



Responsible Investment
Association Australasia



CERTIFIED BY RIAA

RESPONSIBLE INVESTMENT CERTIFICATION PROGRAM

The Responsible Investment Association Australasia's (RIAA) Responsible Investment Certification Program is the leading initiative for distinguishing quality responsible, ethical and impact investment products and services in Australia and New Zealand.

RIAA's Certification Symbol is recognised by investors and consumers across the region, providing confidence that a product or provider is delivering on its responsible investment promise and meeting the Australian and New Zealand Standard for responsible investing.

What is the Responsible Investment Certification Program?

All businesses, and therefore all investments, have an impact on people and the planet, both positive and negative. Responsible investing, also known as ethical or sustainable investing, is a holistic approach to investing, where social, environmental, corporate governance and ethical issues are considered alongside financial performance when making an investment.

RIAA's Responsible Investment Certification Program is the leading initiative for distinguishing quality responsible, ethical and impact investment products and services in Australia and New Zealand.

It is the longest running responsible investment program in the world, and our Responsible Investment (RI) Certification Symbol, a Registered Trademark owned and managed by RIAA, is the most trusted mark for responsible investment products and service providers.

Certification Symbol

RIAA's RI Certification Symbol is trusted by investors and consumers across the region, providing confidence that a product or service provider is delivering on its responsible investment promise and meeting the Australian and New Zealand Standard for responsible investing.



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RIAA's RI Certification Symbol signifies that:

- A *product or service* has implemented an investment style and process that systematically takes into account environmental, social, governance or ethical considerations, and this investment process reliability has been verified by an external party. The product or service meets the strict operational and disclosure practices of Certification Program requirements.
- A *financial adviser* has committed to offering responsible and ethical advice to all their clients, is experienced in offering specialist advice, and has responsible investment products on their approved product list.

Responsible Investment Certification categories

RIAA members are able to apply for Certification within one of the following five categories:

1. Product
2. Investment Management Service
3. Superfund (Whole of Fund)
4. Financial Adviser
5. Financial Advisory Group

Responsible Investment Certification eligibility and ongoing requirements

Certified responsible investment products, investment management services, superfund (whole of fund), financial advisers and financial advisory groups must:

1. Meet strict operational and disclosure requirements and make publicly available specific details of their services as laid out under the respective category of the Certification Standard (see Certification requirements on page 3)
2. Invite their members, clients and peers to hold them to account for their behaviours consistent with the Program Code of Conduct
3. Be subjected to and pass the Quality and Thresholds Tests

4. Promote the Standard by incorporating the RI Certification Symbol into marketing and communications material in accordance with the Certification Symbol Licensee Agreement and the Licensee Marketing Kit and Style Guide
5. Agree to participate in good faith in the Program's Concerns & Grievance Policy and Procedures with a view to protecting the reputation of responsible investment peers, individual investors and/or the responsible investment industry as a whole
6. Hold current membership with the Responsible Investment Association Australasia
7. Be operating/offered for investment in Australia and/or New Zealand
8. Be current and legally trading
9. Not be persistently subject to legal proceedings and/or regulator investigation
10. Commit to notify RIAA of material changes in product or service characteristics that may impact the suitability of the product remaining certified under the Program.

Certification requirements

Certification requirements are different for each certification category, and a summary of the requirements per category is outlined below. View the details for each category requirement here: [RI Certification Standard](#)

1. Product

There are eight broad requirements for investment products under the RI Certification Program as follows;

1. Responsible investment strategies are formal, disclosed, consistent, auditable and fit for purpose
2. Product labels are clear, honest and not misleading
3. Product avoids significant harm – as a minimum requirement excludes tobacco and controversial weapons producers
4. Investment process accounts for environmental, social and governance factors
5. Product discloses full holdings (including holdings by fund of funds), performance, sustainability outcomes and engagement and voting practices
6. Product is managed by active stewards and managers can detail the stewardship practices, such as engagement and voting and the improved outcomes of these practices
7. Managing organisation has a formal commitment to responsible investment
8. Managing organisation provides educational information to members and customers about the responsible investment strategies and investment outcomes

2. Superfund (Whole of Fund)

A Superfund (Whole of Fund) must meet the Product category requirements (above), plus;

1. Have in place a responsible investment charter or policy that governs the way responsible investment is considered and implemented across the entire superannuation fund
2. Apply at least two responsible investment strategies across the superfund (e.g. screening plus ESG integration), with at least 85% of total fund assets managed under clearly defined RI strategies
3. Actively be involved in advocating for more responsible financial markets either directly through contributions to public and industry-based discourses and/or indirectly through membership and participation in collaborative initiatives.

3. Investment Management Service

Investment Management Services must meet the Product category requirements (above), plus;

1. Be legal – hold a current Australian Financial Services Licence
2. Be experienced – their key and responsible investment personnel have at least two years' relevant experience providing responsible investment advice and can demonstrate how they stay up to date on developments in responsible investing (such as by meeting the requirements of RIAA's Continuing Education Credits system)
3. Have in place a published responsible investment charter or policy that governs the way responsible investment is considered and implemented across the entire portfolio
4. Promote responsible investment services – include responsible investments as part of the services systematically delivered to ALL clients, that should be able to be demonstrated by clear auditable process (e.g. such as questions in Fact Find, or online sign up).

