

## Program Membership

Issuers of products and services that feature on the [Responsible Returns web tool](#) are members of the [Responsible Investment Association Australasia](#) (RIAA). Product providers pay annual membership fees as well as a certification levy and product fees that go towards offsetting the costs associated with the Responsible Investment Certification Program (the Program) administration. As at June 30, 2017 approximately 30% of RIAA members were certified financial advisers and/or had at least one product certified under the Program.

## Program Goal and Approach

The Program aims to increase the uptake and deepen the impact of responsible investment by helping investors find and compare responsible investment products and services. The Program is built on a robust governance framework which tests investment processes are consistent with product claims. It enables investors to differentiate responsible investment products and services from other more conventional investment options, through the use of the Certification Symbol for certified responsible investment products and services.

## The Certification Symbol

The Certification Symbol (the Symbol) is the Registered Trade Mark and is owned and managed by RIAA. Program applicants select the Symbol they wish to use and are eligible to enter into a two-year licence agreement to use the Symbol once certified under the Program. The Symbols are different solely for marketing purposes and hold the same value for Program Certification.



CERTIFIED BY RIAA



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## Program Requirements

RIAA certifies investment products and services against a set of Program Requirements covering responsible investing behaviours. A full set of the Requirements are available [on RIAA's certification pages on its website](#).

Certified responsible [investment products](#):

1. Meet strict operational and disclosure requirements and publish their responsible investment strategies, underlying investment manager names, asset holdings and performance results;
2. Are subject to an assessment by the Certification Assessment Panel, a sub-committee of the RIAA Board as well as an independent verification of data by Grant Thornton or KPMG;
3. Remain certified by resubmitting for renewal every two years or when material changes to the product occur;
4. Make themselves available to RIAA's annual spot audits (executed by RIAA or a Third-Party Verification Panel member designate) covering between 5-10% of eligible Program participants renewing Program certification in a given year.
5. Have their issuers invite their members, clients and peers to hold them to account for their behaviours consistent with the Program *Code of Conduct*.

## The Program Code of Conduct

RI Certification Program participants commit to:

**Doing responsible investment well** – making a demonstrable commitment to superior ESG and ethical investment management and advice;  
**Promoting success** – providing an accessible narrative for the performance and impact of responsible investing; and  
**Being transparent** - offering clear, transparent and easily accessible information for consumers and others to understand and navigate the broad array of products and services.

## Category Requirements

Requirement/Category	Financial Adviser	Product Provider	Investment Management Service	Super option /KiwiSaver	Superfund - Whole of Fund
Financial, legal and governance compliance (ASIC check)	✓	✓	✓	✓	✓
Professional membership (e.g. FPA, CPA etc.)	✓				
Specified RI education, training & experience (e.g. min. of two years in RI advisory; PRI Academy <i>RI Essentials</i> or equiv.)	✓		✓		
Sound client RI advisory process (e.g. Fact find questions)	✓		✓		
Inclusion and promotion of RI products (on public material such as website)	✓		✓	✓	
Disclosure – RI products (include RI options on Approved Product List)	✓		✓		
Disclosure - RI strategies (clearly, accurately and honestly publish RI strategies)		✓	✓	✓	✓
Disclosure – holdings (full holdings disclosure from July 1, 2016 for new and by renewal date for current certified products, superfunds / KiwiSaver and Super Whole of Fund)		✓	✓	✓	✓
Disclosure – fund managers* (name of underlying fund managers for all asset classes)		✓*	✓	✓	✓
Disclosure – performance results (at least biannual; no longer than 3-month lag)		✓	✓	✓	✓
Third party verification of RI strategies and processes (by KPMG, Grant Thornton)		✓	✓	✓	✓
Quality & Threshold Test (Reasonable persons test on RI strategy and product claim)	✓	✓	✓	✓	✓
Commitment to Program Code of Conduct	✓	✓	✓	✓	✓
Certification Symbol Trade Mark Licence Agreement	✓	✓	✓	✓	✓
Licensee Marketing Kit & Style Guide (responsible use of Symbol and clear marketing)	✓	✓	✓	✓	✓

## Program History and Update

The Program started operation in 2005 and in 2015 underwent a major review to strengthen its governance framework. Also at this time RIAA added the *Quality and Thresholds Test* which requires the Certification Assessment Panel to take a ‘reasonable persons’ or normative point of view when reviewing the merits of a member’s product or service against the Program’s goals and approach.

## About RIAA

This information sheet is issued by the Responsible Investment Association Australasia (RIAA) ABN 988 248 315 60. RIAA is the peak industry body representing responsible and ethical investors across Australia and New Zealand. We have over than 210 members managing more than \$5 trillion in assets under management, including super funds, fund managers, consultants, researchers, brokers, impact investors, property managers, community banks, community trusts, religious groups, financial advisers and individuals. RIAA works to promote a more responsible approach to investment, to encourage more people to actively choose a responsible and ethical option for their savings and investments, across superannuation, banking, general investments and KiwiSavers in NZ. RIAA members understand that more sustainable companies and assets thrive over the long term and they use a variety of approaches to find these strong investments.

Formed in 1999 as the Ethical Investment Association (EIA), the EIA pioneered programs such as the annual Benchmark Report, specialist courses for Financial Advisers and the world’s first Certification Program for products and services in responsible investment. In 2007, the organisation’s name was changed to Responsible Investment Association Australasia (RIAA) to reflect the increasing diversity of members within the organisation and the broadening interest in this type of investment from professionals, consumers and large institutional investors.