	1,975
<b>Total</b>	<b>-</b>	<b>51</b>	<b>-</b>	<b>51</b>	<b>-</b>	<b>1,975</b>	<b>-</b>	<b>1,975</b>

<sup>2</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

<sup>3</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

## 11 Fair value measurements (continued)

### Fair value estimation (continued)

#### *(iv) Transfers between levels*

There were no transfers between levels during the period ended 30 June 2023 and 30 June 2022.

#### *(v) Movement in level 3 instruments*

There were no investments classified as Level 3 within the Fund as at 30 June 2023 and 30 June 2022.

#### *(vi) Fair values of financial instruments not carried at fair value*

The carrying value of receivables and payables are assumed to approximate their fair values.

The carrying value of the net assets attributable to unitholders differs from its fair value (the deemed to be redemption price for individual units) due to differences in valuation inputs. This difference is not material in the current period.

## 12 Derivative financial instruments

In the normal course of business certain Funds may enter into transactions in various derivative financial instruments which have certain risks. A derivative is a financial instrument or other contract which is settled at a future date and whose value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

Derivative transactions include many different instruments such as forwards, futures and options. Derivatives are considered to be part of the investment process and the use of derivatives is an essential part of the Funds' portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability of the Fund against a fluctuation in market values or to reduce volatility;
- a substitution for trading of physical securities; and
- adjusting asset exposures within the parameters set in the investment strategy, and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash portfolios.

While derivatives are used for trading purposes, they are not used to gear (leverage) a portfolio. Gearing a portfolio would occur if the level of exposure to the markets exceeds the underlying value of the Funds.

**12 Derivative financial instruments (continued)**

The following Funds held derivative instruments:

	Australian Investment Grade Corporate Bond ETF						U.S. Treasury Bond 20+ Year ETF - Currency Hedged <sup>1</sup>					
	Contract/ notional	Assets	Liabilities	Contract/ notional	Assets	Liabilities	Contract/ notional	Assets	Liabilities	Contract/ notional	Assets	Liabilities
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2023	2023	2022	2022	2022	2023	2023	2023	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Foreign currency contracts	-	-	-	-	-	-	271,642	3,520	112	10,336	-	154
Bond futures	1,536	-	13	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,536</b>	<b>-</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>271,642</b>	<b>3,520</b>	<b>112</b>	<b>10,336</b>	<b>-</b>	<b>154</b>

	Interest Rate Hedged Australian Investment Grade Corporate Bond ETF <sup>2</sup>						Sustainability Leaders Diversified Bond ETF - Currency Hedged					
	Contract/ notional	Assets	Liabilities	Contract/ notional	Assets	Liabilities	Contract/ notional	Assets	Liabilities	Contract/ notional	Assets	Liabilities
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2023	2023	2023	2022	2022	2022	2023	2023	2023	2022	2022	2022
	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$ <sup>3</sup>	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Foreign currency contracts	-	-	-	-	-	-	269,243	1,221	51	90,004	-	1,975
Bond futures	(3,935,180)	9,075	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>(3,935,180)</b>	<b>9,075</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>269,243</b>	<b>1,221</b>	<b>51</b>	<b>90,004</b>	<b>-</b>	<b>1,975</b>

<sup>1</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

<sup>2</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

<sup>3</sup> Rounded to the nearest whole dollar as the Fund does not meet the criteria set out in ASIC Instrument 2016/191 to round to the nearest thousand dollars.

### 13 Auditor's remuneration

During the period the following fees were paid or payable for services provided by the auditor of the Funds. Audit fees were borne by the Responsible Entity:

	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF <sup>1</sup>		Australian Government Bond ETF	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$	\$	\$	\$	\$	\$
<b>KPMG</b>						
<i>Audit and other assurance service</i>						
Audit and review of financial reports	4,982	4,982	4,982	4,252	4,982	4,982
Audit of compliance plan	1,230	1,230	1,230	1,230	1,230	1,230
Total remuneration of audit and other assurance services	6,212	6,212	6,212	5,482	6,212	6,212

	Australian High Interest Cash ETF		Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$	\$	\$	\$	\$	\$
<b>KPMG</b>						
<i>Audit and other assurance service</i>						
Audit and review of financial reports	4,982	4,982	4,982	4,982	4,982	4,982
Audit of compliance plan	1,230	1,230	1,230	1,230	1,230	1,230
Total remuneration of audit and other assurance services	6,212	6,212	6,212	6,212	6,212	6,212

<sup>1</sup> The comparative amount for Australian Composite Bond ETF was from 4 February 2022 to 30 June 2022.

