RIAA Certification Masterclass

featuring a deep dive into RIAA's index certification

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Agenda

1. Certification Program Governance
2. Elements of RIAA Certification and Sustainability Classifications
3. Responsible Investment Standard and the Guidance Note for Index Certification
4. Standards Developments
5. Impact of Certification
6. Benefits of Certification and Classification
7. Certification and Classification journey

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Disclaimer

The information included in this presentation (written and verbal) is not a recommendation to invest in any investment products. It does not take into account your particular investment objectives, financial situation or investment needs, all of which should be considered prior to making an investment decision. You should seek professional financial advice before making any investment decision.

Governance and Elements of RIAA Certification and Sustainability Classifications

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Consumer Demand for Responsible and Sustainable Financial Products (Australia)

88% of Australians expect their bank account and super to be invested responsibly and ethically

78% are concerned that responsible investors engage in greenwashing

76% would consider moving to another provider if they found out their current fund was investing in companies engaged in activities inconsistent with their values

79% are more likely to invest in responsible investment products that have been certified or labelled as responsible by an independent third party

RIAA (2024) *From Values to Riches 2024: Charting consumer demand for responsible investing in Australia*

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Consumer Demand for Responsible and Sustainable Financial Products (Aotearoa New Zealand)

54% are more likely to invest in responsible investment products that have been certified

50% are concerned that responsible investors engage in greenwashing

59% of New Zealanders would consider moving to another provider if they found out their current fund was investing in companies engaged in activities inconsistent with their values

75% of New Zealanders expect their bank account and super to be invested responsibly and ethically

Findings from *RIAA's 2025 NZ Consumer Study*

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Elements of RIAA Certification and Classification

22 years of RIAA history
informs the standard

Market-defining research
Industry benchmarking and consumer surveys

RIAA's 500 members'
deep market knowledge

CERTIFIED RESPONSIBLE INVESTMENT ™

CERTIFIED BY RIAA

Responsible Investment Certification Standard

Requirements

Commitments

Global alignment/collaboration

- GSIA
- CFA Institute
- ISEAL
- ISO

Regulator alignment
ASIC and NZ FMA greenwashing guidance

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Global Product Labelling Standards

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RIAA Certification is one of the world's oldest

- Operating for 20+ years
- 348 certified products in Australia and Aotearoa New Zealand
- Super, managed funds, banking, KiwiSaver and other products
- Informed and shaped by global definitions and standards with a local focus

Overseas labels

SRI Label (France)	**Towards Sustainability** (Belgium)	**LuxFLAG Environment** (Luxembourg)
FNG-Siegel (Germany, Austria & Switzerland)	**Umweltzeichen** (Austria)	**LuxFLAG Climate Finance** (Luxembourg)
LuxFLAG ESG (Luxembourg)	**Nordic Swan Ecolabel** (Nordic countries)	**Greenfin Label** (France)

Of these overseas labels, only FNG-Siegel runs a classification system.

https://www.novethic.com/fileadmin/user_upload/tx_ausynovethicetudes/pdf_complets/Novethic_Overview-European-Sustainable-Finance-Labels_June_2020.pdf

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RIAA Certification and Classification Process

Application portal (140 questions)
Investor and mandate documentation

Product claims spot check

Certification Standard

Independent Verification Panel

ERM

Certification Assessment Team

ESG research tools

SUSTAINABLE PLATFORM

ISS ESG

MSCI

SUSTAINALYTICS
a Morningstar company

Classification applied

Certification Assessment Panel

Classification assessed

2 independent committees of RIAA members
Ultimate determination against the Standard

RIAA Product Certification Functions

Product label + Disclosure requirements + Classification System

Product label

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Disclosure requirements

- RI policy
- RI strategy
- Product labels clear, honest, not misleading
- Full portfolio holdings
- Stewardship
- Accounts for ESG
- Proxy voting
- Avoids significant harm

Classification System

Guidance Note for
- Impact-labelled funds (latest update: Sep 2023)

Assessment Note for
- 'sustainable'-labelled funds (Nov 2023)

May 2024 - Sustainability Classifications
- Responsible
- Sustainable
- Sustainable Plus

