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ESGI

VanEck MSCI International Sustainable Equity ETF

Sustainability Update

1H 2026

Fund summary

ESGI provides investors with a portfolio of international companies, included on the basis of having better ESG and sustainability metrics and credentials relative to their sector peers, according to MSCI. This true-to-label sustainability fund incorporates stringent screening criteria provided by MSCI's best-in-class research.

For full details of the methodology, visit vaneck.com.au/esgi

Semi-annual commentary

- Over the half-year period ending 30 June 2026, ESGI's ESG score remains significantly higher than the market benchmark and the overall ESG rating remained at AAA.
- 95.8% of the companies in ESGI are classified as ESG Leaders (ratings of AA or AAA), compared with only 49.3% for the MSCI World ex Australia Index.
- Carbon emissions for ESGI were 91.4% lower than that of the MSCI World ex Australia Index at 3t CO_2e/\$m invested.

ESG Metrics

ESG integration metrics comparison to MSCI World ex Australia Index

	ESGI Index	MSCI World ex Australia Index
ESG score	9.1	6.9
ESG Leaders (AAA-AA) (%)	95.8	49.3
ESG Average (A-BB) (%)	4.2	48.1
ESG Laggards (B-CCC) (%)	0.0	2.6
ESG Pillars		
Environmental score	6.5	5.9
Social score	6.1	4.9
Governance score	7.1	5.9
Key governance metrics		
Board Independence (Wtd Avg %)	81.7	81.6
Female Directors (Wtd Avg %)	34.6	35.3

Source: MSCI, as at 30 June 2026. The definitions of all statistical parameters are available on page 7.

ESG value metrics comparison to MSCI World ex Australia Index

	ESGI Index	MSCI World ex Australia Index
Alcohol producers (%)	0.0	4.0
Tobacco producers (%)	0.0	0.8
Ties to gambling (%)	0.0	2.1
Ties to controversial weapons (%)	0.0	0.4
Ties to fossil fuels (%)	0.0	13.9
Red flag controversies (%)	0.0	0.1
Orange flag controversies (%)	0.0	27.0

Source: MSCI, as at 30 June 2026. The definitions of all statistical parameters are available on page 7.

Carbon exposure comparison to MSCI World ex Australia Index

	ESGI Index	MSCI World ex Australia Index
Carbon emissions (t CO2e/$M invested)	3.0	35.0
Carbon intensity (t CO2e/$M sales)	9.0	105.0
Potential carbon emissions (t CO2e/$M invested)	0.0	611.0
Fossil fuel reserves (%)	0.0	4.8
Thermal coal mining (%)	0.0	0.5

Source: MSCI, as at 30 June 2026. The definitions of all statistical parameters are available on page 7.

February 2026 rebalance

Deletions

There were 4 securities deleted from the MSCI World ex Australia ex Fossil Fuel Select SRI and Low Carbon Capped Index in the February 2026 rebalance.

- Take-Two Interactive Software
- Dynatrace
- Nutanix A
- Bentley Systems B

May 2026 rebalance

Additions

There were 29 additions to the MSCI World ex Australia ex Fossil Fuel Select SRI and Low Carbon Capped Index in the May 2026 rebalance.

Top 10 additions by index weight	Index weight (%)
Trane Technologies	1.9%
Mercadolibre	1.4%
Argen X	1.0%
eBay	0.9%
Alnylam Pharmaceuticals	0.8%
Horton (Dr)	0.7%
Biogen	0.5%
American Water Works Co	0.4%
Verisk Analytics A	0.4%
Veralto Corp	0.4%

Deletions

There were 35 securities deleted from the MSCI World ex Australia ex Fossil Fuel Select SRI and Low Carbon Capped Index in the May 2026 rebalance.