**13 Auditor's remuneration (continued)**

	U.S. Treasury Bond 20+ Year ETF - Currency Hedged <sup>2</sup>		Interest Rate Hedged Australian Investment Grade Corporate Bond ETF <sup>3</sup>		Sustainability Leaders Diversified Bond ETF - Currency Hedged	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
<b>KPMG</b>	\$	\$	\$	\$	\$	\$
<i>Audit and other assurance service</i>						
Audit and review of financial reports	4,982	4,982	4,982	-	4,982	4,982
Audit of compliance plan	1,230	1,230	1,230	-	1,230	1,230
Total remuneration of audit and other assurance services	6,212	6,212	6,212	-	6,212	6,212

<sup>2</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

<sup>3</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

**14 Related party transactions**

**Responsible Entity**

The Responsible Entity of the Funds is Betashares Capital Ltd (ABN 78 139 566 868), which is a wholly owned subsidiary of Betashares Financial Group Pty Ltd.

**Key management personnel**

The Funds do not employ personnel in their own right. However, the Funds are required to have an incorporated Responsible Entity to manage the activities and this is considered to be key management personnel. The directors of the Responsible Entity, which are key management personnel of the Responsible Entity, during or since the end of the financial period are:

**(a) Directors**

Mr Alex Vynokur (appointed 21 September 2009)  
Mr Jason Gellert (appointed 5 March 2021)  
Mr Edward Sippel (appointed 5 March 2021)

#### 14 Related party transactions (continued)

##### (b) Other key management personnel

There were no other persons with responsibility for planning, directing and controlling the activities of the Funds, directly or indirectly during the financial period.

##### Responsible Entity's management fees and other transactions

The Responsible Entity's fees are calculated in accordance with the Funds' Constitutions. The Responsible Entity's fees comprise a management fee and (if applicable) expense recoveries (after taking account of GST and reduced input tax credits), which are calculated as a percentage of the net asset value of the Funds and are disclosed in the statements of comprehensive income. The following table discloses the Responsible Entity's fees for 30 June 2023 and 30 June 2022:

Funds	Management Fee		Expense Recoveries	
	30 June	30 June	30 June	30 June
	2023	2022	2023	2022
	%	%	%	%
Australian Bank Senior Floating Rate Bond ETF	0.19	0.19	0.03	0.03
Australian Composite Bond ETF	0.19	0.19	-	-
Australian Government Bond ETF	0.19	0.19	0.03	0.03
Australian High Interest Cash ETF	0.18	0.18	-	-
Australian Investment Grade Corporate Bond ETF	0.22	0.22	0.03	0.03
Australian Major Bank Hybrids Index ETF	0.35	0.35	-	-
U.S. Treasury Bond 20+ Year ETF - Currency Hedged <sup>1</sup>	0.19	0.19	0.03	0.03
Interest Rate Hedged Australian Investment Grade Corporate Bond ETF <sup>2</sup>	0.29	-	-	-
Sustainability Leaders Diversified Bond ETF - Currency Hedged	0.39	0.39	0.10	0.10

<sup>1</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

<sup>2</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

#### 14 Related party transactions (continued)

##### (b) Other key management personnel (continued)

The related party transactions during the period and amounts payable at period end were as follows:

	Australian Bank Senior Floating Rate Bond ETF		Australian Composite Bond ETF <sup>1</sup>		Australian Government Bond ETF	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$	\$	\$	\$	\$	\$
Management fees expensed to the Responsible Entity	1,384,219	1,254,131	351,971	5,206	763,231	467,112
Management fees payable to the Responsible Entity at reporting date	148,299	87,534	34,231	1,532	65,733	64,811
Expense recoveries expensed to the Responsible Entity	218,561	198,651	-	-	120,510	73,754
Expense recoveries payable to the Responsible Entity at reporting date	23,416	13,821	-	-	10,379	10,233
Management fees rebate received from the Responsible Entity	12,494	12,258	-	-	-	-

  