Responsible Investment Standard & its application on indices

RI STRATEGIES; FORMAL, DISCLOSED, CONSISTENT, AUDITABLE, FIT FOR PURPOSE

PRODUCT LABELS; CLEAR, HONEST AND NOT MISLEADING

AVOIDS SIGNIFICANT HARM

ACCOUNTS FOR ESG

MANDATORY DISCLOSURES

ACTIVE STEWARDS

ORGANISATION HAS COMMITMENT TO RI

PROVIDES RI EDUCATION

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Responsible Investment Standard and the Guidance Note for Index Certification

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Index Certification

For indices that have

- taken into account ESG or ethical considerations
- adhered to strict operational practices, and
- made adequate disclosures to index users

Basis

- RIAA's Responsible Investment Standard
- Global Standards and Regulations (e.g. EU Benchmark Regulations, IOSCO's recommendation for ESG and Data Product Providers)

What's in

- **Data governance test:** .Transparency and accessibility for index users, Sufficiency, Credibility, Identification of source of error and limitations, Data validation, Remediation procedures
- **Methodology test**: Relevance, Transparency to index users, Robustness, Review and monitoring

Responsible Investment Standard & its application on indices

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Index Certification Guidance Note


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RESPONSIBLE INVESTMENT CERTIFICATION PROGRAM

GUIDANCE NOTE

Index certification

Last updated: September 2025

Data Due Diligence

- Heavy reliance in data, mostly from third-party

Is the data

- fit for purpose?
- Reliable?
- internal due diligence frameworks?

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Demonstrate compliance with RIAA ASH requirement during rebalancing

Rebalancing - Unlike active managers, index providers typically do not change the constituents in between rebalancing

- *RIAA seeks a clear outline of any limitations in responding immediately to new data, including a reasonable timeframe for corrective actions*
- *Procedures for remedial measures when data error occurs*

FAQs for passive strategies introduced in various guidance notes addressing topics such as:

- *Use of third-party data*
- *Stewardship*
- *Use of labels such as "Sustainable"*

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Standards Developments

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SDG-Alignment Guidance FAQs (Annex)

Research

From February 2025 to May 2026, RIAA conducted desktop research drawing on credible industry, academic, corporate and regulatory material.

Stakeholder testing

Consultation with product issuers and other key stakeholders took place from May to June 2026

Internal ideation

A range of possible models were considered as stakeholder testing occurred, and it was determined that an interpretive annex was the most appropriate approach.

Technical expert review

The standards development process included drawing on expertise of industry practitioners making SDG product claims, and other technical experts in the SDGs more generally in June 2026.

Annex finalisation

Redrafting following internal and external stakeholder testing and review. The annex has recently been finalised.

Annex implementation

It will be launched at the RIAA New Zealand Conference 2026 on 22 September. In accordance with Program governance, assessment against the Annex will formally commence from 1 December 2026, with existing certified products offered a legacy transition period if needed.

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Stewardship Criteria Implementation Review

Preliminary research
Jan 2026. Research on how RIAA's stewardship requirements compare with stewardship codes from different jurisdictions

Internal ideation
Feb 2026. Discussions regarding potential uplift methods and their alignment with RIAA's mission and approach to certification

Certified products review
Feb 2026. Review of how various uplift methods might affect currently certified products

Uplift element selection
April 2026. Settling on 3 potential uplift methods

Technical expert review
April 2026. Input sought from various technical experts on potential uplift elements

Implementation
July 2026. Following input from TEG and internal stakeholders, uplift elements to be implemented.

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Avoid Significant Harm Criteria Review

Research
Two-part project with desktop research taking place on approach to exclusions thresholds in our markets in Q1 CY26, and into exclusion themes in Q2-Q3 CY26.

Stakeholder testing
Survey, poll and semi-structured interviews conducted with product issuers, RIAA members and other stakeholders to understand their views.

Internal ideation
Ongoing testing of the continuing credibility, relevance and practical application with consideration of the evolution of market practice, assessment experience and regulatory developments globally.

Technical Expert Review
Proposed directions will be examined by the Program's Technical Expert Group to ensure changes are robust, proportionate, evidence-informed and capable of being applied consistently between November 2026 and December 2026.

Forward approach confirmation
In January 2027, RIAA will confirm the forward approach including the scope of any proposed updates, implementation pathway, transition considerations, and supporting guidance required for certified products.

Rollout of new approach
Rollout will begin in March 2027 with aim of introducing practical guidance on any changes and providing clarity and confidence for certified product issuers, assessors and market participants.

