

Annex 1

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: VanEck Global Real Estate UCITS ETF

Legal entity identifier: 254900806XAC7GF55143

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

Yes No

<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___% <ul style="list-style-type: none"><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy<input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments <ul style="list-style-type: none"><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy<input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy<input type="checkbox"/> with a social objective
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%	<input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



What environmental and/or social characteristics are promoted by this financial product?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The Sub-fund promotes *environmental* and *social* characteristics, by excluding:

- Companies which GRESB Public Disclosure level is lower than E.

The GRESB Public Disclosure Level provides a general overview of the ESG disclosures of listed property companies, REITs, and infrastructure companies. The Public Disclosure assessment consists of 23 industry-specific indicators. Each indicator is assessed on a binary basis, whereby companies are assigned either zero points or the maximum available points depending on the presence of adequate publicly available evidence or disclosures provided by the company. In aggregate, these indicators result in a maximum achievable score of 100 points for the real estate sector. Based on the assessment results, evaluated companies are assigned a GRESB Public Disclosure Scorecard, with Disclosure Levels ranging from A to E.

A reference benchmark, the GPR Global 100 Index, has been designated for the purpose of attaining the environmental and social characteristics promoted by the financial product.

Compared to a non-ESG fund with similar exposure, this Sub-fund applies mandatory Environmental and Social factors and limits. These are corresponding to the Principle Adverse Impacts specified below.

The Glass Lewis ESG tilted voting policy is applied, whereby cast votes concern environmental and social issues. In particular, the Glass Lewis ESG voting policy is applied as follows:

- **Environmental side:** measures in favour of increased disclosure of a company's environmental risk through company-specific disclosure, as well as alignment with internationally recognized environmental standards and principles, are generally supported. Similarly, proposals requesting companies to develop and disclose greenhouse gas emissions reduction goals, undertake climate-related analysis or transition planning where appropriate, and implement measures to mitigate environmental impacts (such as energy efficiency, renewable energy use and recycling initiatives) are supported. In assessing such proposals, consideration is given to the company's impact on the environment, in addition to the regulatory risk that a company may face by not adopting environmentally responsible policies. Furthermore, where there is inadequate board oversight of material environmental risks, votes may be cast against relevant directors.
- **Social side:** the ESG voting policy supports proposals requesting companies to develop sustainable business practices, such as animal welfare policies, human rights policies, and fair lending policies. Initiatives aimed at enhancing the workers' rights, and addressing the impact of corporate activities on local the communities are also supported.
- **Governance side:** the ESG voting policy supports increased shareholder participation and access to a company and its board of directors. Accordingly, initiatives that seek to enhance shareholder rights are generally supported, including the introduction of majority voting for the election of directors, the adoption or amendment of proxy access bylaws, the elimination or reduction of supermajority provisions, the declassification of the board, the submission of shareholder rights' plans to a shareholder vote, and adherence to the principle of one share, one vote.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The sustainability indicators may be part of the ESG selection criteria of the Index tracked by the Sub-fund :

- Involvement in activities negatively affecting biodiversity-sensitive areas.
- Exclusion of companies involved in violations of UN Global Compact (UNGC) principles & Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

The ESG-related exclusionary screening criteria of the composite Index are applied by the Index Providers in accordance with the Index methodologies at each Index rebalance. Where, as a result of changes in issuer characteristics or data, the Sub-fund's portfolio no longer reflects one or more of the environmental and/or social characteristics promoted through the Index methodology between Index rebalances, the Sub-fund's portfolio will be realigned with the Index at the next Index rebalance, in order to continue to track the Index in line with the Sub-fund's passive investment objective.

Notwithstanding the application of exclusions at the Index level, the Sub-fund's portfolio may retain limited exposure to the areas referenced in the indicators above. Such exposure may arise as a result of differences in data sources or methodologies used by the Index Provider and the Manager of the Sub-fund.

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

This question and the related questions below are not applicable as the Sub-fund does not intend to make sustainable investments.

● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

Not applicable.

