

**VanEck iBoxx EUR Corporates UCITS ETF****Sustainability-related information pursuant to Art. 24 of Regulation (EU) 2022/2088 ("SFDR")**

**Product name:** VanEck iBoxx EUR Corporates UCITS ETF

**Legal entity identifier:** 254900FVLH9ZGJUMNG87

**ISIN:** NL0009690247

**(a) Summary**

Der VanEck iBoxx EUR Corporates UCITS ETF (der „Teilfonds“) wurde gemäß Artikel 8 Absatz 1 der Verordnung (EU) 2019/2088 über nachhaltigkeitsbezogene Offenlegungspflichten im Finanzdienstleistungssektor („SFDR“) eingestuft. Der Teilfonds fördert ökologische und/oder soziale Merkmale und investiert in Unternehmen, die eine gute Unternehmensführung praktizieren. Um jedes der geförderten Merkmale zu erreichen, integriert der Teilfonds ESG-Merkmale in seinen passiven Anlageprozess durch eine ESG-bezogene Gewichtung auf der Ebene der vom Teilfonds nachgebildeten Benchmark. Der Teilfonds hat keine nachhaltigen Anlagen als Anlageziel.

Der Teilfonds verfolgt eine passive Anlagestrategie, d. h., er bildet seine Referenzbenchmark so genau wie möglich nach und investiert in direkte Finanzinstrumente, die zu 100% auf die von ihm geförderten ökologischen und sozialen Merkmale abgestimmt sind. Der Teilfonds zielt darauf ab, in 40 liquide, auf Euro lautende Unternehmensanleihen mit Investment-Grade-Rating zu investieren. Zum Zeitpunkt der Aufnahme in den Index müssen Anleihen mit Investment Grade bewertet sein. Das Emissionsvolumen muss mindestens 750 Mio. EUR betragen. Pro Emittent wird höchstens eine Anleihe in den Index aufgenommen. Gemäß dem Gewichtungsschema des Teilfonds werden Emittenten mit höheren SD-KPI-Werten übergewichtet und Emittenten mit niedrigeren SD-KPI-Werten untergewichtet.

Die Investitionen des Teilfonds müssen mit dem folgenden verbindlichen Element übereinstimmen:

1. Neugewichtung der Anleihen auf der Grundlage ihres SD-KPI-Werts:

SDI-KPI-Wert	Gewichtung Einstellung
>0 – 20	0,5
>20 – 40	0,75
>40 – 60	1
>60 – 80	1,25
>80 – 100	1,5

Durch seine ESG-bezogene Gewichtung berücksichtigt der Teilfonds mehrere prinzipiell negative Indikatoren, wie Treibhausgasemissionen, biologische Vielfalt, Wasser, Abfall, Soziales und Arbeitnehmer, Achtung der Menschenrechte sowie Bekämpfung von Korruption und Bestechung.

Darüber hinaus werden die Good-Governance-Praktiken der Unternehmen, in die investiert wird, durch die Gewichtung der einzelnen Anleihen auf der Grundlage des SD-KPI-ESG-Werts bewertet. Dabei werden unter anderem Governance-bezogene Themen wie „Audit-Abdeckung der ILO-Arbeitsnormen“, „Auditabdeckung des Umweltmanagementsystems und seiner Leistung einschließlich der Lieferkette“, „Geschäftsethische Vorfälle und Vorsichtsmaßnahmen“, „Faire Arbeitspraktiken inkl. Mindestlohn, Mitarbeiterfluktuation“, „Zahl der Unfälle und Todesopfer“ und „Integration von Verkaufs- und Vertriebsrisiken“ als Teil des Gesamtwerts für bestimmte Branchen berücksichtigt.

**(b) No sustainable investment objective**

This financial product promotes environmental or social characteristics, but does not have pursue a sustainable investment objective.

**(c) Environmental or social characteristics of the financial product**

The following environmental and social characteristics apply to the Sub-fund's investments:

1. The Sub-fund promotes the reduction of its exposure to companies that account for certain negative impacts on society and the environment, through applying re-weighting criteria:
  - Companies with a low overall performance on environmental, social and governance factors deemed to be of most importance for given Industry by the ESG provider are underweighted in the index.
  - Companies with a high overall performance on the mentioned subjects are over weighted.