	Australian High Interest Cash ETF		Australian Investment Grade Corporate Bond ETF		Australian Major Bank Hybrids Index ETF	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$	\$	\$	\$	\$	\$
Management fees expensed to the Responsible Entity	4,578,298	4,180,069	1,039,283	1,112,795	780,264	306,399
Management fees payable to the Responsible Entity at reporting date	473,013	269,401	91,933	83,939	75,234	44,590
Expense recoveries expensed to the Responsible Entity	-	-	141,720	151,772	-	-
Expense recoveries payable to the Responsible Entity at reporting date	-	-	12,536	11,446	-	-
Management fees rebate received from the Responsible Entity	-	-	-	6,638	-	-

<sup>1</sup> The comparative amount for Australian Composite Bond ETF was from 4 February 2022 to 30 June 2022.

**14 Related party transactions (continued)**

(b) Other key management personnel (continued)

	U.S. Treasury Bond 20+ Year ETF - Currency Hedged <sup>2</sup>		Interest Rate Hedged Australian Investment Grade Corporate Bond ETF <sup>3</sup>		Sustainability Leaders Diversified Bond ETF - Currency Hedged	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$	\$	\$	\$	\$	\$
Management fees expensed to the Responsible Entity	122,690	8,431	7,076	-	816,801	669,265
Management fees payable to the Responsible Entity at reporting date	20,985	1,244	1,274	-	84,142	55,233
Expense recoveries expensed to the Responsible Entity	19,372	1,331	-	-	209,436	171,616
Expense recoveries payable to the Responsible Entity at reporting date	3,313	196	-	-	21,575	14,162
Management fees rebate received from the Responsible Entity	-	-	5,774	-	-	-
Management fees rebate receivable from the Responsible Entity at reporting date	-	-	1,024	-	-	-

<sup>2</sup> On 22 August 2022, the Fund changed its name from Betashares Global Government Bond 20+ Year ETF - Currency Hedged to Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged.

<sup>3</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

#### 14 Related party transactions (continued)

##### Related party unitholdings

During the financial period, parties related to the Funds, including the Responsible Entity, its affiliates or other schemes managed by the Responsible Entity, held units in the Funds and information about the investments held by these related parties in certain Funds is included in the following tables.

##### *Australian Bank Senior Floating Rate Bond ETF*

2023

Unitholder	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
Betashares Capital Ltd	80,000	119,000	3,085,881	0.28	39,000	-	101,094
<b>Total</b>	<b>80,000</b>	<b>119,000</b>	<b>3,085,881</b>	<b>0.28</b>	<b>39,000</b>	<b>-</b>	<b>101,094</b>

2022

Unitholder	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
Betashares Capital Ltd	80,000	80,000	2,042,400	0.36	-	-	16,215
<b>Total</b>	<b>80,000</b>	<b>80,000</b>	<b>2,042,400</b>	<b>0.36</b>	<b>-</b>	<b>-</b>	<b>16,215</b>

#### 14 Related party transactions (continued)

##### Related party unitholdings (continued)

##### *Australian High Interest Cash ETF*

2023

Unitholder	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
Betashares Capital Ltd	-	299,162	15,026,907	0.47	299,162	-	380,921
Betashares Active Australian Hybrids Fund	-	105,676	5,291,056	0.17	2,247,676	2,142,000	611,411
Betashares Australian Bank Senior Floating Rate Bond ETF	-	-	-	-	879,000	879,000	169,671
Betashares Australian Equities Bear Hedge Fund	692,000	692,000	34,647,516	1.08	-	-	1,048,736
<b>Total</b>	<b>692,000</b>	<b>797,676</b>	<b>39,938,572</b>	<b>1.25</b>	<b>3,126,676</b>	<b>3,021,000</b>	<b>1,829,818</b>

2022

Unitholder	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
Betashares Active Australian Hybrids Fund	179,713	-	-	-	1,789,630	1,969,343	43,028
Betashares Australian Equities Bear Hedge Fund	692,000	692,000	34,646,835	1.95	-	-	102,986
<b>Total</b>	<b>871,713</b>	<b>692,000</b>	<b>34,646,835</b>	<b>1.95</b>	<b>1,789,630</b>	<b>1,969,343</b>	<b>146,014</b>

