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SMHG VanEck Global Semiconductor ETF

Access the technology behind next gen innovation

21st century next gen innovation would not be possible without an invention of the 20th century: semiconductors. They make billions of flawless calculations per second and store nearly infinite data – all on a space smaller than your fingernail.

Semiconductors are the crucial components driving artificial intelligence (AI), electric cars and cloud computing, and are becoming increasingly valuable in this digital age.

Only a few large companies make semiconductors, and 'economic moats' protect their competitive advantage. For example:

- Creating a new semiconductor takes huge financial investment. A case in point: a photolithography machine, an ultra-precision tool used to "print" microscopic circuit patterns onto silicon wafers, costs upwards of US$300 million.
- The thousands of highly skilled engineers needed to research, design and make semiconductors cannot be recruited overnight.
- Large numbers of patents protect the intellectual property behind semiconductors.

Such 'moats' enshrine competitive advantages. That's why semiconductor pioneers like Texas Instruments (invented the world's first integrated circuit in 1958) and Intel (created the first commercial chip in 1971) are still leading players.

Across every industry from finance and biotech to entertainment and national defence, the need for faster, smarter and more efficient computing is intensifying. The AI revolution has only accelerated this trend, creating a flywheel effect of model complexity, data growth, and infrastructure expansion.

To meet this insatiable appetite for compute, modern systems require an entire ecosystem of semiconductors working in harmony. This includes:

- **High Bandwidth Memory (HBM):** Feeding massive datasets into accelerators
- **Networking & Interconnect Chips:** Moving data swiftly between nodes in AI clusters
- **Power Management & Analog ICs:** Optimising energy usage at scale
- **Advanced Packaging & Back-End Equipment:** Pushing physical limits for performance and density.

What makes this trend so compelling is its durability. Semiconductor demand is not tied to one product cycle or hype phase. It's a foundational requirement for digital transformation in nearly every domain. Whether training trillion-parameter AI models, simulating protein folding, or delivering real-time cloud services, the need for semiconductors is only deepening.

The VanEck Global Semiconductor ETF (SMHG) includes companies from around the globe and invests across the value chain. This includes:

- **Foundry Operators** (e.g. Taiwan's TSMC): Manufacture chips to client specifications
- **Integrated Device Manufacturers** (IDMs) (e.g. The US's Intel): Handle design, manufacturing, and packaging in-house
- **Fabless Companies** (e.g. The US's NVIDIA and AMD): Focus solely on design, outsourcing fabrication
- **Equipment Manufacturers** (e.g. Dutch ASML): Supply the tools and machinery for chip production

Rather than attempting to pick individual winners in this ever-evolving sector, the VanEck Global Semiconductor ETF (SMHG) provides exposure to the top global semiconductor companies, spanning the entire industry value chain, from chip designers to manufacturers and equipment firms.

ASX code:	ASX commencement:	Management fee:	Index:
SMHG	6 August 2026	0.35% p.a.*	MarketVector Global Semiconductor Index

Key risks: An investment in our Global Semiconductor 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 and tracking an index. See the VanEck Global Semiconductor ETF PDS and TMD for more details on vaneck.com.au.

#Other fees and costs may apply. See PDS for details.

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