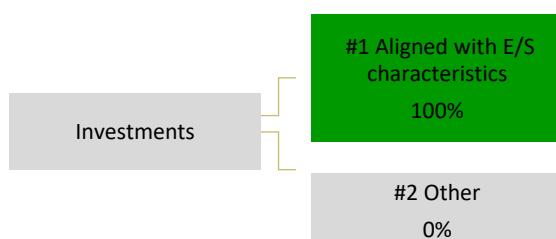
**(d) Investment strategy**

The Sub-fund's investment objective is to replicate, before fees and expenses, the price and yield performance of the iBoxx SD-KPI EUR Liquid Corporates Index. The Sub-fund seeks to invest in 40 liquid investment grade corporate bonds denominated in Euro. At the time of inclusion of the bonds in the index, the bonds must have an investment grade rating. The minimum issue size is EUR 750 million and a maximum of one bond per issuer is included in the Index. As per Sub-fund's weighting scheme, issuers with higher SD-KPI scores are over-weighted and issuers with lower SD-KPI scores are under-weighted.

Good governance relates to sound management structures, employee relations, remuneration of staff and tax compliance. Good governance practices of the investee companies are assessed by weighting the constituent bonds based on the SD-KPI ESG score, considers, among others, governance-related topics such as “Audit Coverage of ILO Labour Standards”, “Audit Coverage of the Environmental Management System and its Performance including the Supply Chain”, “Business Ethics Incidents and Precautions”, “Fair Labour Practices incl. Minimum Wage, Employee Turnover”, “Accident and Fatality Rate” and “Integration of Sales and Distribution Risks” as part of the overall score for certain Industries.

**(e) Proportion of investments**

The Sub-fund invests in direct financial instruments of which 100% is aligned with the E/S characteristics.



## **(f) Monitoring of environmental or social characteristics**

The environmental and social characteristics are monitored in the following manner:

The Sub-fund promotes the reduction of its exposure to companies that account for certain negative impacts on society and the environment.

1. This is measured with the following indicator(s):

- Weighted average SD-KPI score compared to the iBoxx SD-KPI EUR Liquid Corporates Index. The total SD-KPI (Sustainable Development Key Performance Indicator) score is determined within a scale of 0 to 100.

2. This is monitored in the following manner:

- The requirements relating to SD-KPI (Sustainable Development Key Performance Indicator) score of constituents are included in the index rules which are defined by the index provider.
- The index is rebalanced on a periodic basis by the index provider.
- The Sub-fund's Portfolio Management Team 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 Sub-fund's investments with the index and to undertake recovery measures where necessary.
- VanEck has policies in place to assess the alignment of the Sub-fund's investments with the index and periodic reports are constructed on the replication of the index and whether the Sub-fund's portfolio is aligned with the index.

An engagement approach with some of the underlying companies in accordance with Glass Lewis Europe Limites engagement policy and based on its engagements' priorities.

1. This is monitored in the following manner:

- VanEck has appointed a service provider to exercise engagement. VanEck is periodically informed by the service provider on the engagement activities and has access to the related platform.

## **(g) Methodologies**

The exact methodology of the integration of the Sub-fund's environmental and/or social characteristics is determined by the index provider. More information can be found in the Sub-fund's index rules.

## **(h) Data sources and processing**

*The data sources used*

- SD-KPI (Sustainable Development Key Performance Indicator).

The index provider may use their own additional data sources.

*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 data directly from data providers and therefore has not taken measures to ensure data quality for the data which VanEck does not directly receive from data providers. For the data which VanEck does use directly from data providers, it uses a reporting service tool where data quality measures are integrated into. It is of course 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 processes a limited amount of data on its own for the Sub-fund. Data from data providers or the index provider is processed to measure the Sub-fund's environmental and social characteristics based on the Sub-fund's investments as per the end of the year. VanEck is periodically informed on the index construction, implementation and results.

#### *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 environmental and social characteristics, data from external data providers is used by the index provider, VanEck and/or the 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 promoted characteristics are 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 Sub-fund's investments in between the rebalancing moments do not comply with the promoted characteristics.

### **(j) Due Diligence**

VanEck does not select investments but uses indices which are constructed by index providers. As described in the monitoring section, VanEck 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 index selection and appointment of service providers which 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**

A third-party engagement specialist - Glass Lewis Europe Limited - for the passive equity funds managed by VanEck Asset Management B.V. has been engaged. The engagement provider determines the engagement approach in accordance with its engagement policy and based on its engagements' priorities. In addition, the VanEck Shareholder Engagement Policy can be found [here](#).

## **(I) Designated reference benchmark**

As a passive investments strategy, the Sub-fund has designated the iBoxx SD-KPI EUR Liquid Corporates Index as reference benchmark to meet the environmental and social characteristics that it promotes.

Sustainability factors are considered as part of the weighting scheme of the reference benchmark and assessed at any rebalancing of the underlying Index. By means of ESG score based weight adjustment, the Sub-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.

More product-specific information can be found on the website: [VanEck iBoxx EUR Corporates UCITS ETF | Documents](#).