##### *Interest Rate Hedged Australian Investment Grade Corporate Bond ETF<sup>1</sup>*

2023

Unitholder	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
Betashares Australian Investment Grade Corporate Bond ETF	-	276,184	5,985,845	1.17	286,043	9,859	120,856
<b>Total</b>	<b>-</b>	<b>276,184</b>	<b>5,985,845</b>	<b>1.17</b>	<b>286,043</b>	<b>9,859</b>	<b>120,856</b>

<sup>1</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

#### 14 Related party transactions (continued)

##### Related party unitholdings (continued)

##### *Sustainability Leaders Diversified Bond ETF - Currency Hedged*

2023

Unitholder	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
Betashares Ethical Diversified Balanced ETF	343,471	461,878	9,365,176	3.51	138,426	20,019	217,265
Betashares Ethical Diversified High Growth ETF	184,912	278,842	5,653,883	2.12	113,118	19,188	126,934
Betashares Ethical Diversified Growth ETF	322,519	476,047	9,652,470	3.62	180,340	26,812	228,121
<b>Total</b>	<b>850,902</b>	<b>1,216,767</b>	<b>24,671,529</b>	<b>9.25</b>	<b>431,884</b>	<b>66,019</b>	<b>572,320</b>

2022

Unitholder	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the Fund (\$)
Betashares Ethical Diversified Balanced ETF	124,990	343,471	7,266,683	4.26	232,191	13,710	116,317
Betashares Ethical Diversified High Growth ETF	29,965	184,912	3,912,112	2.29	154,947	-	60,402
Betashares Ethical Diversified Growth ETF	77,124	322,519	6,823,410	4.00	253,972	8,577	108,207
<b>Total</b>	<b>232,079</b>	<b>850,902</b>	<b>18,002,205</b>	<b>10.55</b>	<b>641,110</b>	<b>22,287</b>	<b>284,926</b>

All transactions with related parties are conducted on normal terms and conditions. From time to time the Responsible Entity or its director-related entities may invest or withdraw from the Funds.

#### 14 Related party transactions (continued)

##### Investments

Holdings of the Funds in other related parties, including those under the management of the Responsible Entity is as follows:

##### *Australian Investment Grade Corporate Bond ETF*

2023

Holding in related fund	Number of units held opening	Number of units held closing	Fair value of investment	Interest held	Number of units acquired	Number of units disposed	Distributions received/ receivable by the Fund
	(Units)	(Units)	(\$)	(%)	(Units)	(Units)	(\$)
Betashares Interest Rate Hedged Australian Investment Grade Corporate Bond ETF <sup>1</sup>	-	276,184	5,985,845	1.17	286,043	9,859	120,856
<b>Total</b>	-	<b>276,184</b>	<b>5,985,845</b>	<b>1.17</b>	<b>286,043</b>	<b>9,859</b>	<b>120,856</b>

<sup>1</sup> There was no comparative amount for Interest Rate Hedged Australian Investment Grade Corporate Bond ETF. The Fund was registered on 6 January 2022 and commenced trading on 14 November 2022.

#### 15 Events occurring after the reporting period

No significant events have occurred since the end of the reporting period which would impact on the financial position of the Funds disclosed in the statements of financial position as at 30 June 2023 or on the results and cash flows of the Funds for the period ended on that date.

#### 16 Contingent assets and liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 30 June 2023 and 30 June 2022.

## Directors' declaration

Betashares Capital Ltd presents the Directors' Declaration in respect of the following funds:

Betashares Australian Bank Senior Floating Rate Bond ETF  
Betashares Australian Composite Bond ETF  
Betashares Australian Government Bond ETF  
Betashares Australian High Interest Cash ETF  
Betashares Australian Investment Grade Corporate Bond ETF  
Betashares Australian Major Bank Hybrids Index ETF  
Betashares U.S. Treasury Bond 20+ Year ETF- Currency Hedge (formerly known as Betashares Global Government Bond 20+ Year ETF - Currency Hedged)  
Betashares Interest Rate Hedged Australian Investment Grade Corporate Bond ETF  
Betashares Sustainability Leaders Diversified Bond ETF

In the opinion of the directors of Betashares Capital Ltd, the Responsible Entity of the Funds:

- (a) the financial statements and notes set out on pages 7 to 77 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Australian Accounting Standards, and interpretations issued by the Australian Accounting Standards Board and the *Corporations Regulations 2001*; and
  - (ii) giving a true and fair view of the Funds' financial positions as at 30 June 2023 and of their performance for the financial period ended on that date; and
- (b) there are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable; and
- (c) Note 2(a) confirms that the financial statements comply with International Financial Reporting Standards and Interpretations issued by the International Accounting Standards Board.

