



VanEck Hydrogen Economy UCITS ETF
Sustainability-related information pursuant to Art. 37 of Regulation (EU) 2022/2088 ("SFDR")

Product name: VanEck Hydrogen Economy UCITS ETF

Legal entity identifier: 254900DO5110DY0JC821

ISIN: IE00BMDH1538

a) Summary

VanEck Hydrogen Economy UCITS ETF (the "Fund") has been categorised as Article 9(1) of Regulation (EU) 2019/2088 on sustainability related disclosures in the financial services sector ("SFDR"). The Fund has a sustainable investment objective, with an emphasis on environmental objectives: it aims at enhancing sustainable forms of energy generation, carbon emissions reduction and ultimately contribution to mitigation of climate change. It contributes to environmental objectives aligned with the Sustainable Development Goals (SDG) "Affordable and Clean Energy", "Sustainable Cities and Communities" and "Climate Action". For the purpose of attaining the sustainable investment objective, the Fund incorporates sustainability considerations in its passive investment process by means of ESG characteristics integration, ESG related exclusions and proxy voting on sustainability matters.

The Fund has a passive investment policy, whereby it replicates as closely as possible its reference benchmark and invests in direct financial instruments, which are 100% sustainable. The fund's investment guidelines do not require a specifically defined alignment with the EU Taxonomy. VanEck Hydrogen Economy UCITS ETF invests in companies with at least 50% (25% for current components) of their revenues from hydrogen projects or projects that have the potential to generate at least 50% of their revenues from the hydrogen industry when developed. The index also considers companies with at least 50% (25% for current components) of their revenues from fuel cells or industrial gases projects or projects that have the potential to generate at least 50% of their revenues from the fuel cell industry or the industrial gases industry as those are crucial in the development of global hydrogen economy.

In addition, certain ESG related exclusions are applied according to the Index methodology to ensure that the companies do not significantly harm any other environmental or social sustainable investment objective. The screenings consider:

1. Controversial sector involvement, whereby companies are screened for involvement in:
 - Controversial weapons: a 0% revenue threshold is applied;
 - Tobacco, thermal coal, fossil fuels, oil sands, nuclear energy, civilian firearms, military and gambling: a 5% revenue threshold is applied.
2. The violations of international standards on e.g. human rights, labor rights, environmental risk and bribery.

Based on its thematic investment policy focusing on sustainable forms of energy generation, the Fund considers several Principle Adverse Indicators, such as greenhouse gas emissions, biodiversity, water, waste, and social and employee, respect for human rights, anti-corruption and anti-bribery matters. Moreover, good governance practices of the investee companies are assessed by excluding companies that very severely violate the OECD Guidelines for Multinational Enterprises.

b) No significant harm to the sustainable investment objective

This Financial product does not significantly harm any other environmental or social sustainable investment objective. By means of Norm-based research and Controversial sector involvement screenings, the Fund takes the Principal adverse impacts on sustainability factors relating to greenhouse gas emissions, biodiversity, water, waste, social and employee, respect for human rights, anti-corruption and anti-bribery matters into account. In addition, the Fund excludes companies when ISS rating shows the verifiably violated or imminent to violate the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights.

c) Sustainable investment objective of the financial product

The Fund aims at enhancing and developing sustainable forms of energy generation and storage. Therefore, the Fund invests in companies that generate part of their revenues from hydrogen projects or projects that have the potential to generate at least part of their revenues from the hydrogen industry when developed.

This includes companies that have significant (>50%) revenue exposure to hydrogen, fuel cells or technologies that are directly connected to the hydrogen economy. In case it is not possible to do so without severely compromising Fund's liquidity, tradability and representativeness, the Fund also considers companies with at least part of their revenues from fuel cells or industrial gases projects or projects that have the potential to generate at least part of their revenues from the fuel cell industry or the industrial gases industry. Such companies can potentially enable Hydrogen Economy by either providing crucial supplies or creating infrastructural solutions that could be repurposed for hydrogen-related usage.

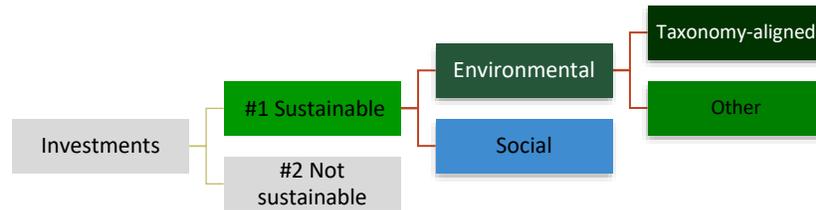
d) Investment strategy

The Fund's investment objective is to replicate, before fees and expenses, the price and yield performance of the MVIS® Global Hydrogen Economy ESG Index. The Fund seeks to invest in companies which generate revenues from hydrogen projects or projects that have the potential to generate revenues from the hydrogen industry. Norm-based research and Controversial sector involvement screenings are performed in the selection of companies in the index. In addition, the Glass Lewis ESG-tilted voting policy is applied, whereby casted votes in shareholder meetings of companies in the portfolio concern sustainability matters.

Good governance practices of the investee companies are assessed by excluding companies that very severely violate the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

e) Proportion of investments

The Fund invests in direct financial instruments of which 100% is sustainable. All of these sustainable investments are environmentally sustainable.



f) Monitoring of sustainable investment objective

The sustainable investment objective is monitored in the following manner:

The Fund aims at enhancing sustainable forms of energy generation, to reduce carbon emissions and ultimately contribute to the mitigation of climate change. Therefore, the Fund invests in companies which generate part of their revenues from hydrogen projects or projects that have the potential to generate at least part of their revenues from the hydrogen industry when developed.

