BETASHARES ESG-RELATED PROXY VOTING REPORT

BetaShares Global Sustainability Leaders ETF (ASX: ETHI)
BetaShares Australian Sustainability Leaders ETF (ASX: FAIR)

1 January 2019 to 30 June 2019

This report summarises the proxy voting record for the named funds in relation to ESG-related resolutions only. A full report of BetaShares proxy voting activities is available on the BetaShares website.

BetaShares Global Sustainability Leaders ETF (ASX: ETHI)

Company Name	Ticker	Meeting Date	Proposal Text	Management Recommendation	Vote Instruction	Voting Rationale
Apple, Inc.	AAPL	1/03/2019	Disclose Board Diversity and Qualifications	Against	Against	A vote AGAINST this resolution is warranted for the following reasons: Apple provides sufficient information regarding the experiences, qualifications, and attributes of director nominees for shareholders to assess their suitability for the board; the company does not appear to be lagging its peers by not disclosing a board diversity and qualifications matrix. Further, we do not support the requirement to disclose a nominee's ideological perspectives .
Analog Devices, Inc.	ADI	13/03/2019	Prepare Employment Diversity Report and Report on Diversity Policies	Against	For	A vote FOR this resolution is warranted, as additional diversity-related disclosure would allow shareholders to better assess the effectiveness of the company's diversity initiatives and its management of related risks.
Starbucks Corp.	SBUX	20/03/2019	Adopt a Policy on Board Diversity	Against	Against	This resolution claimed bias against conservative ideology. A vote AGAINST this resolution is warranted for the following reasons: Starbucks already provides a director qualifications matrix which provides information regarding the experiences, qualifications, and attributes of director nominees; and the company does not appear to be lagging its peers by not disclosing a nominee's ideological perspectives. The practice does not appear to be a standard industry procedure.
Starbucks Corp.	SBUX	20/03/2019	Report on Sustainable Packaging	Against	For	A vote FOR this proposal is warranted as shareholders would benefit from additional disclosure on the company's targets and initiatives for managing associated financial, environmental, and reputational risks regarding its packaging.
Adobe Inc.	ADBE	11/04/2019	Report on Gender Pay Gap	Against	For	A vote FOR this proposal is warranted, as shareholders would benefit from additional information allowing them to better measure the progress of the company's diversity and inclusion initiatives.
Charter Communications, Inc.	CHTR	23/04/2019	Report on Sustainability	Against	For	A vote FOR this proposal is warranted, as investors would benefit from additional information on the company's sustainability policies and practices as well as its management of related risks and opportunities.
Cigna Corporation	CI	24/04/2019	Report on Gender Pay Gap	Against	For	A vote FOR this proposal is warranted, as shareholders would benefit from additional information allowing them to better measure the progress of the company's diversity and inclusion initiatives.
Illinois Tool Works Inc.	ITW	3/05/2019	Adopt Quantitative Company-wide GHG Goals	Against	For	Filed by Trillium Asset Management. A vote FOR this proposal is warranted, as additional information on the company's GHG emissions, GHG reduction goals, and oversight mechanisms for reduction activities would allow shareholders to better assess the company's management of these emissions and related risks. We support establishing clear targets for improving carbon efficiency.
The Charles Schwab Corporation	SCHW	15/05/2019	Adopt Policy to Annually Disclose EEO-1 Data	Against	For	A vote FOR this resolution is warranted, as additional diversity-related disclosure would allow shareholders to better assess the effectiveness of the company's diversity initiatives and its management of related risks.
Intel Corporation	INTC	16/05/2019	Report on Gender Pay Gap	Against	For	A vote FOR this proposal is warranted, as shareholders could benefit from additional information allowing them to measure the progress of the company's diversity and inclusion initiatives.

