



## Statement on principal adverse impacts of investment decisions on sustainability factors

### Financial market participant VanEck Asset Management B.V. (LEI: 724500XJ1KZW847HI811)

#### Summary

VanEck Asset Management B.V. (“VanEck”) (LEI 724500XJ1KZW847HI811) considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of VanEck Asset Management B.V., VanEck UCITS ETFs plc., VanEck ICAV and VanEck ETFs N.V.

This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January 2022 to 31 December 2022.

VanEck considers adverse impacts on sustainability factors for VanEck’s passively managed UCITS (“ETFs”) and VanEck’s actively managed UCITS (“Active Funds”).

Investment decisions can impact the world and vice versa. Investing in companies and governments can positively impact the environment and society, however, it may also have negative impacts on sustainability factors.

European legislation requires financial market participants such as VanEck to disclose whether they take into account principal adverse impacts as defined in European legislation of investment decisions on sustainability factors. Sustainability factors are defined in the legislation as environmental, social, anti-bribery and employee matters, respect for human rights, and anti-corruption. 14 adverse impacts of investment decisions on sustainability factors are considered by VanEck for companies and 2 indicators are considered for the investment in sovereigns and supranationals. The considered adverse impacts are as follows:

#### Companies

Greenhouse gas emissions

- GHG emissions
- Carbon footprint
- GHG intensity of investee companies
- Exposure to companies active in the fossil fuel sector

- Share of non-renewable energy consumption and production
- Energy consumption intensity per high impact climate sector

#### Biodiversity

- Activities negatively affecting biodiversity-sensitive areas

#### Water

- Emissions to water

#### Waste

- Hazardous waste and radioactive waste ratio

#### Social and employee matters

- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
- Unadjusted gender pay gap
- Board gender diversity
- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

#### **Sovereigns and Supranationals**

- GHG intensity
- Investee countries subject to social violations

Additional indicators for principal adverse impacts on sustainability factors:

- Natural species and protected areas
- Cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery

The approach and extent to which specific principal adverse impacts are considered differs per fund. In the information below, this is further described for each of the considered principal adverse impacts.

**Description of the principal adverse impacts on sustainability factors**

The principal adverse impacts considered for VanEck’s ETFs and Active Funds are described in the table below. Each principal adverse impact is defined as an indicator and the corresponding metric is included. In addition, an explanation is given for the applicability of the indicator and which activities are undertaken and planned to address the adverse impacts. In general, funds can be distinguished by not having sustainability characteristics (Article 6), promoting environmental and/or social characteristics (Article 8), and having a sustainable investment objective (Article 9). The type of activities can be divided between voting and integration in the index for VanEck’s ETFs or integration in investment decisions, engagement or voting for the Active Funds. Each year the table will be updated with the scores of the past year and its preceding year to demonstrate a historical comparison of the adverse impact of VanEck’s investments.

<b>Indicators applicable to investments in investee companies</b>						
<b>Adverse sustainability indicator</b>	<b>Metric</b>	<b>Impact year 2022 (will be updated in June 2023)</b>	<b>Impact previous year (will be updated in June 2024)</b>	<b>Explanation</b>	<b>Actions taken, and actions planned and targets set for the next reference period</b>	
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>						
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	N/a	N/a	N/a	<b>Integration in index of VanEck ETFs</b> For certain Article 8 ETFs and all Article 9 ETFs, VanEck utilises ESG data relating to carbon emissions, carbon footprint, GHG intensity and exposure to the fossil fuel sector.  For the relevant Article 8 ETFs, data from ESG data providers is used for the screening of investments and exclusion of companies based on performance.
		Scope 2 GHG emissions	N/a	N/a	N/a	
		Scope 3 GHG emissions	N/a	N/a	N/a	
		Total GHG emissions	N/a	N/a	N/a	
	2. Carbon footprint	Carbon footprint	N/a	N/a	N/a	
	3. GHG intensity of investee companies	GHG intensity of investee companies	N/a	N/a	N/a	
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	N/a	N/a	N/a	