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Private Credit FAQs

Research

Desktop research into credible industry sources, practitioner approaches to Responsible Investment, and program precedent decisions took place between Feb 2026 and May 2026.

Consolidation of findings

Research findings were consolidated and a series of frequently asked questions were developed with the aim of supporting applicants to interpret the Responsible Investment Standard for private credit products and asset classes across as many principles as applicable.

Internal ideation

In June 2026, new FAQs were tested for of continuing credibility, relevance and practical application with consideration of the evolution of market practice, assessment experience and regulatory developments globally.

Technical Expert Review

Content will be examined by the Program's Technical Expert Group between 1 July and 1 August 2026.

Forward approach confirmation

Technical expert feedback will be implemented in August 2026 with the aim of finalising the FAQs by September 2026 and the Program will confirm the forward approach for implementation of the FAQs.

Launch and Rollout

The guidance is expected to be launched in October 2026 and implemented from January 2027. A legacy transition period will apply to all existing certified products that are affected by the new guidance.

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Impact of Certification

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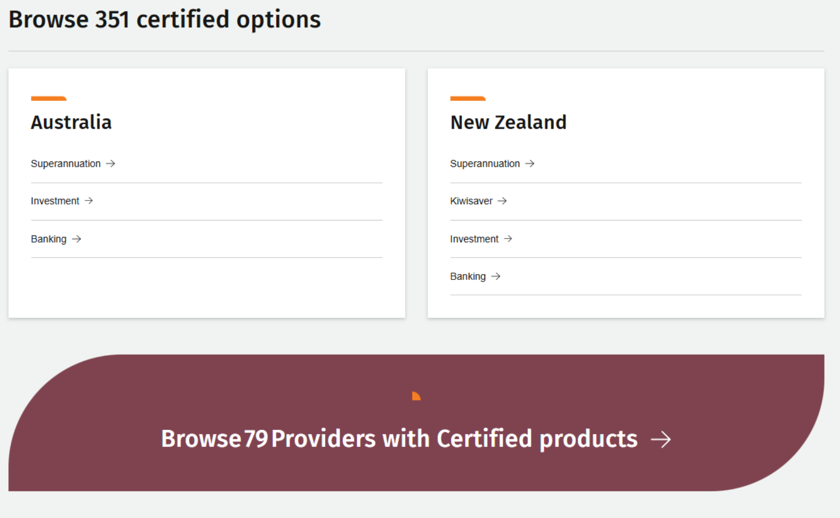
Assessment volume and technical coverage

- 350+ products assessed or recertified between September 2020 and December 2025
- Assessments covered multiple product types, including:
  - Superannuation
  - ETFs
  - KiwiSaver
  - Managed funds
- Technical focus areas included:
  - Exclusions
  - Stewardship
  - Sustainability claims
  - Product labelling
  - Climate claims



See: Certified Products & Advisers

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Where technical uplift occurred

Market	Product types most noted	Common technical improvements
Australia	Superannuation, ETFs	Exclusions definitions, truth in labelling
Aotearoa New Zealand	KiwiSaver	Stewardship disclosures, sustainability claims

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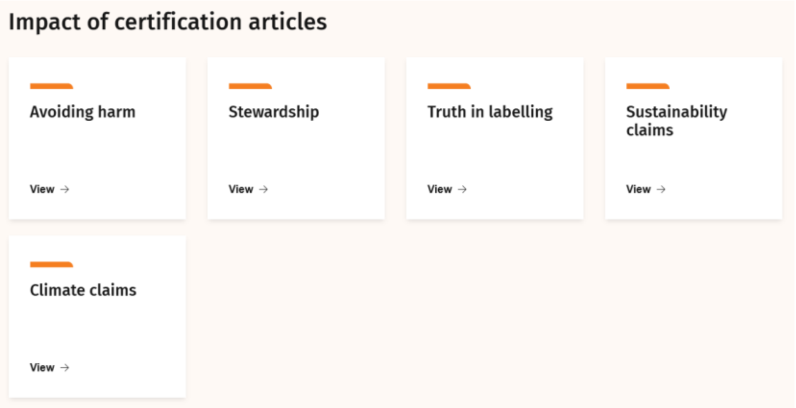
What the statistics indicate

- Improved precision in definitions, scope and minimum exclusion screens
- Stronger alignment between product names, labels, claims, marketing and investment process disclosures
- Better evidence of voting, engagement, and active ownership practices where relevant based on product type
- Greater substantiation of positive environmental and social positioning when making sustainability claims



