



**THEMATIC ETF PIONEERS, RIZE ETF, EXPAND INTO SWEDEN, FINLAND, DENMARK AND THE NETHERLANDS WITH THEIR NEW CYBERSECURITY AND MEDICAL CANNABIS ETFs**

**May 11<sup>th</sup> 2020** - Rize ETF, Europe's first specialist thematic ETF issuer, has registered its first two ETFs for sale in Sweden, Finland, Denmark and the Netherlands. The Rize Cybersecurity and Data Privacy UCITS ETF (**CYBR**) and the Rize Medical Cannabis and Life Sciences UCITS ETF (**FLWR**) are now available to Swedish, Finnish, Danish and Dutch investors. Both ETFs are listed on the London Stock Exchange and the Frankfurt Stock Exchange (Deutsche Boerse Xetra).

The **Rize Cybersecurity and Data Privacy UCITS ETF (CYBR)** provides exposure to 44 companies that are benefitting from the explosion in demand for cybersecurity products and solutions. These are companies that secure our data, infrastructure and against cybercrime and the unintended consequences of rapid digitisation. Today, the cybersecurity sector has found newfound prominence in the nexus of the coronavirus. Moreover, cybersecurity companies are heralding the crusade not only for better information security around the world, but also better digital safety and personal privacy.

*"Cybersecurity has been an exciting area for us since launching Europe's first cybersecurity ETF in 2015. In recent years, the market has entered a new phase of growth. This has been led by the rapid adoption of new technologies such as AI, cloud infrastructure and the Internet of Things. We have also seen industry-positive regulation such as GDPR<sup>1</sup> in Europe and CCPA<sup>2</sup> in the United States. Closer to home, with many of us now working remotely, virtually and digitally as a result of Covid-19, cybersecurity is once again at the top of the agenda for Chief Information Officers around the world. Indeed, cyber-attacks related to the coronavirus rose from 200 per day in mid-March to over 25,000 per day as at the end of April, according to Check Point Software, one of the cybersecurity companies in our ETF.<sup>3</sup> What we've brought to the market with CYBR is an ETF that is purpose-built to capture the growth of this sector as we move forward into a hyperconnected world,"* says **Rahul Bhushan**, co-founder of Rize ETF.

A key differentiator between CYBR and other cybersecurity ETFs in the market is the exclusion of Aerospace and Defense companies. *"We give greater consideration to the growing concern amongst investors for ESG, in particular the exclusion of companies involved in controversial weapons. In the case of CYBR, we have excluded specific Aerospace & Defense companies with poor track records in this area, such as Northrop Grumman, BAE Systems and General Dynamics,"* says **Stuart Forbes**, co-founder of Rize ETF.

CYBR is the most competitively priced cybersecurity ETF in Europe with a TER<sup>4</sup> of 0.45% per annum.

The **Rize Medical Cannabis and Life Sciences UCITS ETF (FLWR)** provides exposure to 27 companies around the world that are positively impacted by the global revolution in cannabis-derived pharmaceutical medicine, health and wellness solutions and agriculture technology and supplies.

*"FLWR offers a way for European investors to get in early on what is likely to be one of the biggest growth stories of our time. Biotechnology/pharma companies that are developing new-form medicines using cannabinoids offer tremendous potential. While the market has had a tough time recently, we expect this to be a consolidation and adjustment phase, with an industry that will emerge stronger on the other side. The structural tailwinds have never been clearer than they are today. The global medical cannabis sector continues to be buoyed by powerful tailwinds such as favourable legislation, social*

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<sup>1</sup> General Data Protection Regulation

<sup>2</sup> California Consumer Privacy Act

<sup>3</sup> Check Point Software, "Coronavirus update: as economic stimulus payments start to flow, cyber-attackers want to get their share too", 20 April 2020. Available at: <https://blog.checkpoint.com/2020/04/20/coronavirus-update-as-economic-stimulus-payments-start-to-flow-cyber-attackers-want-to-get-their-share-too/>.

<sup>4</sup> Total Expense Ratio

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*acceptance, medical recognition and an exciting CBD<sub>5</sub> complex. And we've only just scratched the surface in terms of the therapeutic potential of cannabinoids such as CBD and THC<sub>6</sub>. In the months and years ahead we'll be hearing from newer contenders such as CBN<sub>7</sub>, CBC<sub>8</sub> and CBG<sub>9</sub> which have also shown preliminary medical value. Ultimately this is about uncovering new medical use cases for patients who don't currently have other alternatives. We look forward to the day this becomes adopted around the world,"* says **Rahul Bhushan**.