— — *How have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable.

— — *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors?

- Yes, the Sub-fund considers principal adverse impacts on sustainability factors.
- No

The sub-fund considers the principal adverse impacts by means of screening, excluding and reweighting companies with a low performance on the subjects below in the following manner:

1. Social and employee, respect for human rights, anti-corruption and anti-bribery matters.
2. Part of the overall ESG disclosure score via GRESB KPI "D4: Public commitment to ESG leadership standards and/or principles".

Information on how the Sub-fund has taken into consideration Principal Adverse Impacts on sustainability factors in the preceding year is included in the Sub-fund's annual report.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and anti-



What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The Sub-fund's investment objective is to replicate, before fees and expenses, the price and yield performance of the GPR Global 100 Index. The Sub-fund seeks to invest in the 100 leading property companies based on liquidity, subject to regional constraints. Additionally, it excludes companies that have a GRESB disclosure score of "E" and reweights the rest according to their GRESB disclosure score. Finally, the Glass Lewis ESG-tilted voting policy is applied, whereby votes cast in shareholder meetings of companies in the portfolio concern sustainability matters.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding element of the investment strategy is the ESG-related exclusionary screening applied, at each rebalance, by the Index, as following:

1. Exclusion from the portfolio based on screening score: constituent companies must have score higher than "E" in terms of GRESB overall ESG disclosure score. This considers companies' disclosure policies on various Environmental, Human Rights, Labour and Governance indicators.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Sub-fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

- ***What is the policy to assess good governance practices of the investee companies?***

The Manager carries out regular due diligence on the Index Provider and maintains ongoing engagement regarding the index methodology, including its assessment of the good-governance criteria, covering sound management structures, employee relations, staff remuneration, and tax compliance at the investee-company level.

At each Index rebalance, the Index Provider applies these methodologies and excludes companies from the Index in accordance with the relevant Index guidelines.



What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

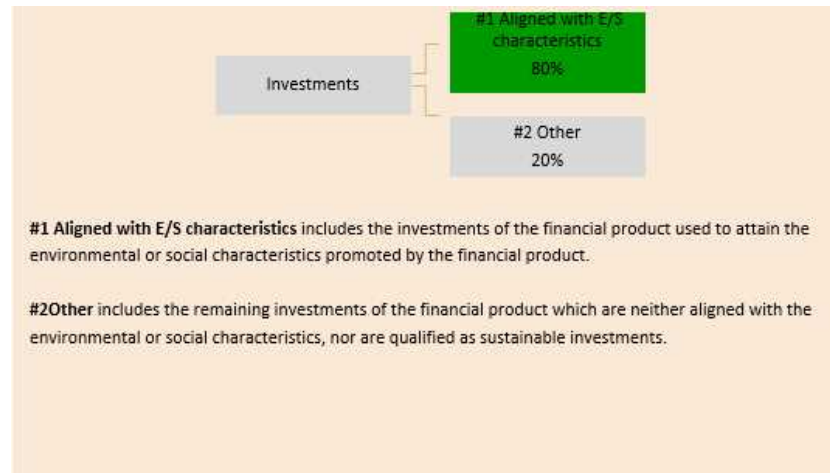
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

It is expected that at least 80% of the Sub-fund’s assets will be invested in securities included in the Index and, therefore, aligned with the environmental and social characteristics promoted by the Sub-fund at each Index rebalance. Where, as a result of changes in issuer characteristics or data, the Sub-fund’s portfolio no longer reflects one or more of the environmental and/or social characteristics promoted through the Index methodology between Index rebalances, the Sub-fund’s portfolio will be realigned with the Index at the next Index rebalance, in order to continue to track the Index in line with the Sub-fund’s passive investment objective.

Up to 20% of the Sub-fund’s total assets may be invested in other investments (“#2 Other”).



