



The VanEck MSCI International Sustainable Equity ETF (ASX: ESGI) is a true-to-label sustainable international equity portfolio. ESGI provides an all-encompassing values-based, low carbon impact, sustainable investing solution. ESGI tracks a state-of-the-art benchmark index, the MSCI World ex Australia ex Fossil Fuel Select SRI and Low Carbon Capped Index (ESGI Index).

Companies in the ESGI Index are selected from the MSCI World ex Australia Index through a four-step screening process based on:

1. Fossil fuel reserves
2. Socially responsible activities
3. Environmental, Social and Governance (ESG) leaders
4. Carbon emissions

1. Fossil fuel reserves - excluded

Companies that have coal, oil and/or natural gas reserves for energy purposes are excluded from the ESGI Index.

Fossil Fuel Reserves

	ESGI Index	MSCI World ex Australia Index
Thermal Coal Reserves	0	0.3
Fossil Fuel Reserves	0	5.2

2. Anti-social or Irresponsible Activities - excluded

Those companies whose businesses are involved in the following activities or exposed to them are excluded from the ESGI Index:

- alcohol
- gambling
- tobacco
- military weapons
- civilian firearms
- nuclear power
- adult entertainment
- genetically modified organisms (GMOs)
- soft drinks
- animal husbandry and testing
- poor nutrition and health
- human rights controversies

3. Environmental, Social and Governance (ESG) leaders - included

Research data from MSCI is used to identify ESG Leaders. The ESGI index includes the top 15% of these ESG leaders from each sector. As a result, 89% of the companies included have AAA or AA ESG ratings from MSCI (as at 30 April 2019). The table on the page over highlights key ESG factors and their greater representation in the ESGI Index compared to the MSCI World ex Australia Index.

ESGI Integration Metrics

	ESGI Index	MSCI World ex Australia Index
ESG Score	8.6	5.8
ESG Leaders (AAA-AA) (%)	89.2	26.7
ESG Laggards (B-CCC) (%)	0	8.3
ESG Pillars		
Environmental Score	6.9	5.4
Social Score	5.9	4.6
Governance Score	6.3	5.3

4. Carbon emitters - excluded

Remaining companies are then ranked by their carbon emission intensity. 25% of the highest carbon emitting companies by number are excluded from the ESGI Index.

Carbon Exposure

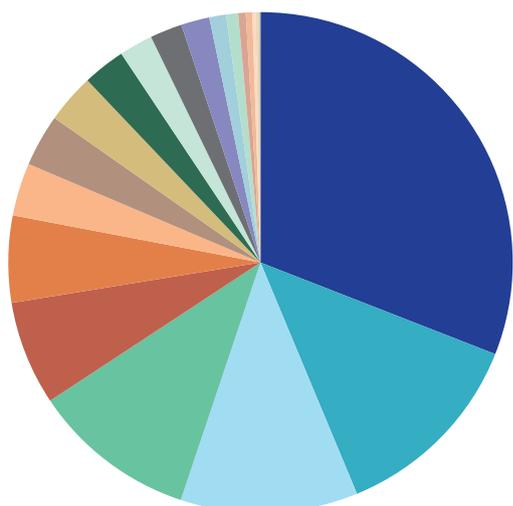
	ESGI Index	MSCI World ex Australia Index
Carbon Intensity (t CO2e/\$m sales)	23	191
Potential Carbon Emissions (t CO2e/\$m invested)	0	1715

Source: MSCI, 30 April 2019

5. International exposure

ESGI give investors the opportunity to access an international portfolio of truly sustainable corporate leaders, which is broadly diversified across countries and sectors.

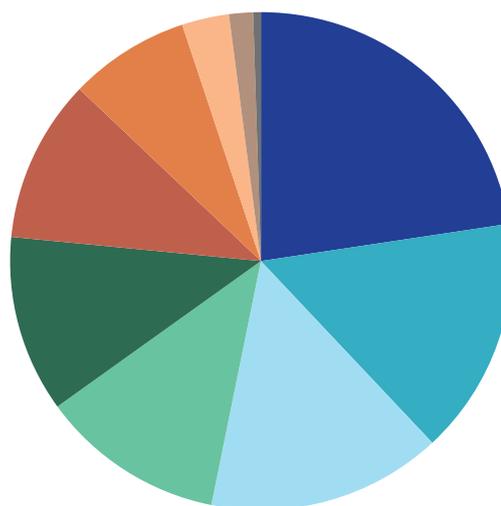
Country Allocation



USA 30.96%	Germany 12.79%
France 11.36%	Japan 10.57%
United Kingdom 6.72%	Canada 5.61%
Switzerland 3.42%	Denmark 3.36%
Sweden 3.17%	Netherlands 2.73%
Hong Kong 2.16%	Spain 2.06%
Italy 1.82%	Singapore 1.07%
Belgium 0.77%	New Zealand 0.48%
Finland 0.41%	Norway 0.22%
Israel 0.20%	Portugal 0.10%

Source: MSCI, 30 April 2019

Sector Allocation



Financials 22.61%
Health Care 15.42%
Information Technology 15.14%
Industrials 11.89%
Consumer Discretionary 11.48%
Communication Services 10.59%
Consumer Staples 7.78%
Materials 3.04%
Real Estate 1.54%
Utilities 0.50%

Source: MSCI, 30 April 2019

INVESTMENT OBJECTIVE: The VanEck MSCI International Sustainable Equity ETF (ESGI) invests in a diversified portfolio of ESG sustainable international companies listed on exchanges in developed markets around the world (ex Australia) with the aim of providing investment returns, before fees and other costs, which track the performance of the MSCI World ex Australia ex Fossil Fuel Select SRI and Low Carbon Capped Index (ESGI Index).

INDEX DESCRIPTION: ESGI Index aims to represent the performance of a diversified portfolio of international companies that have high Environmental, Social and Governance (ESG) performance by:

1. Excluding companies that own fossil fuel reserves for energy purposes;
2. Excluding companies whose business activities are not socially responsible investments (SRI);
3. Including high ESG performers; and
4. Excluding high carbon emitters.

ASX code

ESGI

Commencement date

6 March 2018

Management cost

0.55% p.a.

Index

The MSCI World ex Australia ex Fossil Fuel Select SRI and Low Carbon Capped Index

Frequency of dividends

Once a year

Number of holdings

192

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Key Risks

An investment in the Fund carries risks associated with: financial markets generally, individual company management, industry sectors, foreign currency, country or sector concentration, political, regulatory and tax risks, fund operations and tracking an index. See the PDS for details.

Important notice:

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