Signed in accordance with a resolution of the directors of Betashares Capital Ltd.



Alex Vynokur  
Director

Sydney  
22 September 2023



# Independent Auditor's Report

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To the respective unitholders of the following Schemes:

Betashares Australian Bank Senior Floating Rate Bond ETF

Betashares Australian Composite Bond ETF

Betashares Australian Government Bond ETF

Betashares Australian High Interest Cash ETF

Betashares Australian Investment Grade Corporate Bond ETF

Betashares Australian Major Banks Hybrid Index ETF

Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged

Betashares Interest Rate Hedged Australian Investment Grade Corporate Bond ETF

Betashares Sustainability Leaders Diversified Bond ETF - Currency Hedged

For the purpose of this report, the term Scheme and Schemes denote the individual and distinct entity for which the financial information is prepared and upon which our audit is performed. Each is to be read as a singular subject matter.

## Opinions

We have audited each of the **Financial Reports** of the Schemes.

In our opinion, the accompanying Financial Report of each Scheme is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of that Scheme's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The respective **Financial Reports** of the individual Schemes comprise:

- Statements of financial position as at 30 June 2023;
- Statements of comprehensive income for the year then ended;
- Statements of changes in equity, and Statements of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- Directors' Declaration made by the Directors of Betashares Capital Limited (the Responsible Entity).

## Basis for opinions

We conducted our audits in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audits of the Financial Reports* section



of our report.

We are independent of the Schemes and the Responsible Entity in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audits of the Financial Reports in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

### Key Audit Matters

**Key Audit Matters** are those matters that, in our professional judgement, were of most significance in our respective audits of the Financial Reports of each Scheme in the current period.

These matters were addressed in the context of our audits of each of the Financial Reports as a whole, and in forming our opinions thereon, and we do not provide a separate opinion on these matters.

The **Key Audit Matter** we identified for Betashares Australian Bank Senior Floating Rate Bond ETF, Betashares Australian Composite Bond ETF, Betashares Australian Government Bond ETF, Betashares Australian Investment Grade Corporate Bond ETF, Betashares Australian Major Bank Hybrids Index ETF, Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged, Betashares Sustainability Leaders Diversified Bond ETF - Currency Hedged, and Betashares Interest Rate Hedged Australian Investment Grade Corporate Bond ETF is:

- Valuation and existence of financial instruments.

The **Key Audit Matter** we identified for Betashares Australian High Interest Cash ETF is:

- Existence of cash and cash equivalents.

**Valuation and existence of financial instruments (Betashares Australian Bank Senior Floating Rate Bond ETF \$1,082,300,000, Betashares Australian Composite Bond ETF \$220,106,000, Betashares Australian Government Bond ETF \$434,166,000, Betashares Australian Investment Grade Corporate Bond ETF \$505,178,000, Betashares Australian Major Bank Hybrids Index ETF \$263,950,000, Betashares U.S. Treasury Bond 20+ Year ETF - Currency Hedged \$139,815,000, Betashares Interest Rate Hedged Australian Investment Grade Corporate Bond ETF \$5,994,920, and Betashares Sustainability Leaders Diversified Bond ETF - Currency Hedged \$264,036,000.)**

Refer to Note 5 to the Financial Report

The key audit matter	How the matter was addressed in our audit
<p>Financial instruments at fair value through profit or loss comprise investments in listed securities, debt securities and derivatives ("investments").</p> <p>The Scheme outsources certain processes and controls relevant to:</p> <ul style="list-style-type: none"> <li>• Executing transactions as instructed by the Responsible Entity and recording and valuing investments to the Scheme administrator;</li> <li>• Maintaining custody and</li> </ul>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>• We assessed the appropriateness of the accounting policies applied by the Scheme, including those relevant to the fair value of investments, against the requirements of the accounting standards.</li> <li>• We obtained and read the Scheme's Service Provider's ASAE 3402 <i>Assurance Reports on Controls at a Service Organisation</i> and GS007 (<i>Guidance Statement 007 Audit Implications of the Use of Service Organisations for Investment Management Services</i>) assurance</li> </ul>