Intel Corporation	INTC	16/05/2019	Request for an Annual Advisory Vote on Political Contributions	Against	Against	A vote AGAINST this proposal is warranted because: - The company provides information regarding its direct and indirect political spending policies, initiatives, and oversight mechanisms; and - Shareholder interests may be sufficiently addressed by a less prescriptive request for enhanced disclosure rather than the requested annual advisory vote on the company's electioneering communications policies and planned expenditures.
Fiserv, Inc.	FISV	22/05/2019	Report on Political Contributions	Against	For	A vote FOR this resolution is warranted, as additional information regarding the company's direct and indirect political contributions, including payments to trade associations, would help investors in assessing its management of related risks.
PayPal Holdings, Inc.	PYPL	22/05/2019	Report on Political Contributions	Against	Against	A vote AGAINST this proposal is warranted, as PayPal provides sufficient information regarding its political expenditures and trade association participation for shareholders to be able to assess how it is managing related risks and benefits.
PayPal Holdings, Inc.	PYPL	22/05/2019	Amend Board Governance Documents to Define Human Rights Responsibilities	Against	Against	A vote AGAINST this resolution is warranted, as the company has recently formalized board and management oversight responsibilities for environmental, social, and governance strategy and its risk management policies and procedures are sufficient. We support the consideration of human rights risks as part of board level decision making, but in this case believe this is adequarely covered within the company's existing risk management policies and procedures
Ross Stores, Inc.	ROST	22/05/2019	Adopt Quantitative Company-wide GHG Goals	Against	For	A vote FOR this proposal is warranted, as additional information on the company's GHG emissions, GHG reduction goals, and oversight mechanisms for reduction activities would allow shareholders to better assess the company's management of these emissions and related risks.
BlackRock, Inc.	BLK	23/05/2019	Report on Lobbying Payments and Policy	Against	For	Filed by the Unitarian Universalist Association. A vote FOR this proposal is warranted, as additional disclosure of the company's lobbying-related expenditures, trade association payments, and board-level oversight mechanisms would help shareholders better assess the risks and benefits associated with the company's participation in the public policy process.
The Home Depot, Inc.	HD	23/05/2019	Prepare Employment Diversity Report and Report on Diversity Policies	Against	For	Filed by the Congregation of Benedictine Sisters. A vote FOR this resolution is warranted, as reporting of the full set of diversity statistics would allow shareholders to better assess the effectiveness of the company's diversity initiatives and its management of related risks.
The Home Depot, Inc.	HD	23/05/2019	Report on Prison Labor in the Supply Chain	Against	For	A vote FOR this proposal is warranted. Additional reporting on the company's policies addressing use of prison labor would help shareholders assess the level of human rights risk that may be facing the company.
Illumina, Inc.	ILMN	29/05/2019	Report on Political Contributions	Against	For	A vote FOR this resolution is warranted, as additional disclosure of the company's trade association memberships and payments, and the company's board oversight of those contributions would allow shareholders to better assess related risks.
Cognizant Technology Solutions Corporation	CTSH	4/06/2019	Report on Political Contributions	Against	For	A vote FOR this proposal is warranted. The company does not disclose its political contributions or sufficiently detailed information about its participation in trade association or other tax-exempt organization, and related board oversight. Disclosure of this information could help shareholders evaluate more comprehensively Cognizant's political activities and related risks and benefits.
The TJX Companies, Inc.	TJX	4/06/2019	Report on Gender, Race, or Ethnicity Pay Equity	Against	For	A vote FOR this resolution aligns with the values of the fund. The proposal requires the company to report on its gender pay gap and its plan for reducing the pay gap, and to disclose data on race and ethnicity pay gap for comparable positions. The company has already started or committed to reporting on both these areas.
The TJX Companies, Inc.	TJX	4/06/2019	Report on Prison Labor in Supply Chain	Against	For	A vote FOR this proposal is warranted. Additional reporting on the company's policies addressing the prevention of prison labor would help shareholders assess the level of human rights risks that may be facing the company and its management thereof.
The TJX Companies, Inc.	TJX	4/06/2019	Report on Human Rights Risks in Operations and Supply Chain	Against	For	A vote FOR this proposal is warranted, as additional information regarding the processes the company uses to assess human rights impacts in its operations and supply chain would allow shareholders to better gauge how well TJX is managing human rights related risks.
Vertex Pharmaceuticals Incorporated	VRTX	5/06/2019	Report on Integrating Risks Related to Drug Pricing into Senior Executive Compensation	Against	For	A vote FOR this proposal is warranted due to the scope of the proposal, the company's current use of incentive program metrics which may be impacted by drug pricing, and the lack of comprehensive disclosure describing how risks related to public concern over drug pricing increases are taken into consideration in executive compensation programs.

Vertex Pharmaceuticals Incorporated	VRTX	5/06/2019	Report on Lobbying Payments and Policy	Against	For	A vote FOR this resolution is warranted, as additional reporting on the company's lobbying-related practices and policies, such as its trade association memberships and payments, and oversight mechanisms would benefit shareholders in assessing its management of related risks.
Netflix, Inc.	NFLX	6/06/2019	Report on Political Contributions	Against	For	A vote this FOR resolution is warranted, as additional disclosure of the company's political contributions, including trade association memberships and payments, and the company's oversight mechanisms regarding those contributions would allow shareholders to better assess related risks.
salesforce.com, inc.	CRM	6/06/2019	Disclose Board Diversity and Qualifications Matrix	Against	Against	This resolution filed by a conservative lobby group requires the company to disclose to shareholders the experience and ideologies of its current and potential board members. The filer argues that people with conservative political views are not represented enough in Silicon Valley based companies. A vote AGAINST this resolution is warranted because: the company already provides information regarding the experience and qualifications of director nominees; political ideology should play no role in the execution of board responsibilities.
Tesla, Inc.	TSLA	11/06/2019	Establish Public Policy Committee	Against	Against	A vote AGAINST this resolution is warranted, as the proponent does not articulate how a new public policy board committee would improve the company's risk management. We do not believe that such a committee, which would be comprised of board members, would be more able than the board in addressing these concerns.
Mastercard Incorporated	MA	25/06/2019	Report on Gender Pay Gap	Against	For	A vote FOR this proposal is warranted, as shareholders would benefit from additional information allowing them to measure the progress of the company's diversity and inclusion initiatives.
Mastercard Incorporated	MA	25/06/2019	Establish Human Rights Board Committee	Against	Abstain	The resolution seeks to establish a committee that would monitor and respond to Human Rights and service and supply chain risks, particularly following Mastercard's exposure to neo-Nazi fundraisers. While we believe current governance structures are sufficient, an Abstain vote signals our intention to monitor the Company's response to this risk.

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There were no ESG-related resolutions in relation to portfolio holdings during the reporting period.