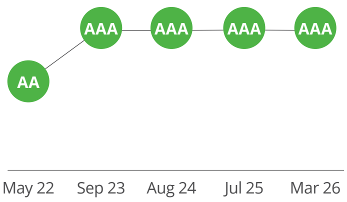
Top 10 deletions by index weight	Index weight (%)
Tokyo Electron	2.5%
Danaher Corp	2.0%
Recruit Holdings Co	1.5%
Intercontinental Exch	1.4%
Compass Group	0.9%
Softbank Corp	0.7%
Workday A	0.5%
Regions Financial (New)	0.4%
Mettler Toledo Intl	0.4%
Svenska Handelsbk A	0.4%

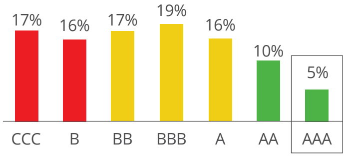
Top 5 holdings: The top performing holdings by contribution to fund performance

#	Weighting	Holding \ Sector Rating history	ESG rating distribution within sector	Key commentary from last review

1 5.38%

AAA **APPLIED MATERIALS, INC.**
Semiconductors & Semiconductor Equipment

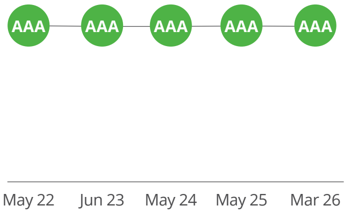


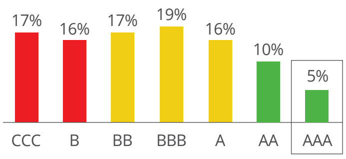


Applied Materials' rating is unchanged at 'AAA'. The company continues to lead peers in talent management and maintains strong governance and business ethics practices. Its technology development supports more resource- and energy-efficient semiconductor manufacturing, underpinning its clean-technology positioning.

2 6.77%

AAA **ASML Holding N.V.**
Semiconductors & Semiconductor Equipment

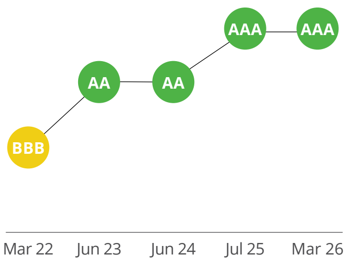


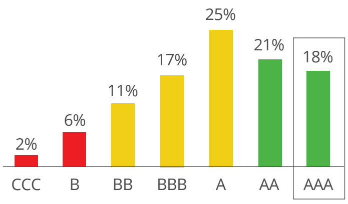


ASML's rating is unchanged at 'AAA'. The company leads industry peers in human capital development and maintains a fully independent supervisory board with strong gender diversity. Its business ethics framework includes detailed anti-corruption policies and firmwide ethics training.

3 2.74%

AAA **PALO ALTO NETWORKS, INC.**
Software & Services

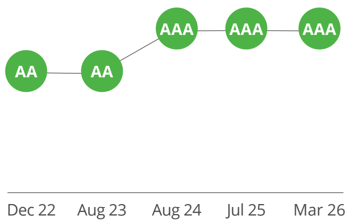


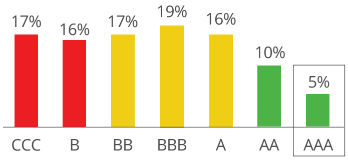


Palo Alto Networks' rating is unchanged at 'AAA'. The company leads peers in workforce management, supported by regular performance reviews, employee incentives and talent development programs. It continues to strengthen data security through penetration testing and board-level cybersecurity oversight, while governance remains broadly in line with global peers.