						<p>Company performance may be evaluated by indicators such as ability to transition to a lower pollution business, industry data on carbon emissions, failure to mitigate climate change impacts, carbon risk, and greenhouse gas emissions for controversy score.</p> <p>It may additionally be used for the composition of exclusions lists whereby companies with unacceptable greenhouse gas emissions or are involved in production of coal or coal-based energy are excluded.</p> <p>For all Article 9 funds:</p> <ul style="list-style-type: none"> <li>• Norm-based research is conducted on environmental protection whereby companies with “failure to mitigate climate change impacts” are excluded.</li> <li>• Exclusions apply for companies with revenues of more than 5% related to involvement in fossil fuels, thermal coal mining and oil sands.</li> </ul> <p>For the remaining Article 8 and all Article 6 ETFs, the indicators are not considered in the index construction.</p>
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						<p><b>Voting VanEck ETFs</b>  For Article 8 and Article 9 ETFs the Glass Lewis ESG tilted policy is applied, whereby it supports proposals requesting companies to develop greenhouse gas emissions reduction goals and other proactive means to mitigate a company's environmental footprint.</p> <p><b>Integration in Active Funds (Article 8)</b>  Exclusion of companies that are unacceptable greenhouse gas emitters and/or companies involved in production of coal or coal-based energy in accordance with the Norges Bank Exclusionary list.</p> <p><b>Engagement in Active Funds (Article 8)</b>  Engagement is integral to Active Funds. During the investment period, active Investment Teams engage with management and raise sustainability issues relevant to that investment and industry. The Investment Teams continue to engage with and monitor the investments throughout the investment cycle.</p> <p><b>Proxy Voting in the VE EME UCITS Fund (Article 8)</b>  Principal adverse impacts are considered as part of the Glass</p>
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						Lewis ESG tilted voting policy, whereby casted votes regard the environment, energy efficiency, the use of renewable energy sources, enhancing the rights of workers, violation of international human rights standards, gender pay inequity and board diversity.
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	N/a	N/a	N/a	<b>Voting VanEck ETFs</b> For Article 8 and Article 9 ETFs the Glass Lewis ESG tilted policy is applied, whereby it supports proposals for companies to increase disclosure on renewable energy strategies.
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	N/a	N/a	N/a	<b>Integration in index of VanEck ETFs</b> For certain Article 8 ETFs, VanEck utilises ESG data relating to energy consumption. This indicator strongly relates to the above indicators relating to greenhouse gas emissions.  For the relevant Article 8 ETFs, data specifically relating to energy consumption from ESG data providers, is used for the screening investment and exclusion of companies based on performance. Company

						<p>performance may include a score on resource efficiency relating to various resources among which energy or energy use are analysed as part of a controversy score.</p> <p><b>Voting VanEck ETFs</b> For Article 8 and Article 9 ETFs, the Glass Lewis ESG tilted policy is applied, whereby it supports proposals for companies that request efforts towards increased energy efficiency.</p>
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	N/a	N/a	N/a	<p><b>Integration in index of VanEck ETFs</b> For certain Article 8 ETFs and all Article 9 ETFs, VanEck utilises ESG data relating to biodiversity. For relevant Article 8 ETFs, data from ESG data providers is used for the screening of investments and exclusion of companies based on performance. Company performance may be in regards to the protection of biodiversity and land use or part of risk controversy score.</p> <p>For all Article 9 ETFs, Norm-based research is conducted on environmental protection whereby companies with failure to prevent depletion of biodiversity and/or deforestation, or are involved in illegal logging</p>

						<p>are excluded in case of a very severe score. For the remaining Article 8 and all Article 6 ETFs, the indicator is not considered in the index construction.</p> <p><b>Integration in Active Funds (Article 8)</b> Exclusion of companies that are involved in severe environmental damage in accordance with the Norges Bank Exclusionary list.</p> <p><b>Engagement in Active Funds (Article 8)</b> Engagement is integral to Active Funds. During the investment period, active Investment Teams engage with management and raise sustainability issues relevant to that investment and industry. The Investment Teams continue to engage with and monitor the investments throughout the investment cycle.</p> <p><b>Proxy Voting in the VE EME UCITS Fund (Article 8)</b> Principal adverse impacts are considered as part of the Glass Lewis ESG tilted voting policy, whereby casted votes regard the environment, energy efficiency, the use of renewable energy sources, enhancing the rights of workers, violation of international human rights</p>
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						standards, gender pay inequity and board diversity.
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	N/a	N/a	N/a	<p><b>Integration in index of VanEck ETFs</b>  For certain Article 8 ETFs and all Article 9 ETFs VanEck utilises ESG data relating to emissions to water.</p> <p>For the relevant Article 8 ETFs, data from ESG data providers is used for the screening of investments and excluding companies based on their performance. Performance may be in regards to discharges and releases of water as part of a controversy risk score, resource consumption or water intensity as part of an ESG score.</p> <p>For all Article 9 ETFs , Norm-based research is conducted on emissions to water whereby companies with failure to prevent water pollution are excluded if of a very severe score</p> <p>For the remaining article 8 and all article 6 ETFs, the indicator is not considered in the index construction.</p> <p><b>Voting VanEck ETFs</b>  For Article 8 and Article 9 ETFs the Glass Lewis ESG tilted policy is applied, whereby it, supports proposals for</p>

