

## Press Release

# VanEck launches ESG ETF on the new economy in China

- The growing middle class in China is leading to changing consumer behaviour and new opportunities for further growth.
- The ETF gives investors access to the 100 strongest companies in China's new economy.
- Only companies that meet the demanding ESG criteria of OWL Analytics are included in the ETF.

London, 29 September 2021 – Asset manager VanEck today lists Europe's first ETF (Exchange Traded Fund) that provides access to Chinese companies from the new economy, taking ESG criteria into account, the [VanEck Vectors New China ESG UCITS ETF](#) on London Stock Exchange and Xetra Deutsche Börse. The ETF is also available at [CEINEX](#), a platform of Deutsche Börse for China-related financial products in Europe.

China is one of the world's fastest growing major economies<sup>1</sup>, and has a rapidly growing middle class. Currently, it includes around 400 million people, which is already larger than the total population of the United States. With growth, GDP per capita is also rising significantly, which is bringing about a change in the consumption patterns of China's middle class.

"It's a new kind of consumer that is behind China's amazing growth," explains Martijn Rozemuller, CEO at VanEck Europe. "They spend their money on innovative technologies, healthcare services, pharmaceuticals, consumer and luxury goods. China's economy continues to develop and companies in the country are adapting to the new consumer realities. Chinese companies that are part of the new economy are likely to outpace the country's overall growth."

With the new [VanEck Vectors™ New China ESG UCITS ETF](#), investors can invest in a targeted selection of the strongest companies in this dynamic new economy, filtered according to ESG criteria, and profit from the comprehensive transformation of the Chinese economy. But increased spending on consumer and consumer staples is not just impacting manufacturers.

"Today, e-commerce platforms also play a very big role in China," Rozemuller says. "People in China are fundamentally very digital-savvy; globally, China's consumers rank first in online spending. China's online retail market is larger than the next largest ten markets combined.<sup>2</sup> At the same time, China's population is aging much faster than that of many other countries, according to

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<sup>1</sup>Source: World Bank data from 2019 GDP growth: 6.1%

<sup>2</sup>Source: iResearch and Ministry of Commerce of the People's Republic of China; eMarketer; McKinsey China Digital Consumer Trends 2019.

the World Health Organization; by 2035, one in five Chinese could be 65 and older. As a result, overall spending on healthcare in China, for example on pharmaceuticals or telemedicine services, is growing – companies in the healthcare sector will benefit from this. *Risks of investing in China: The assessment of Chinese financial reports by relevant regulators may not be adequate.*

The new ETF tracks the MarketGrader New China ESG Index, which includes only companies from four sectors: non-consumer staples, consumer staples, healthcare and technology. The index selects the 100 companies with the most solid fundamentals and continuously evaluates them based on four factors: growth, valuation, profitability and cash flow. In addition, companies must exceed the regional median ESG score, which is regularly determined by OWL Analytics using the OWL Analytics Consensus ESG Score. It covers over 25,000 companies worldwide and publishes monthly metrics aggregated from hundreds of independent ESG data sources. In addition to ratings and rankings of all companies in its covered universe, OWL ESG quantifies corporate behavior against thirty core metrics, including twelve KPIs, related to environmental, social and governance factors. The [VanEck Vectors™ New China ESG UCITS ETF](#) is accumulating and has a total expense ratio (TER) of 0.60 per cent.

ETF	<a href="#">VanEck Vectors™ New China ESG UCITS ETF</a>
ISIN	IE0000H445G8
Ticker LSE USD/ Ticker LSE GBP/ Ticker Xetra	CNEW / CEGB / CNIE
Capital management company	VanEck Asset Management B.V.
Domicile of the capital management company	Ireland
Base currency	USD
Reweighting	Half-yearly
Product structure	Physically replicating
Launch date	29 September 2021
Total expense ratio (TER)	0.60% p.a.
Appropriation of earnings	Retention

For more information about VanEck and the fund, go to [www.vaneck.com/uk/en/china-new-economy](http://www.vaneck.com/uk/en/china-new-economy).

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**About VanEck:**

VanEck has been driven by innovation and stood for intelligent, prescient investment strategies ever since its founding in 1955. As an asset manager, it currently manages some 83 billion US dollars\* worldwide, including exchange-traded funds (ETF), active funds and institutional accounts.

With over 100 ETFs around the world, the investment firm offers a comprehensive portfolio covering numerous sectors, asset classes and smart beta strategies. VanEck was one of the first asset managers to offer investors access to global markets. It has consistently aimed at identifying new trends and asset classes, such as gold investments in 1968, emerging markets in 1993 and ETFs in 2006, an approach that is still shaping the entire investment sector today.

Headquartered in New York City, VanEck maintains locations around the globe, including offices in Frankfurt, Madrid, Zurich, Amsterdam, Sydney and Shanghai.

\*Version: 31.08.2021

For more information about VanEck and the fund, go to [www.vaneck.com](http://www.vaneck.com) or the blog [www.vaneck.com/etf-europe/blog](http://www.vaneck.com/etf-europe/blog).

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VanEck Asset Management B.V., the management company of VanEck Vectors™ New China ESG UCITS ETF (the "ETF"), a sub-fund of VanEck Vectors™ UCITS ETFs plc, a UCITS management company incorporated under Dutch law registered with the Dutch Authority for the Financial Markets (AFM). The ETF is registered with the Central Bank of Ireland and tracks an equity index. The value of the ETF's assets may fluctuate heavily as a result of the investment strategy. If the underlying index falls in value, the ETF will also lose value.

Investors must read the sales prospectus and key investor information before investing in a fund. These are available in English and the KIIDs in certain other languages as applicable and can be obtained free of charge at [www.vaneck.com](http://www.vaneck.com), from the local information agent Computershare Investor Services PLC or from the Management Company.

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