4 1.83%

AAA **Tokyo Electron Limited**
Semiconductors & Semiconductor Equipment

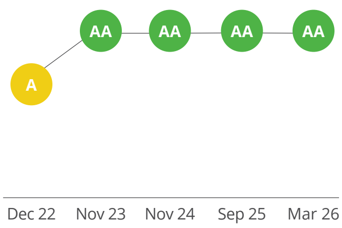


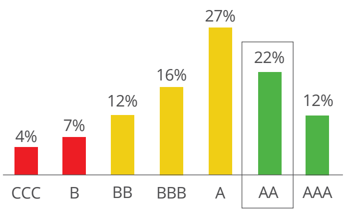


Tokyo Electron's rating is unchanged at 'AAA'. The company leads peers in human capital development, with regular employee surveys, grievance channels and performance-based incentives, and maintains strong governance and business ethics, including a majority-independent board and regular ethics audits. While the company continued to meet ESG screening criteria, it was removed from the portfolio in the May 2026 rebalance under the carbon emitter screen, which excludes the most carbon-intensive companies.

5 2.11%

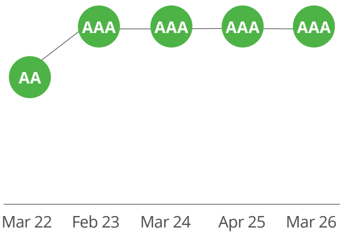
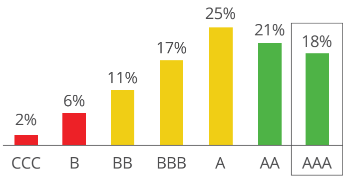
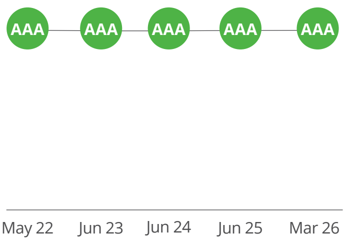
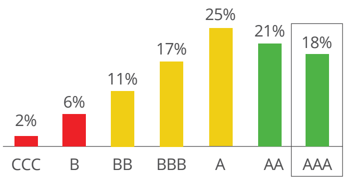
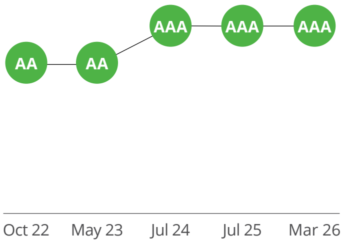
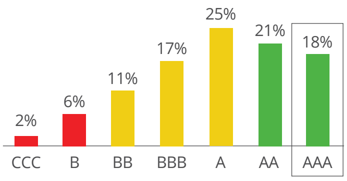
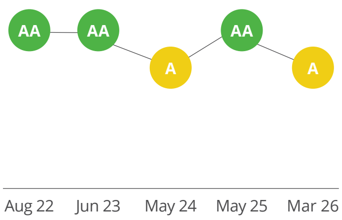
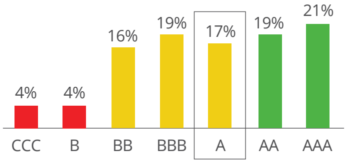
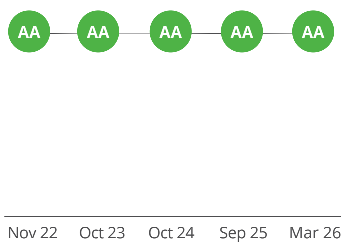
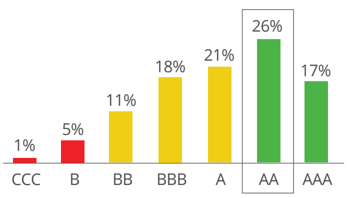
AA **SoftBank Group Corp.**
Telecommunication Services





SoftBank Group's rating is unchanged at 'AA'. The company continues to lead peers in labour management and maintains strong carbon emissions performance. Its data security practices include incident response procedures and IT security audits, although governance remains average relative to global peers due to limited board independence and combined CEO-chair leadership.