[Read more at: Impact of Certification]

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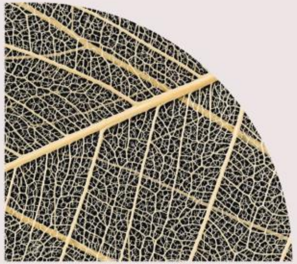
RIAA Certification

Investment product or **service**



Meets all the requirements of the RI Standard:

- RI strategies
- Product labels
- Avoids significant harm
- Accounts for ESG
- Mandatory disclosures
- Active stewards
- Commitment to RI
- Provides RI education

CERTIFIED BY RIAA / RESPONSIBLE – CERTIFIED BY RIAA

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- Sustainability objectives are prominent
- Portfolio & stewardship alignment with sustainability objectives

SUSTAINABLE – CERTIFIED BY RIAA

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- Sustainability objectives are binding & measurable
- Progress is measured and tracked
- Measurement is disclosed

SUSTAINABLE PLUS – CERTIFIED BY RIAA

Most closely aligned with international classification systems*:

*While we rely heavily on international classifications and labelling systems we make no representation that our classifications meet the requirements of other regimes. Please see an Interoperability Index here.

Responsible:

- European Commission: SFDR Article 8
- UK FCA: No label
- US SEC: ESG Integration

Sustainable:

- European Commission: SFDR Article 8
- UK FCA: Sustainability Focus, Sustainability Improvers, and Sustainability Mixed Goals
- US SEC: ESG Focused

Sustainable Plus:

- European Commission: SFDR Article 8+ or 9
- UK FCA: Sustainability Improvers, Sustainability Impact, and Sustainability Mixed Goals
- US SEC: ESG Focused and ESG Impact

Sustainability Classifications data at 30 June 2026

Classification	Percentage of total certified products
Responsible	47.7%
Sustainable	5.5%
Sustainable Plus	46.8%

Classification	Percentage of total opted-in
Responsible	20.9%
Sustainable	5.9%
Sustainable Plus	73.2%

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Benefits of Certification and Classification

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Benefits of RIAA Certification and Sustainability Classifications

- ✓ Distinguish between non-RIAA certified products while classifcations distinguish between RIAA certified products
- ✓ Attract advisers and investors
- ✓ Align with regulators’ expectations
- ✓ Support internal alignment on Responsible Investment approach and practices.
- ✓ Establish and signal your leadership in sustainable investing.
- ✓ Be part of a Responsible Investment community of members.

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SUSTAINABLE
CERTIFIED BY RIAA

SUSTAINABLE PLUS
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What our certified members are telling us

RIAA Product Certification Survey conducted in March-April 2026 found certified members are finding value in:

- ✓ Greenwashing risk mitigation
- ✓ Product credibility uplift
- ✓ Adviser/platform recognition
- ✓ Third-party validation

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RIAA Certification and Sustainability Classifications Embedded as the Default in ANZ