<p>underlying records of investments to the custodian;</p> <p>Valuation and existence of investments is a key audit matter due to the:</p> <ul style="list-style-type: none"> <li>• Size of the Scheme’s portfolio of investments. These investments represent a significant percentage of the Scheme’s total assets at year end; and</li> <li>• Importance of the performance of these investments in driving the Scheme’s investment income and capital performance, as reported in the Financial Report.</li> </ul> <p>As a result, this was the area with greatest effect on our overall audit strategy and allocation of resources in planning and performing our audit.</p>	<p>reports to understand the processes and assess the controls relevant to the:</p> <ul style="list-style-type: none"> <li>- Scheme administrator – to execute transactions, record and value the Scheme’s investments;</li> <li>- Custodian – to maintain custody and underlying records of the Scheme’s investments;</li> </ul> <ul style="list-style-type: none"> <li>• We obtained and read the custodian’s bridging letter over the period not covered by the ASAE 3402 and GS007 assurance reports. We have checked that there were no instances of non-compliance over controls in place at the service provider.</li> <li>• We assessed the reputation, professional competence and independence of the auditors of the ASAE 3402 and GS007 assurance reports.</li> <li>• We checked the existence of investments, being the ownership and quantity held, to external sources such as independent confirmations for derivative investments as at 30 June 2023.</li> <li>• We checked the valuation of investments, as recorded in the general ledger, to independently</li> </ul>
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	<p>sourced prices as at 30 June 2023.</p> <p>We evaluated the Scheme’s disclosures of investments, using our understanding obtained from our testing, against the requirements of the accounting standards.</p>
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Existence of cash and cash equivalents (Betashares Australian High Interest Cash ETF \$3,171,784,000).	
The key audit matter	How the matter was addressed in our audit
<p>Cash and cash equivalents comprise deposits held at call with financial institutions (“cash”).</p> <p>The Scheme outsources certain processes and controls relevant to:</p> <ul style="list-style-type: none"> <li>• Recording cash transactions to the Scheme administrator;</li> <li>• Maintaining custody and underlying records of cash balances to the custodian;</li> <li>• Existence of cash is a key audit matter due to</li> </ul>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>• We obtained and read the Service Provider’s ASAE 3402 <i>Assurance Reports on Controls at a Service Organisation</i> and GS007 (<i>Guidance Statement 007 Audit Implications of the Use of Service Organisations for Investment Management Services</i>) assurance reports to understand the processes and assess the controls relevant to the: <ul style="list-style-type: none"> <li>- Custodian – to maintain custody and underlying records of the Scheme’s cash balances.</li> </ul> </li> <li>• We obtained and read the custodians’ bridging letter over the</li> </ul>



<p>the size of the Scheme's portfolio of cash. These cash balances represent a significant percentage of the Scheme's total assets at year end.</p> <p>As a result, this was the area with greatest effect on our overall audit strategy and allocation of resources in planning and performing our audit.</p>	<p>period not covered by the ASAE 3402 and GS007 assurance reports. We have checked that there were no instances of non-compliance over controls in place at the service provider.</p> <ul style="list-style-type: none"><li>• We assessed the reputation, professional competence and independence of the auditors of the ASAE 3402 and GS007 assurance reports.</li></ul> <p>We requested independent confirmations from the relevant financial institutions of the balance of the deposits held at call for the Scheme at 30 June 2023 and checked to the Scheme's cash balances, as recorded in the general ledger.</p>
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### Other Information

Other Information is financial and non-financial information in the respective Scheme's annual reporting which is provided in addition to the Financial Reports and the Auditor's Report. The Directors of the Responsible Entity are responsible for the Other Information.

Our opinions on the Financial Reports do not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audits of the Financial Reports, our responsibility is to read the Other Information. In doing so, we consider whether the

Other Information is materially inconsistent with the Financial Reports or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

### Responsibilities of Directors for the Financial Reports

The Directors of the Responsible Entity are responsible for:

- preparing the Financial Reports that give a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*;
- implementing necessary internal controls to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- assessing each Scheme's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the respective Scheme or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audits of the Financial Reports

Our objective is:

- to obtain reasonable assurance about whether the Financial Reports as a whole are free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinions.



Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Reports.

A further description of our responsibilities for the audits of the Financial Reports is located at the Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar2\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf). This description forms part of our Auditor's Report.

  
KPMG

  
Nicholas Buchanan  
Partner

Sydney  
22 September 2023

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