						companies requesting to adopt policies or improve disclosure of water usage and impact on water supplies.
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	N/a	N/a	N/a	<p><b>Integration in index of VanEck ETFs</b></p> <p>For certain Article 8 ETFs and all Article 9 ETFs VanEck utilises ESG data relating to waste and more specifically hazardous waste in some cases.</p> <p>For the relevant Article 8 ETFs, data from ESG data providers is used for the screening of investments and exclusion companies based on performance. Company performance may be in regards to discharges and releases of hazardous waste in the supply chain as part of an ESG score.</p> <p>For all Article 9 ETFs, Norm-based research is conducted on waste whereby companies with poor waste management, failure to prevent pollution or their ability to mitigate the production and distribution of hazardous substances are excluded in case of very severe score.</p> <p>For the remaining Article 8 and all Article 6 ETFs , the indicator is not considered in the index construction.</p>

**INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS**

Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	N/a	N/a	N/a	<p><b>Integration in index of VanEck ETFs</b>                  For certain Article 8 ETFs and all Article 9 ETFs VanEck utilises ESG data relating to violations of international norms. For the relevant Article 8 ETFs, data from ESG data providers is used for the screening of investments and exclusion of companies based on performance.</p>
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	N/a	N/a	N/a	<p>Company performance may be in regards to social, governance components, fundamental human rights, non-discrimination, diversity, elimination of child and forced labour, fundamental labour rights. Social standards in the supply chain may also be considered for controversy risk score. .</p> <p>For all Article 9 ETFs, Norm-based research is conducted on union rights, workplace discrimination, overall severity, child labour, human rights, forced labour, labour standards and failure to conduct human rights due diligence. Companies are excluded in case of a very severe score.</p> <p>For the remaining Article 8 and all Article 6 ETFs, the indicators are not considered in the index construction.</p>

						<p><b>Voting VanEck ETFs</b> For Article 8 and Article 9 ETFs the Glass Lewis ESG tilted policy is applied, whereby it supports proposals requesting that companies disclose reports on workforce diversity.</p> <p><b>Integration in Active Funds (Article 8)</b> Exclusion of companies that are involved in social and employee (i.e., serious violations of individuals' rights in situations of war or conflict), violation of human rights, gross corruption and other particularly serious violations of fundamental ethical norms in accordance with the Norges Bank Exclusionary list.</p> <p><b>Engagement in Active Funds (Article 8)</b> Engagement is integral to Active Funds. During the investment period, active Investment Teams engage with management and raise sustainability issues relevant to that investment and industry. The Investment Teams continue to engage with and monitor the investments throughout the investment cycle.</p> <p><b>Proxy Voting in the VE EME UCITS Fund (Article 8)</b> Principal adverse impacts are considered as part of the Glass</p>
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						Lewis ESG tilted voting policy, whereby casted votes regard the environment, energy efficiency, the use of renewable energy sources, enhancing the rights of workers, violation of international human rights standards, gender pay inequity and board diversity.
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	N/a	N/a	N/a	<p><b>Integration in index of VanEck ETFs</b>  For certain Article 8 funds and all Article 9 ETFs VanEck utilises ESG data relating to the gender pay gap. For these funds, Norm-based research is considered on the failure to provide equal work pay. Companies are excluded in case of a very severe score. For the remaining Article 8 and all Article 6 ETFs, the indicator is not considered in the index construction.</p> <p><b>Voting VanEck ETFs</b>  For Article 8 and Article 9 ETFs the Glass Lewis ESG tilted policy is applied, whereby it supports proposals requesting disclosure from companies regarding gender pay inequity.</p>
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed	N/a	N/a	N/a	<p><b>Integration in index of VanEck ETFs</b>  For certain Article 8 funds and all Article 9 funds VanEck</p>