Investment platforms, wraps and Approved Product Lists

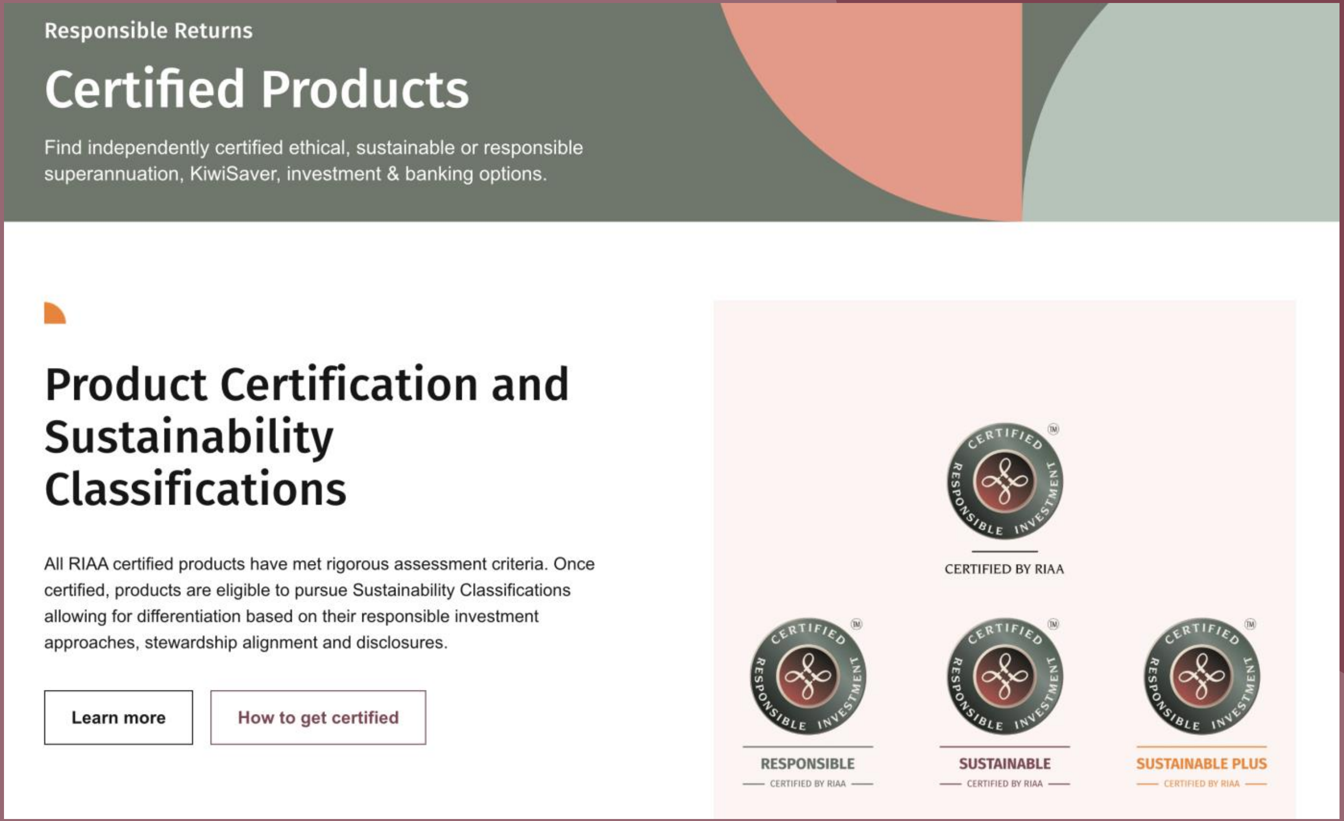
- ESG product menus and model portfolios
- APLs of financial advisory practices

Referred to in Financial Services Council disclosures standards

Major research house engagement

Defining RI fund universe by ISS Market Intelligence in quarterly fund flow data

RIAA Certification Directory



- Directory of certifications for advisers, investors and consumers
- Redeveloped in 2025
- Features an enhanced themes and screens function
- Over 50,000 visits per year

Browse 351 certified options

Australia

- Superannuation →
- Investment →
- Banking →

New Zealand

- Superannuation →
- Kiwisaver →
- Investment →
- Banking →

Browse 79 Providers with Certified products →

Certified Products

Investment

Keyword search

Investment

Country

- [x] Australia
- [ ] New Zealand

Themes & Issues

Target Market

Asset Classes

Investment Approaches

Want to learn more about these

Name A-Z	Themes / issues	Last date certified	Provider
MyNorth Sustainable Moderately Aggressive Managed Portfolio	0 Themes 8 Issues	June 26, 2025	
MyNorth Sustainable Moderately Conservative Managed Portfolio	5 Themes 8 Issues	June 26, 2025	
Betashares Ethical Australian Composite Bond ETF (ASX: AEBD)	1 Themes 12 Issues	June 16, 2025	betashares

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Themes & Issues

Society

Healthcare and medical products	✓ Included
Controversial Weapons Manufacturing	✕ Fully avoided
Nuclear Weapons	✕ Fully avoided
Tobacco growing and production	✕ Fully avoided
Tobacco alternatives production	✕ Fully avoided
Provision of gambling products & services	✕ Mostly avoided
Alcohol - Production	✕ Mostly avoided
Pornography and Adult Entertainment	✕ Mostly avoided

Environment

Renewable energy and energy efficiency	✓ Included
Sustainable transport	✓ Included
Thermal Coal exploration and extraction	✕ Mostly avoided

