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## VanEck's international sustainable equity ETF certified 'Ethical' by RIAA

**Sydney, 02 July 2018** – VanEck's MSCI International Sustainable Equity ETF (ASX: ESGI) has been certified as an 'Ethical' investment product by Australia's leading independent certifier of responsible investments, the Responsible Investment Association Australasia (RIAA). ESGI has been certified by RIAA according to the strict operational and disclosure practices required under the Responsible Investment Certification Program.

Launched on ASX in March 2018, ESGI provides investors with access to a portfolio of around 174 true-to-label sustainable international companies in a single trade. The smart beta ETF tracks the MSCI World ex Australia ex Fossil Fuel Select SRI and Low Carbon Capped Index which screens companies based on fossil fuel ownership and revenues, socially responsible activities, environmental, social or governance (ESG) performance and carbon emissions.

**Arian Neiron, VanEck Managing Director and Head of Asia Pacific, said:** "We are delighted that our sustainable international equity ETF, ESGI, has been recognised by the RIAA certification program. The program is the first of its kind in the world and was established to help Australian and New Zealand investors make more informed decisions about investing in sustainable financial products.

"Investors want certainty that fund managers have undertaken scrupulous investigation of each company's business activities to feel confident that the fund they are investing in is truly aligned with their values. It is therefore crucial that product issuers can provide full transparency and justification for including companies in a portfolio that is marketed as 'ethical', 'responsible' or 'sustainable'.

"By partnering with MSCI, the world's leading ESG research and index provider, ESGI gives investors diversified international exposure to high performing ESG companies in a single trade," said Neiron.



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Companies tracked by the ESGI index are selected out of the MSCI World ex Australia Index. The selection process involves three negative screens and one positive screen:

- Step 1: Excludes all companies that own any fossil fuel reserves or derive revenue from mining thermal coal or from oil and gas related activities;
- Step 2: Excludes all companies whose businesses are involved in socially irresponsible activities such as alcohol, gambling, tobacco, military weapons, civilian firearms, nuclear power, adult entertainment and genetically modified organisms;
- Step 3: Includes leading ESG performers; and
- Step 4: Excludes high carbon emitters.

The index achieves diversification with constraints on sectors and by capping the maximum weight assigned to each security so that the resultant portfolio retains sector diversification comparable with the MSCI World ex Australia Index.

“We believe demand for investing in sustainable, transparent investment products will continue to rise in favour of traditional investment solutions as investors prioritise ESG issues in their decision making. There is also growing evidence which shows that companies which successfully respond to ESG factors can deliver improved long-term performance,” said Neiron.

The Responsible Investment Certification Program was created in 2005 in partnership with the NSW Department of Environment and Conservation and the Victorian Government. The Program helps investors by providing standardised and consistent information about certified responsible investment products, services and policies.

To be licensed to use the Ethical Certification Symbol, VanEck was required to meet RIAA’s strict operational and disclosure requirements for the category of Product Provider.

<b>Fund</b>	<b>ASX code</b>	<b>Features</b>	<b>Management Cost</b>
VanEck Vectors MSCI International Sustainable Equity ETF	ESGI	<ul style="list-style-type: none"><li>• True-to-label international sustainable equity ETF</li><li>• Screens companies based on fossil fuel re</li><li>• serves and revenues, socially responsible activities; ESG performance and carbon emissions</li><li>• Leveraging MSCI’s leadership in ESG research and data</li><li>• All the benefits of ETFs including:<ul style="list-style-type: none"><li>○ Simple trading on the ASX</li><li>○ Liquid</li><li>○ Transparent daily holdings</li><li>○ Cost effective</li></ul></li></ul>	0.55% p.a.



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#### **General information only**

This information is prepared in good faith by VanEck Investments Limited ABN 22 146 596 116 AFSL 416755 ('VanEck') as the responsible entity and issuer of VanEck Vectors MSCI International Sustainability Equity ETF ARSN 623 953 177 ('the Fund'). This information is general in nature and not financial advice. It does not take into account any person's individual objectives, financial situation or needs. Before making an investment decision investors should read the product disclosure statement and with the assistance of a financial adviser consider if it is appropriate for their circumstances. A copy of the PDS is available at [www.vaneck.com.au](http://www.vaneck.com.au) or by calling 1300 68 38 37.

ESGI invests in international markets. An investment in ESGI has specific and heightened risks that are in addition to the typical risks associated with investing in the Australian market. These include currency risks from foreign exchange fluctuations, ASX trading time differences and changes in foreign laws and regulations including taxation. The Fund is subject to investment risk, including possible loss of capital invested. Past performance is not a reliable indicator of future performance. No member of the VanEck group guarantees the repayment of capital, the payment of income, performance, or any particular rate of return from the Fund.

ESGI is indexed to a ESGI index. ESGI is not sponsored, endorsed, or promoted by MSCI, and MSCI bears no liability with respect to ESGI or the MSCI Index. The PDS contains a more detailed description of the limited relationship MSCI has with VanEck and ESGI.

ESGI has been certified by RIAA according to the strict operational and disclosure practices required under the Responsible Investment Certification Program. See [www.responsibleinvestment.org](http://www.responsibleinvestment.org) for details. The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold an Australian Financial Services Licence.

#### **About VanEck**

Founded in 1955, VanEck was among the first asset managers helping investors achieve greater diversification through global investing. Today we are recognised for being a pioneer in global markets and for drawing on our experience to offer innovative solutions. We offer these solutions to individual investors and institutions, including endowments, foundations, pension plans and private banks.

With offices in key financial centres and regions including New York, Sydney, Shanghai, Frankfurt, Madrid and Zurich, VanEck offers investors broad investment reach with deep experience.

Further information about VanEck is available at [vaneck.com](http://vaneck.com) and [vaneck.com.au](http://vaneck.com.au)