Bottom 5 holdings: The bottom performing holdings by contribution to fund performance

#	Weighting	Holding \ Sector Rating history	ESG rating distribution within sector	Key commentary from last review
1	2.07%	AAA **INTUIT INC.** Software & Services 		Intuit's rating is unchanged at 'AAA' The company continues to lead peers in human capital development, supported by structured career development, employee surveys and performance reviews. Its data security practices improved during the review, although governance scores declined and privacy-related risks remain an area of focus.
2	1.92%	AAA **ADOBE INC.** Software & Services 		Adobe's rating is unchanged at 'AAA'. The company leads peers in talent management, supported by annual surveys and firmwide career check-ins. Its privacy and data security framework includes external certifications, supplier due diligence and regular audits, although recent cybersecurity and customer-related controversies affected its privacy assessment.
3	2.02%	AAA **SERVICENOW, INC.** Software & Services 		ServiceNow's rating is unchanged at 'AAA'. The company leads peers in workforce management and privacy and data security, supported by formal talent programs and executive-level oversight. Its governance remains broadly average relative to global peers, with an independent board majority and board-level oversight of business ethics.
4	1.91%	A **DANAHER CORPORATION** Health Care Equipment & Supplies 		Danaher's coverage has been re-initiated at 'A' following a change to its MSCI industry classification. The company leads most peers in workforce management and maintains strong carbon emissions performance and business ethics practices. However, product quality and governance remain areas of relative weakness, including product recalls and long-serving board members.
5	1.18%	AA **Prosus N.V.** Retail - Consumer Discretionary 		Prosus' rating is unchanged at 'AA'. The company maintains strong carbon emissions and privacy and data security practices, supported by structured oversight and formal workforce engagement programs. Its governance is broadly in line with peers, although its controlling shareholder and complex ownership structure remain considerations.

Descriptions

MSCI ESG Ratings aim to measure a company's management of financially relevant ESG risks and opportunities.

For full details of the ESG Ratings, visit **msci.com/our-solutions/esg-investing/esg-ratings**

ESG Metrics	Definitions
ESG score	The ESG Score indicates how well the index companies manage their most material ESG risks relative to sector peers. Scores range from 10 (best) to 0 (worst).
ESG Leaders (AAA-AA) (%)	Exposure to companies with an ESG rating of AAA or AA (best in class relative to peers)
ESG Average (A-BB) (%)	Exposure to companies with a mixed or an unexpected record of managing the most significant sustainability risks and opportunities.
ESG Laggards (B-CCC) (%)	Exposure to companies with an ESG rating of B or CCC (worst in class relative to peers).
Environmental Score	The Environmental Score indicates how well the index companies manage their most material environment risks. Scores range from 10 (best) to 0 (worst).
Social score	The Social Score indicates how well the index companies manage their most material social risks. Scores range from 10 (best) to 0 (worst).
Governance score	The Governance Score indicates how well the index companies manage their most material governance risks. Scores range from 10 (best) to 0 (worst).
Board Independence (Wtd Avg %)	Exposure to companies with an independent board majority.
Female directors (Wtd Avg %)	Exposure to companies with female directors.
Tobacco producers (%)	Exposure to tobacco producers.
Ties to Controversial Weapons (%)	Exposure to companies with ties to controversial weapons.
Red Flag Controversies (%)	Exposure to companies with very severe customer, environment, governance, human rights, or labor controversies.
Orange Flag Controversies (%)	Exposure to companies with serious customer, environment, governance, human rights, or labor controversies.

Carbon exposures	Definitions
Carbon emissions	Carbon emissions normalized for the size of the portfolio tracking the index. (Unit: tons of CO2/ million $ invested)
Carbon emissions intensity	Efficiency of a portfolio tracking the index in terms of total carbon emissions divided by total sales. (Unit: tons of CO2/ million $ of sales)
Potential carbon emission	Carbon potential emissions normalized for the size of the portfolio tracking the index. (Unit: tons of CO2/ million $ invested).
Fossil fuel reserves (%)	Exposure to companies that own proved & probable coal and/or oil and natural gas reserves used for energy purposes.
Thermal coal mining (%)	Exposure to companies that derive some of their revenue from thermal coal mining.

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