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Sub-fund may invest in financial derivative instruments. When derivatives are used, the ESG ratings and screenings described above will apply to the underlying assets of the derivative instrument.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

While the Sub-fund promotes environmental and social characteristics within the meaning of Article 8 of the SFDR, it does not currently commit to investing in any “sustainable investments” within the meaning of the SFDR. It should be noted that the investments underlying this Sub-fund do not take into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation and, as such, the Sub-fund’s portfolio alignment with such Taxonomy Regulation is not calculated. It follows that the minimum extent of sustainable investments with an aligned environmental objective aligned with the Taxonomy Regulation is currently 0%.

The “do no significant harm” principle applies only to those investments underlying the Sub-fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of the Sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?**

- Yes
 In fossil gas in nuclear energy
 No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1. Taxonomy-alignment of investments including sovereign bonds*

Non Taxonomy-aligned



1. Taxonomy-alignment of investments excluding sovereign bonds*

Non Taxonomy-aligned



This graph represents x% of the total investments.

* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

The minimum share of investments in transitional and enabling activities is 0%.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of non-aligned environmental sustainable investments is 0%.



What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments 0%.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

Up to 20% of the Sub-fund’s assets are allocated under the sub-category “#2 Other”. These may include cash, money market funds and derivatives. Such investments may be used for efficient portfolio management purposes.

¹Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

As a passive investment’s strategy, the Sub-fund has designated the GPR Global 100 Index as reference benchmark to meet the environmental and social characteristics that it promotes.

● ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

The environmental and social characteristics promoted by the Sub-fund are directly linked to those of the reference benchmark, as the investment objective of the Sub-fund is to replicate before fees and expenses the performance of the reference benchmark. The reference benchmark is a rule-based index and therefore continuously applies its methodology, including the applicable environmental and social characteristics. At each Index rebalance, the ESG selection criteria are applied by the Index Provider in order to exclude issuers that do not meet those criteria.

● ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

In order to seek to achieve its investment objective, the investment policy of the Sub-fund is to use a replication strategy by investing directly in the underlying equity securities that consists of the component securities of the Index. The Sub-fund is passively managed. The Sub-fund’s Manager, in order to ensure the alignment with the ESG characteristics that it promotes, monitors that the holdings are screened against the underlying Index’s exclusion by means of:

- Replication by the Portfolio Management Team of the Index based on the Index rules), as coded in the Bloomberg Compliance Manager system. The Index components are periodically rebalanced by the Index provider.
- Reporting of any breaches of the Index rules by the Legal and Compliance Team, in line with VanEck’s policies and procedures, which are established to assess the alignment of the funds’ investments with the Index and to undertake recovery measures where necessary.
- Periodic confirmation on ESG integration by the Index provider as part of the regular due diligence.
- Establishment of an ESG Committee which periodically reviews the compliance of the Sub-fund’s characteristics with the current regulation and which goal is to establish, maintain and further develop and monitor ESG strategies offered by VanEck. The ESG Committee is composed of the managing directors and at least one member of each department.
- Appointment of a proxy voting specialist - Glass Lewis Europe Limited- to exercise voting rights for all equity funds also on ESG factors. VanEck is periodically informed by the service provider on the voting activities.
- Appointment of a third-party engagement specialist - Glass Lewis Europe Limited - for the passive equity funds managed by VanEck Asset Management B.V. The engagement provider determines the engagement approach in accordance with its engagement policy and priorities.

● ***How does the designated index differ from a relevant broad market index?***

The index differs from a generic broad market real estate index in following ways:

- Regional Diversification constraints: 40 shares from North America, 30 from EMEA and 30 from Asia Pacific;

- ESG Screening: companies with a GRESB ESG disclosure score of “E” are excluded from the index;

- ESG-tilted weighting: weights of companies with a GRESB ESG disclosure score above “E” adjusted based on the score, with better-performing stocks in terms of ESG getting increased weights.

● ***Where can the methodology used for the calculation of the designated index be found?***

Information on the methodology can be found on the index provider’s website:

[Solactive | Indices](#).



Where can I find more product specific information online?

More product-specific information can be found on the website:

<https://www.vaneck.com/ucits/tret/documents/>