		as a percentage of all board members				<p>utilises ESG data relating to board gender diversity. For these funds Norm-based research is conducted on the failure to provide equal pay for work. Companies are excluded if of a very severe score. For the remaining Article 8 and all Article 6 funds, the indicator is not considered in the index construction.</p> <p><b>Voting VanEck ETFs</b> For Article 8 and Article 9 ETFs the Glass Lewis ESG tilted policy is applied, whereby it supports proposals relating to companies' policies and actions with respect to board refreshment and diversity.</p>
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	N/a	N/a	N/a	<p><b>Integration in index of VanEck ETFs</b> The exclusion of cluster munition is legally required for all funds. In addition, various controversial weapon screenings are performed whereby companies with a Red score are excluded from the index. In addition, more expansive exclusionary screenings are applied to Article 9 funds relating to the exclusion of companies involved in controversial weapons, and manufacturing of firearms sold to civilian customers. In addition companies are excluded with</p>

						<p>activities in controversial sectors going beyond defined thresholds such as weapons, military and the exclusion of nuclear weapons.</p> <p><b>Integration in Active Funds (Article 8)</b> Exclusion of companies that are involved in production of nuclear weapons and production of cluster munitions in accordance with the Norges Bank Exclusionary list.</p> <p><b>Engagement in Active Funds (Article 8)</b> Engagement is integral to Active Funds. During the investment period, active Investment Teams engage with management and raise sustainability issues relevant to that investment and industry. The Investment Teams continue to engage with and monitor the investments throughout the investment cycle.</p> <p><b>Proxy Voting in the VE EME UCITS Fund (Article 8)</b> Principal adverse impacts are considered as part of the Glass Lewis ESG tilted voting policy, whereby casted votes regard the environment, energy efficiency, the use of renewable energy sources, enhancing the rights of workers, violation of international human rights</p>
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						standards, gender pay inequity and board diversity.
<b>Indicators applicable to investments in sovereigns and supranationals</b>						
<b>Adverse sustainability indicator</b>	<b>Metric</b>	<b>Impact year 2022 (will be updated in June 2023)</b>	<b>Impact previous year (will be updated in June 2024)</b>	<b>Explanation</b>	<b>Actions taken, and actions planned and targets set for the next reference period</b>	
Environmental	15. GHG intensity	GHG intensity of investee countries	N/a	N/a	N/a	<p><b>Integration in index of VanEck ETFs</b> For the limited amount of sovereign bond ETFs which are classified as Article 8, data relating to the environmental performance is used in assessment of sovereigns.</p> <p><b>Integration in VE EMB UCITS Fund (Article 8)</b> Data relating to environmental factors is used in assessment of sovereigns.</p>
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where	N/a	N/a	N/a	<p><b>Integration in index of VanEck ETFs</b> For the limited amount of sovereign bond ETFs which are classified as Article 8, data relating to social violations is used in assessment of sovereigns.</p> <p><b>Integration in VE EMB UCITS Fund (Article 8)</b></p>

		applicable, national law				Data relating to social factors is used in assessment of sovereigns.
<b>Indicators applicable to investments in real estate assets</b>						
<b>Adverse sustainability indicator</b>		<b>Metric</b>	<b>Impact year 2022 (will be updated in June 2023)</b>	<b>Impact previous year (will be updated in June 2024)</b>	<b>Explanation</b>	<b>Actions taken, and actions planned and targets set for the next reference period</b>
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	N/a,	N/a	N/a	N/a as there are no investments in direct real estate.
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	N/a	N/a	N/a	N/a as there are no investments in direct real estate.
<b>Other indicators for principal adverse impacts on sustainability factors</b>						
Indicators applicable to investments in investee companies CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
<b>Adverse sustainability indicator</b>		<b>Metric</b>	<b>Impact year 2022 (will be updated in June 2023)</b>	<b>Impact previous year (will be updated in June 2024)</b>	<b>Explanation</b>	<b>Actions taken, and actions planned and targets set for the next reference period</b>
Water, waste and material emissions	Natural species and protected areas	Share of investments in investee companies	N/a,	N/a	Certain funds consider the biodiversity	



		in procedures and standards of anti-corruption and anti-bribery				
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**Description of policies to identify and prioritise principal adverse impacts on sustainability factors**

The Responsible Investment Policy describes VanEck’s philosophy in considering environmental, social, and governance (“ESG”) factors in its investment processes. The Responsible Investment Policy has been approved by the board on 2 November 2022. In addition to the Responsible Investment Policy, a tailored approach is determined for the ETFs and Active Funds which VanEck manages. In the construction of the funds’ investment policies, the consideration of principal adverse impacts for each fund is determined. The fund’s specific approach is described in the fund documentation which is approved by the board at the moment of the fund’s creation and in the case of fund documentation changes.