4. Financial Adviser

Financial Advisers must;

1. Be Licensed – Maintain authority to provide financial advice in their jurisdiction
2. Have Professional Membership - Maintain a current membership with a professional body
3. Be Experienced - Have completed an approved training course OR have at least two year's relevant experience providing responsible investment advice.
4. Be Educated – Meet the minimum ongoing education requirements by demonstrating how they stay up to date with developments in responsible investment through continuing education.
5. Promote responsible investment services - Undertake to enquire about the environmental, social and governance preferences of ALL of their clients, as a minimum including appropriate questioning, and be able to perform an adequate client interview process.
6. Provide responsible investment products – Can demonstrate that they can research and offer responsible investment products, having RI products on their approved products list (or equivalent).

5. Financial Advisory Group

Financial Advisory Groups must;

1. Be legal – hold a current Australian Financial Services Licence
2. Be trained and/or experienced – have at a minimum 50% of their advisers certified as responsible investment financial advisers under the Program. To be certified, advisers must have completed the RI Essentials course offered by the PRI Academy OR have at least two years' relevant experience providing responsible investment advice
3. Support their network – Financial Advisory Groups are committed to and enable the provision of specialist responsible investment training to their adviser network
4. Provide responsible investment products – include responsible investment products on their approved product list (or equivalent) including some that have been certified by RIAA
5. Promote responsible investment services – include appropriate questions on responsible investing in their Financial Advisory Group Fact Find (or equivalent) that is used by ALL their advisers to ALL clients.

RI Certification process

1. Complete the [Pre-Certification checklist](#) (product only) and [Contact RIAA](#) to ensure product or service eligibility
2. Submit application (Products through the online [application portal](#) Financial Advisers and Financial Adviser Groups by contacting certification@responsibleinvestment.org)
3. RIAA Certification and Ratings team assesses application and makes recommendation to Certification Assessment Panel (a delegated sub-committee of the RIAA Board)
4. Certification Assessment Panel examines, deliberates and determines outcome of application
5. Application data is verified by a member of RIAA's Independent Verification Panel (IVP) (Products only)
6. Commit to updates and ongoing data requirements, as per the Program requirements, during the term of certification (generally two years but earlier recertification required if material changes).
7. Submit to RIAA's annual spot audits (executed by RIAA or a member of IVP) (Products only).

Certification data requirements (for Products, IMS and Superfund Whole of Fund only)

To comply with the Standard there are mandatory data requirements at assessment, as well as ongoing disclosure requirements.

The application form, available through the Responsible Returns [application portal](#) (responsiblereturns.com.au/members/login), forms the basis of the product information used in the certification assessment. The application form includes approximately 20 questions that are published on the [Responsible Returns](#) online tool. The application form also includes confidential information that is not distributed outside of RIAA.

Data sources from which assessment for eligibility is taken include:

1. Data provided by the applicant through the RI Certification [application portal](#)
2. Public documentation, such as on applicant's corporate website, PDS or other relevant legal documentation
3. Investment team interviews
4. ESG research (internal and third-party)
5. Methodologies and tools to substantiate responsible investment strategies, sustainability claims and measurement e.g. carbon footprint relative to benchmark

A more detailed checklist of data requirements will be included in your RI Certification Welcome pack.

Ongoing disclosure requirements on the Product's website and [Responsible Returns](#) include:

1. Full portfolio holdings (for equities funds, or an equivalent disclosure for other products, including a full look through for fund of funds) with no longer than a 90-day lag, twice-annually
2. Past financial performance results/returns of the product twice-annually
3. Methodology and measurement of sustainability claims at least annually
4. Activities and outcomes from stewardship practices (both engagement and voting). Requirement as at 1 Jan 2021.

Who is RIAA?

RIAA champions responsible investing and a sustainable financial system in Australia and New Zealand and is dedicated to ensuring capital is aligned with achieving a healthy society, environment and economy.

With over 300 members managing more than \$9 trillion in assets globally, RIAA is the largest and most active network of people and organisations engaged in responsible, ethical and impact investing across Australia and New Zealand.

The responsible investment sector constitutes a growing force in the finance and capital markets of Australasia. 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 New Zealand.

The Certification Symbol is a Registered Trademark and is owned and managed by RIAA.

What is Responsible Returns?

The [Responsible Returns](#) online tool is an initiative of the Responsible Investment Association Australasia, to help consumers find, compare and choose responsible and ethical superannuation, banking and investment products that best match their investment beliefs and personal values.

Over 180 products are featured on Responsible Returns. Each has been certified in accordance with RIAA's [Responsible Investment Certification Program](#), indicating that a product or provider is delivering on its responsible investment promise and meeting the Australian and New Zealand Standard for responsible investing.

Responsible Returns is the trusted site for accessing the full range of responsible and ethical investment products available across Australia and New Zealand. View the site here: responsiblereturns.com.au

More information

To find out more about RIAA's Responsible Investment Certification Program or to apply to be certified, please contact the Certification and Ratings team on 02 8228 8100 or certification@responsibleinvestment.org, or visit responsibleinvestment.org/ri-certification/product-certification.