

Responsible Investments Policy

April 2024

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1 Purpose

The purpose of this Policy is to set out VanEck Investments Limited's ('VanEck') approach to environmental, social, governance ('ESG') and similar issues when investing.

VanEck offers ETFs, both equity and fixed income, either with ESG and sustainability-related themes, or approaches that employ specific screening criteria and/or indices

We define responsible investment as investment decisions/strategies that seek to consider both financial return and environmental, ethical or social good to bring about a measured environmental, ethical, or social change.

2 Overview

It is important to understand that many fund managers may have differing views and opinions of what sustainability and ESG is. These may differ to that of a prospective investor.

VanEck's range of investment products includes choices for those investors who want to favour companies that score well on environmental, social and governance matters.

We understand the importance of ensuring the sustainability of companies' operations and believe that an inattention to material environmental, ethical and social issues can present direct, legal, financial, regulatory and reputational risks for companies that could ultimately result in harm to shareholder interests. We believe that these issues should be carefully monitored and managed by companies and that companies should have an appropriate oversight structure in place to ensure that they are mitigating risks and capitalising on related opportunities to the best extent possible.

VanEck is a signatory to the Principles for Responsible Investment (PRI), an investor initiative in partnership with UNEP Finance Initiative and UN Global Compact. Being a signatory means that we formally agree to incorporate ESG factors and analysis into our investment processes.

VanEck uses its voting rights to promote positive behaviour in environmental, social, governance and similar matters. More about our proxy voting can be found on our website here <https://www.vaneck.com.au/library/ri/>

3 Our priorities

VanEck is required to act in our investors best interests at all times. We empower investors to have their own impact by offering investments into both passive and active exchange traded funds containing portfolios of companies that are strong on ESG issues.

Regarding ESG and SRI, our priorities include:

- Board quality;
- Environmental, Social and Governance Issues;

- Executive Remuneration;
- Capital Management;
- Mergers and Acquisitions;
- Dissipating Shareholder Rights; &
- Auditor Rotation.

4 Index Strategies

We were one of the first ETF issuers to offer sustainability focused ETFs on the ASX, and we continue to research how those strategies can add value to client portfolios.

Majority of VanEck's funds commit in their product disclosure statement (PDS) to an objective of tracking a specified index.

In two cases the rules of the index include the selection of investments through favouring companies that score well on environmental, social and governance matters. The two schemes include:

VanEck MSCI Australian Sustainable Equity ETF (ASX: GRNV):

Companies that are involved in the following business activities are screened for exclusion based on certain business involvement criteria (which includes gross revenue thresholds):

- | | |
|-------------------------|--|
| • Adult entertainment | • Gambling |
| • Alcohol | • Genetically modified organisms (GMO) |
| • Animal Welfare | • Nuclear power |
| • Civilian firearms | • Nuclear weapons |
| • Conventional weapons | • Tobacco |
| • Controversial weapons | • Soft drinks |
| • Fossil fuels | • Nutrition and health |

Detailed business involvement screening criteria (which includes revenue thresholds) for each of the business activities can be found in the index methodology [here](#) our website.

VanEck MSCI International Sustainable Equity ETF (ASX: ESGI):

A five-step process is followed to determine the index constituents. Companies that are involved in the following business activities are screened for exclusion based on certain business involvement criteria (which includes gross revenue thresholds):

- | | |
|-----------------------|--|
| • Adult entertainment | • Gambling |
| • Alcohol | • Genetically modified organisms (GMO) |

- Animal Welfare
- Civilian firearms
- Conventional weapons
- Controversial weapons
- Fossil fuels
- Nuclear power
- Nuclear weapons
- Tobacco
- Soft drinks
- Nutrition and health

Detailed business involvement screening criteria (which includes revenue thresholds) for each of the business activities can be found in the index methodology [here](#) on our website.

All other ETFs at VanEck do not taken into account of labour standards, environmental, social and ethical considerations, as stated in their respective PDS.

For more information about respective index methodologies, go to the PDS available at <https://www.vaneck.com.au/library/regulatory-documents/> or <https://www.vaneck.com.au/esg-investing/> or information about VanEck's commitment to ESG investing.

5 Active Strategies

The VanEck Emerging Income Opportunities Active ETF (Managed Fund) (ASX: **EBND**) and VanEck Bentham Global Capital Securities Active ETF (Managed Fund) (ASX: **GCAP**) are the two VanEck schemes that do not track an index.

EBND is an actively managed portfolio of emerging market bonds and currencies. VanEck has appointed Van Eck Associates Corporation as the investment manager of the portfolio. The investment manager is also a signatory of the Principles for Responsible Investment and a promoter of responsible investment practices. Corporate and sovereign investing are subject to ESG screening, employing external provider scores and subjective analyses by the investment manager. For corporate bonds, some industries specifically considered for exclusion (subject to gross revenue thresholds) by EBND are alcohol, tobacco, gambling, adult entertainment, weapons, nuclear and thermal coal. More information is available in EBND's ESG and Stewardship Policy on our website.

GCAP is an actively managed high conviction portfolio of global capital securities selected based on a top-down and fundamental credit analysis by the investment manager. VanEck has appointed Bentham Asset Management, who have a long track record in managing this asset class, as investment manager of the portfolio. The investment manager is also a signatory of the Principles for Responsible Investment and a promoter of responsible investment practices. As GCAP invests in many countries, each with their own standards, the standards applied are country and industry specific and every Issuer is compared to its particular operating environment. **GCAP** focuses on corporate securities only.

The PDS for each scheme states that the investment manager takes labour standards, environmental, social, ethical and governance considerations into account in the selection, retention and realisation of corporate security investments – see section 7.8 of each PDS [here](#). Any such considerations that could affect corporate fundamentals, trigger regulatory action or

generate public relations risk are taken into account and assessed against the relevant country-specific standards. If a corporate security issuer deviates from its country's standards to an extent that creates regulatory, public relations or profitability risks, an investment may not occur or may be sold.

6 Voting

In all schemes where we hold voting rights in a company, we exercise those votes in line with our Stewardship policy so as to promote positive behaviour by the company in ESG and similar matters.

Our Stewardship Policy is located [here](#), which sets out how we use our power to influence companies, in order to maximise the long-term welfare of the investors for whom we are managing investment assets.

END