

Media release

## **BetaShares adds to its leading ethical range with new Diversified Bond ETF (ASX: GBND)**

***GBND provides investors with a cost-effective, transparent option for “true to label” ethical bond investment***

**SYDNEY, 16 December 2019:** BetaShares, a leading Australian ETF manager, has launched an ETF that gives investors access to a diversified portfolio of high-quality global and Australian bonds that meet strict responsible investment criteria. The BetaShares Sustainability Leaders Diversified Bond ETF – Currency Hedged (ASX: GBND) is also the first ETF available on ASX that specifically allocates a significant proportion of its portfolio to ‘green bonds’.

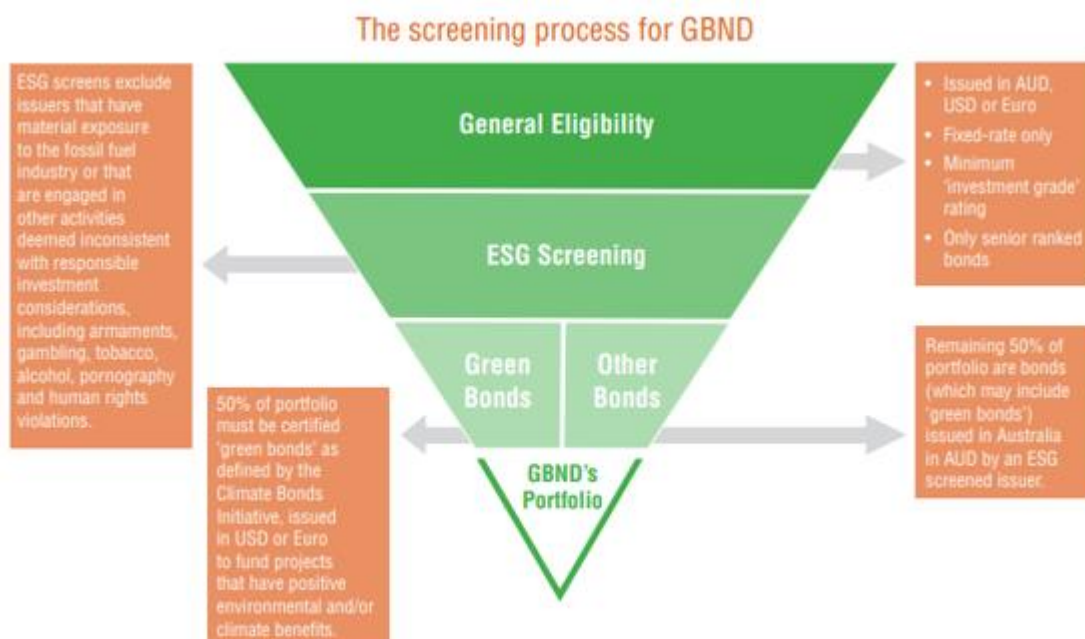
Commenting on the launch, BetaShares CEO, Alex Vynokur, said: “Exposure to fixed income offers important portfolio diversification and defensive benefits. The launch of GBND provides a solution for investors and advisers who are seeking the benefits of fixed income but want to do so with a focus on sustainability.”

The index that GBND aims to track utilises strict environmental, social and governance (ESG) screening processes to select eligible bonds. Bond issuers are excluded if they have material exposure to the fossil fuel industry or are engaged in other activities that carry significant ESG risks, including gambling, tobacco and a lack of gender diversity at board level.

In addition, at least 50% of GBND’s portfolio will be made up of independently verified ‘green bonds’, i.e. bonds issued to directly fund projects that have positive environmental and/or climate benefits, as certified by the Climate Bonds Initiative, an internationally-recognised non-profit organisation. The green bond issuer must also have passed the screening process outlined above.

“With interpretations of responsible investing varying widely, we’re finding investors want to know that their money is being invested in a way that aligns with their values, rather than ethical in name alone”, Mr. Vynokur continued. “The strict screening process each bond must pass enables GBND to offer ‘true to label’ ethical investment exposure.”

In order to provide a globally diversified bond portfolio, 50% of the portfolio’s value will be AUD-denominated, with the remainder allocated to bonds denominated in Euro or USD. The foreign currency exposure of the global bonds is hedged back to the AUD.



## Responsible investing is on the rise

The launch of GBND has come at a time when responsible investing is increasingly entering the mainstream. According to the *Responsible Investment Benchmark Report 2019 Australia*, there is now approximately \$3 trillion AUD invested in ethical strategies around the globe. In Australia, the market capitalisation for ethical ETFs has risen over 230% since 2017<sup>1</sup> and a recent report authored by Monash University found climate change and environmental issues are now Australians' second-biggest concerns after the economy<sup>2</sup>.

"The statistics make it clear that global and Australian investors alike are increasingly using ethical investment options as they realise the impact their money can have on promoting positive environmental and social outcomes," continued Mr. Vynokur.

## GBND a part of BetaShares' leading ethical range

GBND joins BetaShares' already leading range of ethical ETFs, which currently provide investors access to a high-quality portfolio of Global Shares (ASX: ETHI) and Australian Shares (ASX: FAIR) using similar rigorous eligibility screening.