Themes & Issues

5 themes included

4 issues fully avoided

4 issues mostly avoided

0 issues partially avoided

Product Targets

Retail

Last date certified

June 26, 2025

Primary RI Strategy

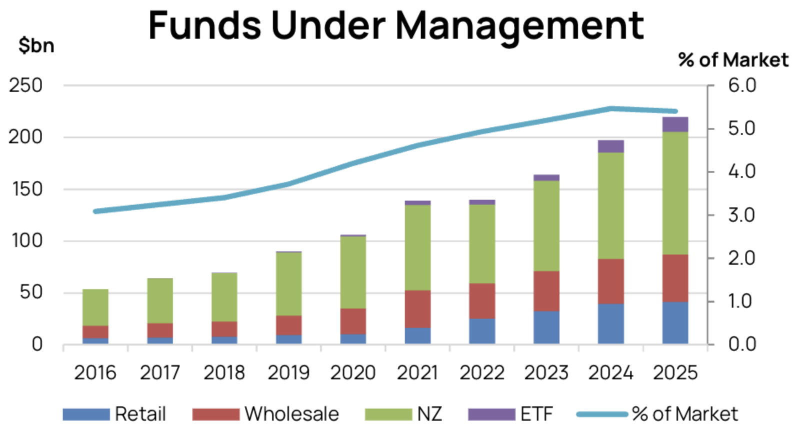
ESG Integration

Secondary RI Strategy

Engagement and voting

RIAA Certified Product FUM Growth & Net Inflows

- Currently, 351 products currently certified with 79 providers
- FUM of $220 billion at end December 2025
- Over 95% growth in net inflows over a 5-year period over those in the previous 5 – years
- Growth driven by continuing positive investment performance and strong inflows



6.5% FUM growth between Dec 2024 and Dec 2025

Over 95% inflows growth over a 5-year period

FUM has grown 107% over the past 5 years

ISS Market Intelligence, Responsible Investment Funds in Australia & NZ FUM, Flows and Performance, December 2025
Figures shown in AUD

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Certification and Classification Journey

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RIAA Certification and Classification Timeline

Readiness Check

Applicant:

- Determine eligibility for certification
- use RIAA's Certification readiness checklist.
- Assess readiness against Responsible Investment Standard and Guidance Notes
- Meet to discuss with Membership & Engagement Manager
- Arrange payment of Certification Fees

Application

Applicant:

- Access to portal given.
- Complete application in the portal.
- Press submit
- RIAA to review

Estimated Time 3-4 weeks

Assessment

Certification Team:

- Assess application against Standard requirements.
- Assess classification.

Estimated time 2-3 weeks

RIAA Certification Assessment Panel (CAP):

- Review assessment and vote.

RIAA Certification Team:

- Notify applicant of outcome and any conditional requirements (if applicable).
- Notify applicant of classification

Licence & Promote

Applicant:

- Sign Certification Symbol Trade Mark Licence Agreement.
- Opt-in to use of classification symbol

Licensee:

- Begin using RI Certification Symbol in marketing materials.

RIAA:

- Publish certified product on Responsible Returns, and promote new certified product through RIAA communications channels.

Independent Verification

Independent Verification Panel (IVP):

- Within 12 months of program entry, IVP conducts its third party independent verification of application.

Within 12 months of approval, once in a 6 year period

Ongoing requirements

Licensee:

- Must adhere to the ongoing commitment and disclosure requirements, providing updated details on mandatory questions every 6 months at minimum.

Every 6 months

Product claims spot check

Every 18 months

Recertification and reclassification

Every 2 years

- required prior to the expiry of certification or if a material change occurs.

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Guidance and Assessment Notes

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RIAA Member Portal and RIAA Website

- Responsible Investment Standard
- Assessment Note- Avoid Significant Harm
- Guidance Note- Stewardship Practices
- Guidance Note- Portfolio Holdings Disclosure
- Guidance Note- Product Labelling
- Guidance Note- Multi-asset Products
- Guidance Note- Banking product certification
- Assessment Note- products trading with 'Impact' in the label
- Assessment Note- products trading with 'Sustainable' in the label

RIAA Events

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RIAA events calendar

- **RIAA Australia Conference – annually, late May**
- **RIAA Aotearoa New Zealand Conference – annually, late September**
- **ESG Trends Webinar – annually, early February**
- **Working Groups – quarterly, calendar year**
  - **Nature Working Group**
  - **Human Rights Working Group**
  - **First Nations Peoples' Rights Working Group**
  - **Aotearoa Collaborative Working Group**

More information here

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