**Allocation of responsibility for implementation**

The responsibility for the implementation of policies within organisational strategies and procedures is allocated to the ESG Committee. VanEck has created a European ESG Committee which will assist with the integration and implementation of sustainability legislation, ESG strategies and sustainability characteristics. The measurement, analysis and consideration of principal adverse impacts on sustainability factors is one of the recurring responsibilities of the European ESG Committee. The way in which adverse impacts are considered and the Responsible Investment Policy is implemented differs between the different types of funds and investment approaches. The majority of VanEck’s investment funds have a passive investment strategy, whereby an index is followed. For certain indices that VanEck ETF’s follow, certain principal adverse impacts on sustainability factors are considered in the construction of the index. Additionally, for the Active Funds, certain adverse impacts are considered as part of the investment process and can be addressed by means of engagement, which is executed by the active investment team. The Glass Lewis ESG voting guidelines apply to all equity ETFs, which are classified as Article 8 and 9 funds, and the larger ETF equity strategies. Glass Lewis manages proxy voting, policy implementation, recordkeeping and reporting of voting activities.

**The methodologies to select the indicators**

VanEck views adverse sustainability impacts on sustainability factors as principal based on the severity and likelihood that the adverse impact will materialize. The principal adverse sustainability impacts addressed by VanEck ETFs can be regarded as the most controversial subjects, which from an environmental, social and governance perspective are relevant for investing in companies. The main sustainability factors are environmental matters such as greenhouse gas emissions, biodiversity, and compliance with labour, human rights and corruption norms as laid down in various international standards such as UN Global Compact. Other principal adverse impacts concern the involvement of companies in controversial sectors such as cluster munition and other controversial weapons, fossil fuels, tobacco, adult entertainment or the gambling industry. In addition, VanEck will consider and report on two additional principal adverse impacts, concerning natural species and protected areas and the anti-corruption and anti-bribery sector.

For the Active Funds, ESG performance is used to determine which adverse impacts are relevant for a specific company. For certain active investment strategies, an exclusion list applies whereby companies with activities in controversial sectors are identified.

**Data sources**

For the reporting on the principal adverse impacts, data provided by Institutional Shareholder Services ESG (ISS) will be utilized. For the integration of principal adverse impacts in various investment policies of the funds and in the voting activities, various ESG data sources are used and are not limited to ISS. This means that reports will occur on different data sources than what is integrated in VanEck ETFs’ indices. The correlation between varying ESG datasources is considered to be quite low. There are limitations to ESG data aside from reported data and estimations are also used. In addition, there is not yet a full data coverage for all of VanEck’s assets under management.

**Engagement policies**

As part of VanEck’s bottom-up investment process, its active Investment Teams seek to meet, when possible, with investment management and representatives of debt issuers, prior to investing. Once the Active Funds invest in a company, VanEck seeks to continue to have regular dialogue with investment management and where relevant, raise ESG issues pertinent to that investment and industry. It may, for example, discuss a board’s focus on ESG or, more specifically, an investment’s environmental record, safety record, community engagement, energy and resource efficiency or labor relations. When VanEck raises ESG-related issues during these meetings it does so, among other reasons, in order not only to have a better understanding of goals and risks, but also to understand better, and advocate adherence to, best practices. In addition, VanEck tends to engage on such issues when asked to by companies or corporates themselves. The Investment Teams will monitor the principal adverse impacts reported on during the previous period and will consider the possibility of taking specific actions pertinent to that investment and industry, based on the report results.

The ETF’s engagement is limited to dialogues with the index provider in further refining the index rules and can relate to the increasing consideration of sustainability factors in composing the index.

The shareholder engagement policy can be found [here](#).

**References to international standards**

VanEck has been a signatory of the United Nations Principles for Responsible Investment (UN PRI) since 2017. No indicators are used to consider the principal adverse impacts on sustainability factors to measure the adherence or alignment with the UN PRI.

**Historical comparison**

VanEck will report annually on the most important adverse effects on sustainability factors. A historical comparison of the reported indicators will be included in this statement. The statement was first published in this format in early 2023. In the course of 2024, a historical comparison of recent years will be published for the first time.