ETHI and FAIR are now the largest ethical ETFs on the ASX, with combined AUM exceeding \$800 million<sup>3</sup>, having captured over 70% of assets flowing into ethical ETFs since their launch in 2017<sup>4</sup>.

"ETHI and FAIR have been very well-received since their launch. And now with the launch of GBND, investors can easily build a diversified ethical portfolio with exposure to both bonds and equities, all via the ASX."

1 Source: ASX. As 30 October 2019.

2 Source: Scanlon Foundation Mapping Social Cohesion Report, 2019

3 As at 26 November 2019.

4 Source: ASX. As at 30 October 2019.

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## About BetaShares

Awarded ETF Fund Manager of Year for 2017 and 2016 by Professional Planner/Zenith and 2016 ETF Manager of the Year by Money Management/Lonsec, BetaShares Capital Ltd ("BetaShares") is a leading Australian manager of exchange traded products ("ETPs") traded on the Australian Securities Exchange. BetaShares offers a range of ETPs which cover Australian and International equities, cash, currencies, commodities and alternative strategies. BetaShares currently has over \$9.5 billion in assets under management.

BetaShares is owned and managed by its Australian based management team along with a strategic shareholding from Mirae Asset Global Investment Group, one of Asia's largest asset management firms. As at October 2019, Mirae manages over US\$130 billion.

BetaShares' range of ASX-traded funds includes:

Product Series	Product	Ticker
Cash & Fixed Income ETFs	Australian Bank Senior Floating Rate Bond ETF	QPON
	Australian Government Bond ETF	AGVT
	Australian High Interest Cash ETF	AAA
	Australian Investment Grade Corporate Bond ETF	CRED
	Sustainability Leaders Diversified Bond ETF – Currency Hedged	GBND
Hybrid Funds	Active Australian Hybrids Fund (managed fund)	HBRD
Commodity ETFs	Agriculture ETF – Currency Hedged (synthetic)	QAG
	Commodities Basket ETF – Currency Hedged (synthetic).	QCB

	Crude Oil Index ETF – Currency Hedged (synthetic)	OOO
	Gold Bullion ETF – Currency Hedged	QAU
Currency ETFs	British Pound ETF	POU
	Euro ETF	EEU
	U.S. Dollar ETF	USD
	BetaShares Strong U.S. Dollar Fund (hedge fund)	YANK
	BetaShares Strong Australian Dollar Fund (hedge fund)	AUDS
Diversified ETFs	Diversified Conservative Income ETF	DZZF
	Diversified Balanced ETF	DBBF
	Diversified Growth ETF	DGGF
	Diversified High Growth ETF	DHHF
Equities ETFs	FTSE RAFI Australia 200 ETF	QOZ
	Financials Sector ETF	QFN
	Resources Sector ETF	QRE
	Australian Ex-20 Portfolio Diversifier ETF	EX20
	Australian Small Companies Select Fund (managed fund)	SMLL
	Australian Sustainability Leaders ETF	FAIR
	Australia 200 ETF	A200
Equity Income Funds	Australian Dividend Harvester Fund (managed fund)	HVST
	Equity Yield Maximiser Fund (managed fund)	YMAX
Geared Funds	Geared Australian Equity Fund (hedge fund)	GEAR
	Geared US Equity Fund – Currency Hedged (hedge fund)	GGUS
International Funds	Asian Technology Tigers ETF	ASIA
	FTSE RAFI U.S. 1000 ETF	QUS
	Europe ETF – Currency Hedged	HEUR
	FTSE 100 ETF	F100
	Global Agriculture ETF – Currency Hedged	FOOD

	Global Banks ETF – Currency Hedged	BNKS
	Global Cybersecurity ETF	HACK
	Global Energy Companies ETF – Currency Hedged	FUEL
	Global Gold Miners ETF – Currency Hedged	MNRS
	Global Healthcare ETF – Currency Hedged	DRUG
	Global Income Leaders ETF	INCM
	Global Quality Leaders ETF	QLTY
	Global Robotics and Artificial Intelligence ETF	RBTZ
	Global Sustainability Leaders ETF	ETHI
	India Quality ETF	IIND
	Japan ETF – Currency Hedged	HJPN
	NASDAQ 100 ETF	NDQ
	S&P 500 Yield Maximiser Fund (managed fund)	UMAX
Managed Risk Funds	Managed Risk Australian Share Fund (managed fund)	AUST
	Managed Risk Global Share Fund (managed fund)	WRLD
Short Funds	Australian Equities Bear Hedge Fund	BEAR
	Australian Equities Strong Bear Hedge Fund	BBOZ
	US Equities Strong Bear Hedge Fund – Currency Hedged	BBUS
Active	AMP Capital Dynamic Markets Fund (Hedge Fund)	DMKT
	AMP Capital Global Infrastructure Securities Fund (Unhedged) (Managed Fund)	GLIN
	AMP Capital Global Property Securities Fund (Unhedged) (Managed Fund)	RENT
	BetaShares Legg Mason Australian Bond Fund (managed fund)	BNDS
	BetaShares Legg Mason Equity Income Fund (managed fund)	EINC
	BetaShares Legg Mason Emerging Markets Fund (managed fund)	EMMG

	BetaShares Legg Mason Real Income Fund (managed fund)	RINC
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