VanEck®

QSML VanEck MSCI International Small Companies Quality ETF

Quality small companies, global scale

Finding the highest quality small companies

Identifying and investing in 'quality' companies is an investment strategy supported by more than 80 years of empirical research and is an approach that can be traced back to world-renowned economist and mentor to Warren Buffet, Benjamin Graham. According to Graham and numerous subsequent academic studies, quality companies show resilience by falling less in a downturn and recovering to previous highs quicker than other companies. Studies also show this approach tends to perform strongly in bull markets. This is why quality investing is known as a strategy for "all seasons".

- High growth potential
- Undervalued opportunities
- Has typically outperformed large cap benchmarks over the long term
- Acquisition appeal
- Often more domestically focused means limited impact from global economic disruptions

What makes a quality company?

According to investment research firm and index provider, MSCI, quality companies can be identified by:

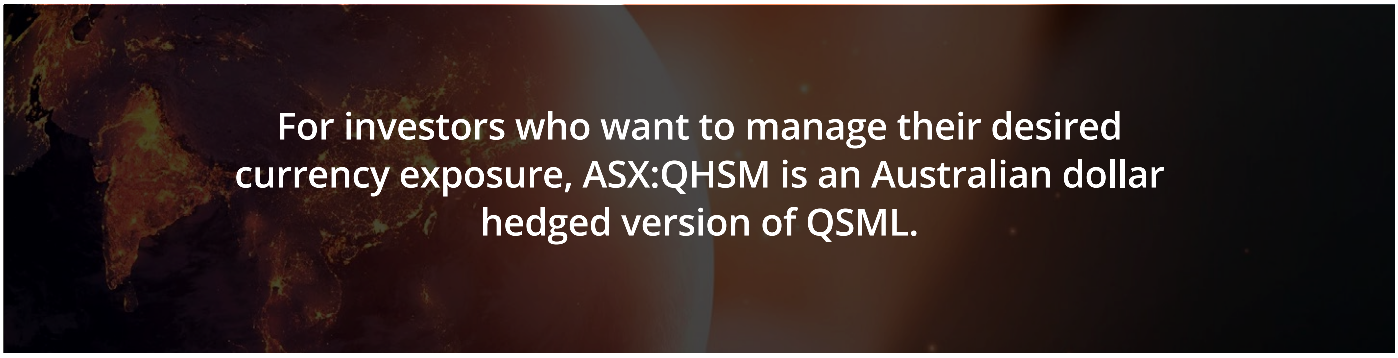
1. High return on equity
Identifiable metric: Return on equity – shows how effectively a company uses investments to generate earnings growth.

2. Low leverage/low debt
Identifiable metric: Debt to equity – a measure of company 'leverage', which refers to the extent to which a company relies on borrowed funds, typically debt.

3. Stable earnings growth
Identifiable metric: Earnings variability – how smooth recent earnings growth has been.

QSML provides investors with a portfolio of 150 of the world's highest quality small companies

- Access to a diversified portfolio containing some of the world's highest quality companies based on key fundamentals including high return on equity, earnings stability and low financial leverage.
- Investments focusing on quality small companies have delivered outperformance over the long term relative to other global small companies benchmarks and also relative to large- and mid-cap benchmarks.
- Portfolio diversification across countries, sectors and economies.



ASX code:	ASX commencement date:	Management fee:	Dividend frequency:	Index:	Stock number:
QSML	8 March 2021	0.59% p.a.*	Once a year	MSCI World ex Australia Small Cap Quality 150 index	150

Key risks: An investment in the ETF carries risks associated with: ASX trading time differences, financial markets generally, individual company management, industry sectors, foreign currency, country or sector concentration, political, regulatory and tax risks, fund operations, liquidity and tracking an index. See the VanEck MSCI International Small Companies Quality ETF PDS and TMD for more details.

*Other costs may apply. Please refer to the PDS

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