1. The sustainable investment objective alignment is measured with the following indicator(s):
 - The weighted percentage of investee companies' revenues derived from hydrogen and fuel cell projects.
 - The % of portfolio involved in violations of UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights. The target is 0% at rebalancing;
 - The % of portfolio involved in the fossil fuels industry, which cannot be higher than 5% at rebalancing;
 - The % of portfolio involved in non-renewable energy production.
2. This is monitored in the following manner:
 - The requirements relating to the percentage of companies' revenues derived from hydrogen projects , Norm-based research and Controversial sector involvement screenings (tobacco, fossil fuels, thermal coal mining, gambling, oil sands, civilian firearms, military equipment and services, and nuclear power) are included in the Index rules which are defined by the Index provider.
 - Companies are screened for compliance with the Index rules and the Index is rebalanced on a periodic basis by the Index Provider.
 - The Fund replicates the Index based on the Index rules.
 - Any breaches of the index rules are reported by the Legal and Compliance Team.
 - VanEck has policies in place to assess the alignment of the Fund's investments with the Index and to undertake recovery measures where necessary.

The Glass Lewis ESG tilted voting policy is applied, whereby casted votes concern sustainability matters.

1. This is monitored in the following manner:
 - VanEck has appointed a service provider to exercise voting rights.
 - VanEck is periodically informed by the service provider on the voting activities.

g) Methodologies

The screening of companies consists of a few components as described above. The exact methodology of the Fund's sustainable investments objective is determined by the Index provider. More information can be found in the Fund's index rules.

Voting is delegated to Glass Lewis. Glass Lewis determines the voting approach based on its assessment of the voting proposals and the alignment with the voting policy. VanEck is periodically informed on the activities and has access to an online platform where the information on the proxy voting, policy implementation, recordkeeping and reporting can be found.

h) Data sources and processing

The data sources used

1. ISS for global norms, revenue exposure and controversial weapons involvement screenings through the index provider
2. Investee companies' revenues derived from hydrogen and fuel cell projects through the index provider.
3. ISS for data on company involvement in non-renewable energy production.
4. Glass Lewis data related to voting activities

The measures taken to ensure data quality

The mentioned data sources are used by VanEck and/or its index provider and service provider. VanEck does not receive most of the the data directly from data providers. With regards to the non-renewable energy production data VanEck utilizes a reporting service whereby calculations can be made in a tool developed by the data provider. Data quality measures are integrated into the reporting service tool. It is also relevant that the data used by the index provider and service provider is of sufficient quality. The index provider and service provider have set up their internal processes to do so. Data quality is a component of the selection process of the index provider.

How data are processed

VanEck does not process most of the data on its own for the Fund. Other than the reporting service tool VanEck uses, the reports it receives on a periodic basis come from the index provider and the service provider. VanEck is periodically informed on the index construction, implementation, results and progress of the voting activities.

The proportion of data that are estimated

VanEck does not estimate data, but cannot rule out that the index provider or service provider does estimate data and/or use data provider which estimate data. Although reported data is preferred, missing information is often supplemented with estimated data by the data providers. For more information on how this exactly is determined, we refer to the website of the mentioned data providers, index provider and service provider.

i) Limitations to methodologies and data

VanEck recognizes the following limitations to methodologies and data:

1. Lack of reported data

In order to attain the sustainable investment objective, data from external data providers is used by the index provider, VanEck and/or service provider. Data providers retrieve data from company reports (such as annual reports). Not all companies report the data. Missing data is sometimes estimated by data providers and at times there is no data coverage when it is not possible to estimate the data. This means that in not all cases reported data is present to determine whether the sustainable investment objective attained. By means of choosing a reputable data provider, the risk of erroneous estimates is mitigated.

2. Actualisation of data

The index provider rebalances the index on a periodic basis. It is possible that the Fund's do not fully comply with the sustainable investment objective in between the fund rebalancing moments.

j) Due diligence

VanEck does not select investments, but uses indices which are constructed by index providers. As described in the monitoring section, The Fund replicates the index and this is monitored by the Portfolio Management Team and the Legal and Compliance Team.

VanEck has a due diligence process on the selection of index providers and service providers. The board of VanEck decides on the selection of an index or service provider. The proposal for an index or service provider is prepared by the Portfolio Management Team. VanEck is responsible for monitoring the replication of the index and the service provider.

VanEck's approach is to achieve and maintain the highest standards of integrity, reporting and internal control on all relevant environmental, social, and governance (ESG) matters, sustainability factors in its policies, practices, operational set-up and selection and monitoring of investments as well as identification and mitigation of ESG related risks. A more detailed description on the due diligence that VanEck carries out is available in the ESG Due Diligence Policy, which can be found at the following link: [Policies & Procedures | VanEck](#).

k) Engagement policies

The financial product 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 the composition of the index. The VanEck Shareholder Engagement Policy can be found [here](#).

l) Attainment of the sustainable investment objective

As passive investments strategy, the Fund has designated its underlying index, the MVIS® Global Hydrogen Economy ESG Index, as reference benchmark to meet the sustainable investment objective.

Sustainability factors are considered as part of screenings which are included in the reference benchmark and assessed at any rebalancing of the underlying Index. By means of Norm-based research and Controversial sector involvement screenings the Fund takes sustainability factors relating to greenhouse gas emissions, biodiversity, water, waste, social and employee, respect for human rights, anti-corruption and anti-bribery matters into account. No EU Climate Transition Benchmark or EU Paris-aligned Benchmark as defined in in Article 3, points (23a) and (23b), of Regulation (EU) 2016/1011 is available for this Fund.

More information on the reference benchmark can be found [here](#).