FLWR has three key features that distinguishes the ETF from competitors.

First, the ETF incorporates a specially-designed, transparent and publicly-available exclusion list methodology - the "Rize Global Medical Cannabis Exclusion List". Companies are excluded if they are determined to be either non-compliant with state and federal laws in the countries in which they operate and/or are directly involved in the production and/or distribution of cannabis for the recreational (adult-use) consumer market. The Rize Global Medical Cannabis Exclusion List has been developed by Rize ETF in tandem with its partners and is published, along with the methodology, on the company's website, [www.rizeetf.com/fi/](http://www.rizeetf.com/fi/).

Second, FLWR is the world's most global cannabis ETF. The ETF captures companies not only in the United States and Canada, but also those operating in Australia, Israel, China, Colombia, Switzerland, Ireland and the United Kingdom.

Finally, FLWR is the best diversified (with 27 companies, globally) and most liquid cannabis ETF in Europe. The ETF weights companies by reference to their market liquidity, which is critical for retail investors who suffer high bid/ask spreads on illiquid ETFs.

FLWR is the most competitively priced cannabis ETF in Europe with a TER of 0.65% per annum.

Both ETFs have been purpose-built by Rize ETF together with thematic industry experts in each theme. For CYBR, Rize ETF has partnered with Tematica Research, a US-based thematic equity research house that specialises in global megatrends. The ETF leverages their unique thematic ability to research, uncover, classify and map companies that have demonstrable revenues from the cybersecurity and data privacy theme. For FLWR, Rize ETF has partnered with New Frontier Data, an independent cannabis research and analytics firm based in Washington, D.C., in order to build an investment strategy that leverages their proprietary classification of companies with demonstrable exposure to the medical cannabis and life sciences sector.

Commenting on this approach, **Stuart Forbes**, says: *"The only way that you can legitimately capture the companies best exposed to an emerging theme for which traditional sector classifications are not available, is to partner with thematic research houses that have a unique ability to distil a theme into investable sub-classifications in order to identify the companies that are best exposed to the structural tailwinds of a theme using a bottom-up approach. In 2014, we pioneered the approach of working with sector experts to develop innovative themed-based exposures that can be wrapped into an ETF. Our approach has enabled us to build highly innovative thematic products that are hugely price competitive compared with actively managed products that purport to offer the same exposure."*

The team at Rize ETF is committed to challenging orthodoxy and providing investors with access to the most ground-breaking megatrends shaping the planet. The company aims to achieve a balance between long-term returns and an investment in sustainable growth themes. Rize ETF covers the entire life-cycle of an ETF, starting with product strategy, index design, ETF structuring through to distribution.

\* Ends \*

***Capital at Risk Warning: An investment in the Fund(s) involves risks, including illiquidity, lack of dividends, loss of investment and dilution, and it should be done only as part of a diversified portfolio. The Funds may be registered or otherwise approved for distribution to the public in one or more European jurisdictions. Investors should continue to consider the terms of investment in any***

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<sup>5</sup> Cannabidiol  
<sup>6</sup> Tetrahydrocannabinol  
<sup>7</sup> Cannabinol  
<sup>8</sup> Cannabichromene  
<sup>9</sup> Cannabigerol

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***Fund (or Share Class thereof) carefully and seek professional investment advice before taking any decision to invest in such Fund (or Share Class thereof).***

### **About Rize ETF**

Rize ETF was founded in 2019 by Rahul Bhushan, Stuart Forbes, Anthony Martin and Jason Kennard. The team of proven ETF experts bring 30 years of combined ETF experience, having previously built and managed the ETF platform for Legal & General Investment Management (LGIM) that was acquired from ETF Securities in March 2018.

The team specialises in identifying emerging trends and working with experts to make them investable early. They launched Europe's first Robotics ETF in 2014 and, the following year, Europe's first Cybersecurity ETF – each of which has attracted assets of over £1bn.

The Rize ETF team sees itself as appealing to a new generation of investors that have global perspectives and a less siloed approach to investing. Its focus on thematic ETFs will allow it to accelerate the launch of timely, relevant and accessible investment products.

Further information is available at [www.rizeetf.com/fi/](http://www.rizeetf.com/fi/)

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